

**HANOI REINSURANCE JOINT STOCK CORPORATION**  
**(Formerly known as PVI Reinsurance Joint Stock Corporation)**  
*(Incorporated in the Socialist Republic of Vietnam)*



**AUDITED FINANCIAL STATEMENTS**  
**For the year ended 31 December 2023**



**TABLE OF CONTENTS**

<b><u>CONTENTS</u></b>	<b><u>PAGE(S)</u></b>
STATEMENT OF THE BOARD OF MANAGEMENT	1 - 2
INDEPENDENT AUDITORS' REPORT	3 - 4
BALANCE SHEET	5 - 6
INCOME STATEMENT	7 - 9
CASH FLOW STATEMENT	10
NOTES TO THE FINANCIAL STATEMENTS	11 - 36



**HANOI REINSURANCE JOINT STOCK CORPORATION**

25<sup>th</sup> floor, PVI Tower, No.01 Pham Van Bach  
Cau Giay District, Hanoi, S.R. Vietnam

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**STATEMENT OF THE BOARD OF MANAGEMENT**

PVI Reinsurance Joint Stock Corporation has officially rebranded as Hanoi Reinsurance Joint Stock Corporation (the "Corporation") under the amended License No. 86/GPDC5/KDBH issued by the Ministry of Finance on 03 August 2023.

The Board of Management of Hanoi Reinsurance Joint Stock Corporation presents this report together with the Corporation's financial statements for the year ended 31 December 2023.

**THE BOARDS OF DIRECTORS AND MANAGEMENT**

The members of the Boards of Directors and Management of the Corporation during the year and to the date of this report are as follows:

**Board of Directors**

Mr. Phung Tuan Kien	Chairman
Mr. Duong Thanh Danh Francois	Vice President
Mr. Nguyen Phuc Anh	Member
Mr. Trinh Van Luong	Member
Mr. Tran Duy Cuong	Member

**Board of Management**

Mr. Trinh Anh Tuan	Chief Executive Officer
Ms. Le Thi Thuy	Deputy Chief Executive Officer
Mr. Nguyen Hong Long	Deputy Chief Executive Officer
Mr. Nguyen Anh Hung	Deputy Chief Executive Officer
Mr. Ngo Thanh Hai	Chief Accountant

**HANOI REINSURANCE JOINT STOCK CORPORATION**

25<sup>th</sup> floor, PVI Tower, No.01 Pham Van Bach

Cau Giay District, Hanoi, S.R. Vietnam

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**STATEMENT OF THE BOARD OF MANAGEMENT (Continued)**

**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 2023, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese accounting standards, accounting regime applicable to Vietnamese 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
- 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 Vietnamese 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,



Trình Anh Tuan  
Chief Executive Officer

Hanoi, 07 February 2024

No.: 0390/VNIA-HN-BC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders  
The Boards of Directors and Management  
Hanoi Reinsurance Joint Stock Corporation**

We have audited the accompanying financial statements of Hanoi Reinsurance Joint Stock Corporation (formerly known as PVI Reinsurance Joint Stock Corporation) (the "Corporation"), prepared on 07 February 2024 as set out from page 05 to page 36, which comprise the balance sheet as at 31 December 2023, the statement of income, the 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 Vietnamese 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 2023 and its financial performance and its cash flows for the year then ended in accordance with Vietnamese accounting standards, accounting regime applicable to Vietnamese insurance enterprises and legal regulations relating to financial reporting.



**Phạm Hoài Nam**  
Deputy General Director  
Audit Practising Registration Certificate  
No. 0042-2023-001-1

**Nguyen Khuong Duy**  
Auditor  
Audit Practising Registration Certificate  
No. 5063-2020-001-1

**DELOITTE VIETNAM AUDIT COMPANY LIMITED**

07 February 2024  
Hanoi, S.R. Vietnam

**HANOI REINSURANCE JOINT STOCK CORPORATION**25<sup>th</sup> floor, PVI Tower, No. 1 Pham Van Bach Street

Cau Giay District, Hanoi, S.R. Vietnam

**FORM B 01-DNPNT**

Issued under Circular No. 232/2012/TT-BTC

dated 28 December 2012 of the Ministry of Finance

**BALANCE SHEET**

As at 31 December 2023

Unit: VND

<b>ASSETS</b>	<b>Codes</b>	<b>Notes</b>	<b>Closing balance</b>	<b>Opening balance</b>
<b>A. CURRENT ASSETS</b> (100=110+120+130+150+190)	<b>100</b>		<b>4,524,705,560,767</b>	<b>5,125,357,233,075</b>
<b>I. Cash</b>	<b>110</b>	<b>5</b>	<b>21,145,198,339</b>	<b>601,499,861,209</b>
1. Cash	111		21,145,198,339	601,276,925,892
2. Cash in transit	113		-	222,935,317
<b>II. Short-term financial investments</b>	<b>120</b>	<b>6</b>	<b>1,476,943,752,350</b>	<b>1,329,472,480,000</b>
1. Short-term investments	121		1,476,943,752,350	1,329,472,480,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>551,009,651,362</b>	<b>493,969,658,338</b>
1. Trade accounts receivable	131	/	553,363,867,834	500,010,645,276
1.1. Receivables of insurance contracts	131.1		455,660,505,725	459,264,548,182
1.2. Other trade accounts receivable	131.2		97,703,362,109	40,746,097,094
2. Other short-term receivables	135		644,731,186	434,042,275
3. Provision for short-term doubtful debts	139	8	(2,998,947,658)	(6,475,029,213)
<b>IV. Other current assets</b>	<b>150</b>		<b>309,225,925,934</b>	<b>371,883,394,432</b>
1. Short-term prepaid expenses	151	9	309,225,925,934	371,883,394,432
1.1. Unallocated commission expenses	151.1		309,002,488,756	371,763,891,853
1.2. Other short-term prepaid expenses	151.2		223,437,178	119,502,579
<b>V. Reinsurance assets</b>	<b>190</b>	<b>15</b>	<b>2,166,381,032,782</b>	<b>2,328,531,839,096</b>
1. Unearned premium reserve for outward reinsurance	191		694,160,522,593	579,276,826,818
2. Claim reserve for outward reinsurance	192		1,472,220,510,189	1,749,255,012,278
<b>B. NON-CURRENT ASSETS</b> (200=210+220+250+260)	<b>200</b>		<b>1,358,824,739,644</b>	<b>816,222,263,520</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>10,000,000,000</b>	<b>8,000,000,000</b>
1. Other long-term receivables	218		10,000,000,000	8,000,000,000
1.1. Insurance deposits	218.1		10,000,000,000	8,000,000,000
<b>II. Fixed assets</b>	<b>220</b>		<b>3,361,909,825</b>	<b>4,244,201,393</b>
1. Tangible fixed assets	221	10	2,597,767,222	3,398,248,711
Cost	222		9,748,665,693	9,748,665,693
Accumulated depreciation	223		(7,150,898,471)	(6,350,416,982)
2. Intangible assets	227	11	764,142,603	845,952,682
Cost	228		25,169,870,000	24,747,266,000
Accumulated amortization	229		(24,405,727,397)	(23,901,313,318)
<b>III. Long-term financial investments</b>	<b>250</b>	<b>6</b>	<b>1,316,697,672,810</b>	<b>773,545,450,000</b>
1. Other long-term investments	258		1,316,697,672,810	773,545,450,000
<b>IV. Other non-current assets</b>	<b>260</b>		<b>28,765,157,009</b>	<b>30,432,612,127</b>
1. Long-term prepaid expenses	261	9	28,765,157,009	30,432,612,127
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>5,883,530,300,411</b>	<b>5,941,579,496,595</b>

The accompanying notes are an integral part of these financial statements



**HANOI REINSURANCE JOINT STOCK CORPORATION**25<sup>th</sup> floor, PVI Tower, No. 1 Pham Van Bach Street  
Cau Giay District, Hanoi, S.R. Vietnam**FORM B 01-DNPNT**Issued under Circular No. 232/2012/TT-BTC  
dated 28 December 2012 of the Ministry of Finance**BALANCE SHEET (Continued)**


As at 31 December 2023


Unit: VND


RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>A. LIABILITIES (300=310)</b>	<b>300</b>		<b>4,289,946,854,087</b>	<b>5,017,845,659,465</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>4,289,946,854,087</b>	<b>5,017,845,659,465</b>
1. Trade accounts payable	312	12	599,333,173,168	614,647,237,867
1.1 Payables of insurance contracts	312.1		557,817,147,431	585,093,899,382
1.2. Other trade accounts payable	312.2		41,516,025,737	29,553,338,485
2. Taxes and amounts payable to the State budget	314	13	24,554,569,220	18,110,351,715
3. Payables to employees	315		19,484,913,180	10,366,830,868
4. Other current payables	319	14	124,961,587,801	730,017,352,908
4.1. Unearned commission income	319.1		114,682,983,666	127,944,214,714
4.2. Other payables	319.2		10,278,604,135	602,073,138,194
5. Bonus and welfare funds	323		6,409,586,395	5,161,195,907
6. Under-writing reserves	329		3,515,203,024,323	3,639,542,690,200
6.1. Unearned premium reserves for inward reinsurance	329.1	15	1,233,129,373,507	1,187,085,767,903
6.2. Claim reserves for inward reinsurance	329.2	15	2,089,193,609,830	2,291,366,751,963
6.3. Catastrophe reserve	329.3	15	192,880,040,986	161,090,170,334
<b>B. EQUITY (400=410)</b>	<b>400</b>		<b>1,593,583,446,324</b>	<b>923,733,837,130</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>16</b>	<b>1,593,583,446,324</b>	<b>923,733,837,130</b>
1. Owners' contributed capital	411		1,044,000,000,000	728,000,000,000
2. Share premium	412		329,328,334,779	-
3. Compulsory reserve fund	419		71,856,612,511	61,931,718,308
4. Retained earnings	421		148,398,499,034	133,802,118,822
<b>TOTAL RESOURCES (440 = 300+400)</b>	<b>440</b>		<b>5,883,530,300,411</b>	<b>5,941,579,496,595</b>

**OFF-BALANCE SHEET ITEMS**

ITEMS	Unit	Closing balance	Opening balance
1. Foreign currencies:			
United States Dollar	USD	95,944	334,232
British Pound	GBP	16,721	224
Euro	EUR	12,048	11,862

  
**Tran Quoc Cuong**  
Preparer

  
**Ngô Thanh Hải**  
Chief Accountant

  
**Tinh Anh Tuan**  
Chief Executive Officer

Hanoi, 07 February 2024

The accompanying notes are an integral part of these financial statements



**HANOI REINSURANCE JOINT STOCK CORPORATION**

25<sup>th</sup> floor, PVI Tower, No. 1 Pham Van Bach Street  
Cau Giay District, Hanoi, S.R. Vietnam

**FORM B 02-DNPNT**

Issued under Circular No. 232/2012/TT-BTC  
dated 28 December 2012 of the Ministry of Finance

**INCOME STATEMENT**

*For the year ended 31 December 2023*

**PART I: GENERAL INCOME STATEMENT**

*Unit: VND*

ITEMS	Codes	Current year	Prior year
1. Net revenue from insurance activities	10	1,407,693,868,143	1,199,428,178,827
2. Financial income	12	253,416,943,329	183,581,687,731
3. Total expenses for insurance activities	20	1,304,089,168,011	1,118,326,593,772
4. Financial expenses	22	58,947,831,646	38,771,122,503
5. General and administration expenses	23	40,954,851,005	35,631,294,058
6. Other expenses	24	719,665,917	-
7. Total accounting profit before tax (50 = 10+12-20-22-23-24)	50	256,399,294,893	190,280,856,225
8. Current corporate income tax expense	51	54,237,611,608	37,620,184,834
9. Net profit after corporate income tax (60=50-51)	60	202,161,683,285	152,660,671,391
10. Basic earnings per share	70	2,240	2,007

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

**INCOME STATEMENT (Continued)**  
*For the year ended 31 December 2023*

**PART II: INCOME STATEMENT BY ACTIVITY**

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
<b>1. Insurance premium (01 = 01.2-01.3)</b>	<b>01</b>	<b>17</b>	<b>2,411,269,384,097</b>	<b>2,053,277,129,546</b>
- Inward reinsurance premium	01.2		2,457,312,989,701	2,444,143,777,316
- Increase in unearned premium reserve for inward reinsurance	01.3		46,043,605,604	390,866,647,770
<b>2. Outward reinsurance premium (02 = 02.1-02.2)</b>	<b>02</b>	<b>18</b>	<b>1,282,766,938,863</b>	<b>1,127,727,932,161</b>
- Outward reinsurance premium	02.1		1,397,650,634,638	1,251,570,578,399
- Increase in unearned premium reserve for outward reinsurance	02.2		114,883,695,775	123,842,646,238
<b>3. Net insurance premium (03 = 01-02)</b>	<b>03</b>		<b>1,128,502,445,234</b>	<b>925,549,197,385</b>
<b>4. Commission income from outward reinsurance and other income from insurance activities (04=04.1+04.2)</b>	<b>04</b>		<b>279,191,422,909</b>	<b>273,878,981,442</b>
- Commission income from outward reinsurance	04.1		245,054,647,415	246,078,951,220
- Other income from insurance activities	04.2		34,136,775,494	27,800,030,222
<b>5. Net revenue from insurance activities (10=03+04)</b>	<b>10</b>		<b>1,407,693,868,143</b>	<b>1,199,428,178,827</b>
6. Claim settlement expenses	11		890,048,683,782	937,436,986,841
7. Claim receipts from ceded policies	12		464,017,012,903	560,436,291,722
8. (Decrease) in claim reserve for inward reinsurance	13		(202,173,142,133)	(141,662,263,286)
9. (Decrease) in claim reserve for outward reinsurance	14		(277,034,502,089)	(170,907,894,487)
<b>10. Total insurance claim settlement expenses (15=11-12+13-14)</b>	<b>15</b>	<b>19</b>	<b>500,893,030,835</b>	<b>406,246,326,320</b>
11. Increase in catastrophe reserve	16		31,789,870,652	35,777,195,967
<b>12. Other expenses for insurance activities (17=17.1+17.2)</b>	<b>17</b>	<b>20</b>	<b>771,406,266,524</b>	<b>676,303,071,485</b>
- Insurance commission expenses	17.1		671,124,646,489	588,278,957,891
- Other expenses for insurance activities	17.2		100,281,620,035	88,024,113,594
<b>13. Total expenses for insurance activities (18=15+16+17)</b>	<b>18</b>		<b>1,304,089,168,011</b>	<b>1,118,326,593,772</b>
<b>14. Gross profit from insurance activities (19=10-18)</b>	<b>19</b>		<b>103,604,700,132</b>	<b>81,101,585,055</b>

**INCOME STATEMENT (Continued)**


For the year ended 31 December 2023

**PART II: INCOME STATEMENT BY ACTIVITY (Continued)**

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
15. Financial income	23	21	253,416,943,329	183,581,687,731
16. Financial expenses	24	22	58,947,831,646	38,771,122,503
<b>17. Gross profit from financial activities (25=23-24)</b>	<b>25</b>		<b>194,469,111,683</b>	<b>144,810,565,228</b>
18. General and administration expenses	26	23	40,954,851,005	35,631,294,058
<b>19. Net profit from operating activities (30=19+25-26)</b>	<b>30</b>		<b>257,118,960,810</b>	<b>190,280,856,225</b>
20. Other expenses	32		719,665,917	-
<b>21. (Loss) from other activities (40=-32)</b>	<b>40</b>		<b>(719,665,917)</b>	-
<b>22. Accounting profit before tax (50=30+40)</b>	<b>50</b>		<b>256,399,294,893</b>	<b>190,280,856,225</b>
23. Current corporate income tax expense	51	25	54,237,611,608	37,620,184,834
<b>24. Profit after corporate income tax (60=50-51)</b>	<b>60</b>		<b>202,161,683,285</b>	<b>152,660,671,391</b>
<b>25. Basic earnings per share</b>	<b>70</b>	<b>26</b>	<b>2,240</b>	<b>2,007</b>


Tran Quoc Cuong  
Preparer

Ngo Thanh Hai  
Chief Accountant
  
Trinh Anh Tuan  
Chief Executive Officer


Hanoi, 07 February 2024


## CASH FLOW STATEMENT (INDIRECT METHOD)

For the year ended 31 December 2023

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. Cash flows from operating activities</b>			
1. Receipts from insurance premium, commissions and claims	01	1,134,446,596,230	815,736,756,196
2. Receipts from deducted expenses	03	7,186,007,418	1,372,592,116
3. Receipts from other operating activities	12	1,107,573,373	1,289,000,000
4. Payments for claim settlements	05	(256,343,706,836)	(157,232,238,873)
5. Payments for insurance premium, commissions and other insurance activities	06	(631,798,764,186)	(440,723,818,163)
6. Payments to suppliers for goods and services	07	(67,195,943,821)	(55,845,552,430)
7. Payments to employees	08	(45,201,863,863)	(43,848,373,592)
8. Interest paid	04	(9,641,102,308)	(2,755,126,658)
9. Payments for taxes and obligations to the State budget	09	(63,985,121,673)	(49,950,399,468)
10. Payments for other payables	10	(5,473,121,709)	(4,410,301,000)
11. Advances to employees and suppliers	11	(4,731,213,591)	(5,362,652,636)
<b>Net cash generated by operating activities</b>	<b>20</b>	<b>58,369,339,034</b>	<b>58,269,885,492</b>
<b>II. Cash flows from investing activities</b>			
1. Receipts from investments in other entities	21	1,529,184,537,322	1,350,255,824,497
2. Receipts from interest on other investments	22	169,088,289,386	174,420,695,130
3. Investments in other entities	24	(2,224,454,419,764)	(1,490,102,280,000)
4. Acquisition of fixed assets	25	(232,209,000)	(3,339,338,308)
<b>Net cash (used in)/generated by investing activities</b>	<b>30</b>	<b>(526,413,802,056)</b>	<b>31,234,901,319</b>
<b>III. Cash flows from financing activities</b>			
1. Proceeds from borrowings	31	470,028,419,198	121,667,265,940
2. Receipt from the owners' capital contribution	32	57,145,014,773	588,487,320,000
3. Repayment of borrowings	34	(470,028,419,198)	(121,667,265,940)
4. Profit, dividend paid to the Owners	36	(169,429,792,281)	(114,993,037,155)
<b>Net cash (used in)/generated by financing activities</b>	<b>40</b>	<b>(112,284,777,508)</b>	<b>473,494,282,845</b>
<b>Net (decrease)/increase in cash (50=20+30+40)</b>	<b>50</b>	<b>(580,329,240,530)</b>	<b>562,999,069,656</b>
<b>Cash at the beginning of the year</b>	<b>60</b>	<b>601,499,861,209</b>	<b>37,995,524,279</b>
Effects of changes in foreign exchange rates	61	(25,422,340)	505,267,274
<b>Cash at the end of the year (70=50+60+61)</b>	<b>70</b>	<b>21,145,198,339</b>	<b>601,499,861,209</b>

  
Tran Quoc Cuong  
Preparer

  
Ngo Thanh Hai  
Chief Accountant

  
Trinh Anh Tuan  
Chief Executive Officer

Hanoi, 07 February 2024

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**

Hanoi Reinsurance Joint Stock Corporation (formerly known as PVI Reinsurance Joint Stock Corporation) (the "Corporation") which was transformed from PVI Reinsurance Company, was established and operated under License No. 66GP/KDBH dated 20 July 2011 issued by the Ministry of Finance.

Under the Establishment and Operation License No. 86GP/KDBH issued by the Ministry of Finance on 01 October 2013, PVI Reinsurance Company has officially operated as a joint stock company under the name PVI Reinsurance Joint Stock Corporation. Under the amended License No. 86/GPDC4/KDBH issued by the Ministry of Finance on 20 July 2023, the charter capital of the Corporation is VND 1,044,000,000,000, and under the amended License No. 86/GPDC5/KDBH issued by the Ministry of Finance on 03 August 2023, the Corporation was renamed to Hanoi Reinsurance Joint Stock Corporation.

Since 24 December 2020, all shares of the Corporation were listed on Hanoi Stock Exchange (stock code: PRE).

The Parent Company of the Corporation is PVI Holdings, which was formerly known as PetroVietnam Insurance Joint Stock Corporation.

The amount of capital actually contributed by the shareholders of the Corporation as at 31 December 2023 was as follows:

	Actual contribution as at the end of the year		Actual contribution as at the beginning of the year	
	VND	Ratio	VND	Ratio
PVI Holdings	846,536,100,000	81.09%	532,268,250,000	73.11%
Other shareholders	197,463,900,000	18.91%	195,731,750,000	26.89%
	<u>1,044,000,000,000</u>	<u>100%</u>	<u>728,000,000,000</u>	<u>100%</u>

The total number of the Corporation's employees as at 31 December 2023 was 41 (31 December 2022: 39).

**Operating industry and principal activities**

The Corporation's operating industry and principal activities include:

- Reinsurance business;
- Financial investment business; and
- Insurance ancillary services.

**Disclosure of information comparability in the financial statements**

Comparative figures are the figures of the Corporation's audited financial statements for the year ended 31 December 2022.



**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 Vietnamese 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. NEW REGULATIONS HAVE BEEN EFFECTIVE DURING THE YEAR**

On 16 June 2022, the National Assembly promulgated the Law on Insurance Business No. 08/2022/QH15 ("Law on Insurance Business 2022") regulating the organization and operation of insurance business; rights and obligations of organizations and individuals operate in insurance; State management of insurance business activities. On 01 July 2023, the Government promulgated Decree No. 46/2023/ND-CP ("Decree No. 46") detailing the implementation of a number of articles of the Law on Insurance Business 2022. On 02 November 2023, the Ministry of Finance issued Circular No. 67/2023/TT-BTC ("Circular No. 67") detailing the implementation of a number of articles of the Law on Insurance Business 2022 and guiding a number of articles in Decree No. 46.

Law on Insurance Business 2022 takes effect from 01 January 2023, replacing Law on Insurance Business No. 24/2000/QH10 and the Laws on amendments and supplements ("Law on Insurance Business 2000").

Decree No. 46 takes effect from 01 July 2023, replacing Decree No. 73/2016/ND-CP dated 01 July 2016 ("Decree No. 73") detailing the implementation of a number of articles of the Law on Insurance Business 2000. Some regulations in Decree No. 46 take effect from 01 January 2023, including regulations on finance, accounting and financial reporting.

Circular No. 67 takes effect from 02 November 2023, detailing the implementation of a number of articles of the Law on Insurance Business 2022, and guiding a number of articles in Decree No. 46. Some regulations in Circular No. 67 takes effect from 01 January 2023, including regulations on finance, insurance products and brokerage.

The Board of Management has fully complied with the regulations in the Law on Insurance Business 2022, Decree No. 46 and and Circular No. 67 and assessed that the application of these regulations does not have a material impact on the financial statements of the Corporation for the year ended 31 December 2023.

**4. 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 Vietnamese 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, trade receivables, other receivables and short-term and long-term financial investments.

The fair value of cash is the carrying amount. The fair value of receivables is equal to cost less provision for doubtful debts.

The fair value is determined as follows:

- The fair value of long-term investments is determined using the net asset value method based on the financial statements of the investee and related information collected by the Corporation at the time of the financial statements.
- The fair value of the bonds is determined at their carrying amount as their interest rates fluctuate according to market interest rates.
- The fair value of short-term entrusted investment including entrusted bond investments is determined at book value as their interest rates fluctuate according to 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 issue of the financial liabilities.

Financial liabilities of the Corporation comprise trade payables and other payables.

### ***Subsequent measurement after initial recognition***

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

#### **Cash**

Cash comprises cash on hand and bank demand deposits.

#### **Financial investments**

##### ***Held-to-maturity investments***

Held-to-maturity investments comprise investments that the Corporation has the positive intent or ability to hold to maturity, including term deposits at banks, bond investments, entrusted investment in bonds whose maturity date is agreed with asset management company under entrusted investment contract.

Held-to-maturity investments are measured at cost less provision for impairment of investments.

Provision for doubtful impairment of held-to-maturity investments is made in accordance with current accounting regulations.

Interest income from term deposits at banks, bonds and bond entrusted investment is recognised in the income statement on an accrual basis.



**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 in the balance sheet at cost less provision for impairment of long-term investments (if any).

**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 under the prevailing regulations.

**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:

	Years
Motor vehicles	6
Office equipment	3 - 5

**Intangible assets and amortisation**

Intangible assets are stated at cost less accumulated amortisation.

Intangible assets represent accounting software, management software, and copyrights of other software (collectively referred to as "computer software"). Computer software is amortized using the straight-line method over the estimated useful lives.

**Prepaid expenses**

Prepaid expenses include commission expenses for inward reinsurance; cost of tools, supplies issued for consumption; office rental expenses and other expenses which are expected to provide future economic benefits to the Corporation. These are actual costs related to the operating results of several accounting periods and allocated in the prepaid period or throughout the period in which corresponding economic benefits are generated from these expenses.

Accounting policies for commission expenses for inward reinsurance are presented in accounting policy for "Expenditure recognition".

**Insurance deposits**

The Corporation is obliged to pay a deposit equal to 2% of the legal capital, the deposit shall bear 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.

#### 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 commercial bank where the Corporation usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the income statement.

#### Provisions (excluding underwriting reserves)

Provisions are recognised 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. 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

The Corporation has applied the method of making unearned premium reserve and the method of making claim reserve for incurred but not reported (IBNR) losses under approval of the Ministry of Finance in Official Letter No. 14427/BTC-QLBH dated 20 November 2018. Accordingly:

##### *Underwriting reserves for non-life insurance*

###### Unearned premium reserve:

###### *- Reinsurance agreements with terms of less than or equal to 01 year*

With regard to insurance for cargo transport: Unearned premium reserve for inward reinsurance is made at 25% of the inward reinsurance premium less the deductions, unearned premium reserve for outward reinsurance is made at 50% of the outward reinsurance premium.

With regard to other types of insurance: Unearned premium reserve for inward reinsurance is made at 25% of the inward reinsurance premium, unearned premium reserve for outward reinsurance is made at 50% of the outward reinsurance premium.

###### *- Reinsurance agreements with terms of more than 01 year*

Unearned premium reserves for inward reinsurance and outward reinsurance are made by a factor of period of direct policies: 1/8 method.

###### Claim reserve:

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

For incurred but not reported (IBNR) losses, the Corporation makes claim reserve for inward reinsurance at the rate of 5% of the inward reinsurance premium for each insurance transaction, claim reserve for outward reinsurance at the rate of 5% of the outward reinsurance premium for each insurance transaction.

###### Catastrophe reserve:

In accordance with Vietnamese Accounting Standard No. 19 "Insurance Contract", reserve to cover the losses in the future of which the claims are not incurred and do not exist at the balance sheet date (including catastrophe reserve) is deemed unnecessary. However, following regulations of the Ministry of Finance, the Corporation's catastrophe reserve for all types of insurance services were consistently provided at 3% of the premium retained in the year. The catastrophe reserve is made until this reserve is equal to 100% of the premium retained in the year of the Corporation.

***Underwriting reserves for health insurance***

***Mathematical reserve***

Mathematical reserve applied to health reinsurance agreements with terms of more than 01 year is calculated as follows:

- Regarding health reinsurance agreements which only cover death or total permanent disability: mathematical reserve is made on daily basis based on gross premium.
- For other health reinsurance agreements: The reserves are made in line with 1/8 method based on gross premium.

***Unearned premium reserve:***

Regarding health reinsurance agreements with terms of less than or equal to 01 year, unearned premium reserve is made at 50% of the gross premium.

***Claim reserve:***

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

For incurred but not reported (IBNR) losses, the Corporation makes claim reserve for inward reinsurance at the rate of 5% of the inward reinsurance premium for each insurance transaction, claim reserve for outward reinsurance at the rate of 5% of the outward reinsurance premium for each insurance transaction.

***Equalization reserve:***

This reserve is made at the rate of 3% of the premium retained in the year and is recorded in the balance sheet under catastrophe reserve item.

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

***Enterprise funds***

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

***Revenue recognition***

***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 the reinsurers, corresponding to the inward reinsurance premium earned in the year.

Commission income and other incomes from reinsurance activities are recorded on accrual basis. In the year, the entire commission income from outward reinsurance 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 this year so as to allocate such commission income to the subsequent financial years in accordance with the reserve method above.

#### **Other revenue**

Revenue from interest on bank deposits and bond investments is recognised on accrual basis.

Other revenue is recognised when the Corporation's right to receive payment has been established.

Revenue from providing insurance ancillary services is recognised when the completion of services can be measured reliably. Time to recognise revenue is the time when service provision is completed. At the reporting date, revenue is recognised on the basis of the work completed.

#### **Expenditure recognition**

Claim settlement expenses for inward reinsurance are recorded as incurred following the statement of accounts the reinsurers sent to the Corporation and when 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 inward reinsurance are recognized corresponding to inward reinsurance premium incurred in the year. In the year, the entire commission expenses for inward reinsurance under inward reinsurance contracts signed in accordance with regulations of the financial regime are presented in the "Commission expenses for inward reinsurance" item.

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

Other expenses are recognized when incurred.

#### **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 recognised 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 recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. 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.

5. CASH

	Closing balance	Opening balance
	VND	VND
Cash on hand	177,462,444	177,462,444
Bank demand deposits	20,967,735,895	12,612,143,448
Cash in transit	-	222,935,317
Deposit at escrow account to receive contributed capital	-	588,487,320,000
	<u>21,145,198,339</u>	<u>601,499,861,209</u>



6. FINANCIAL INVESTMENTS

	Closing balance			Opening balance		
	Cost	Fair value	Provision	Cost	Fair value	Provision
	VND	VND	VND	VND	VND	VND
<b>Held-to-maturity investments</b>	<b>2,215,095,975,160</b>	<b>2,215,095,975,160</b>	-	<b>1,524,472,480,000</b>	<b>1,524,472,480,000</b>	-
<i>Short-term</i>	<b>1,476,943,752,350</b>	<b>1,476,943,752,350</b>	-	<b>1,329,472,480,000</b>	<b>1,329,472,480,000</b>	-
- Short-term deposits (i)	987,256,885,774	987,256,885,774	-	1,105,959,000,000	1,105,959,000,000	-
- Short-term entrusted investment (ii)	489,686,866,576	489,686,866,576	-	100,932,100,000	100,932,100,000	-
- Bonds	-	-	-	122,581,380,000	122,581,380,000	-
<i>Long-term</i>	<b>738,152,222,810</b>	<b>738,152,222,810</b>	-	<b>195,000,000,000</b>	<b>195,000,000,000</b>	-
- Long-term deposits (iii)	658,152,222,810	658,152,222,810	-	195,000,000,000	195,000,000,000	-
- Long-term certificates of deposit (iv)	80,000,000,000	80,000,000,000	-	-	-	-
<b>Equity investments in other entities</b>	<b>578,545,450,000</b>	<b>591,121,962,311</b>	-	<b>578,545,450,000</b>	<b>592,868,079,799</b>	-
- PVI Opportunity Investment Fund (v)	304,545,450,000	311,265,155,898	-	304,545,450,000	315,500,061,094	-
- PVI Infrastructure Investment Fund (vi)	274,000,000,000	279,856,806,413	-	274,000,000,000	277,368,018,705	-

- (i) Represent term deposits at domestic commercial joint stock banks with the original term of more than 3 months and remaining term of 12 months or less from the reporting date.
- (ii) Represent entrusted bond investments in PVI Asset Management Joint Stock Company with entrusted term of 12 months.
- (iii) Represent term deposits at domestic commercial joint stock banks with the remaining term of more than 12 months from the reporting date.
- (iv) Represent long-term certificates of deposit at Lien Viet Post Joint Stock Commercial Bank with the remaining term of more than 12 months from the reporting date.
- (v) Represent the capital investment in PVI Opportunity Investment Fund ("POF") accounting for 15.23% of total charter capital of POF.
- (vi) Represent the capital investment in PVI Infrastructure Investment Fund ("PIF") accounting for 18.27% of total charter capital of PIF.

7. TRADE ACCOUNTS RECEIVABLE

	Closing balance VND	Opening balance VND
Receivables of insurance contracts	455,660,505,725	459,264,548,182
- Receivables regarding inward reinsurance	257,490,092,989	299,327,370,643
- Receivables regarding outward reinsurance	198,170,412,736	159,937,177,539
Accrued interest from financial investments	97,703,362,109	40,746,097,094
	<b>553,363,867,834</b>	<b>500,010,645,276</b>

*In which:*

	Closing balance VND	Opening balance VND
Domestic receivables	462,201,959,233	417,475,383,003
Overseas receivables	91,161,908,601	82,535,262,273
	<b>553,363,867,834</b>	<b>500,010,645,276</b>

*Receivables from related parties (Note 28):*

	Closing balance VND	Opening balance VND
PVI Insurance Corporation	127,225,528,086	143,025,240,686
Hannover Re	3,304,288,100	166,961,545
Hannover Re - Malaysia Branch	1,803,252,536	550,302,782
	<b>132,333,068,722</b>	<b>143,742,505,013</b>

8. PROVISION FOR SHORT-TERM DOUBTFUL DEBTS

	Closing balance			Opening balance		
	Cost VND	Recoverable value VND	Provision VND	Cost VND	Recoverable value VND	Provision VND
Total value of receivables and loans	5,133,305,075	2,134,357,417	2,998,947,658	9,697,900,394	3,222,871,181	6,475,029,213
overdue or not overdue but impaired						
- BIDV Insurance Corporation	821,649,347	371,701,475	449,947,872	-	-	-
- Military Insurance Joint Stock Corporation	701,126,475	188,998,730	512,127,745	6,265,786,694	1,649,114,723	4,616,671,971
- VASS Assurance Corporation	501,609,722	90,192,809	411,416,913	501,213,626	150,519,285	350,694,341
- JLT Re Asia	482,506,509	224,881,617	257,624,892	64,100,031	42,841,878	21,258,153
- JLT Specialty Pte Ltd	451,170,826	225,585,413	225,585,413	-	-	-
- QBE Insurance Company LTD	331,499,070	170,556,969	160,942,101	198,607,899	139,025,529	59,582,370
- Trust Re Malaysia	231,648,317	41,355,435	190,292,882	807,604,220	433,393,951	374,210,269
- Vietnam National Aviation Insurance Corporation	-	-	-	557,250,130	288,865,875	268,384,255
- Emirate Re	-	-	-	326,800,524	163,400,262	163,400,262
- AON Re Asia	191,232,266	2,295,381	188,936,885	194,129,901	2,426,396	191,703,505
- Miller (Labuan) Malaysia	-	-	-	181,714,103	105,988,241	75,725,862
- Others	1,420,862,543	818,789,588	602,072,955	600,693,266	247,295,041	353,398,225

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



9. PREPAID EXPENSES

	Closing balance	Opening balance
	VND	VND
<b>a) Short-term</b>	<b>309,225,925,934</b>	<b>371,883,394,432</b>
- Unallocated commission expenses	309,002,488,756	371,763,891,853
Opening balance	371,763,891,853	203,013,143,158
Unallocated commission expenses incurred in the year	608,363,243,392	757,029,706,586
Commission expenses allocated in the year	(671,124,646,489)	(588,278,957,891)
Closing balance	309,002,488,756	371,763,891,853
- Costs of tools and supplies issued for consumption	65,280,909	44,683,636
- Other short-term prepaid expenses	158,156,269	74,818,943
<b>b) Long-term</b>	<b>28,765,157,009</b>	<b>30,432,612,127</b>
- Office rental and service charges of PVI Tower	26,232,520,710	26,748,024,219
- Other long-term prepaid expenses	2,532,636,299	3,684,587,908
	<b>337,991,082,943</b>	<b>402,316,006,559</b>

10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Motor vehicles	Office equipment	Total
	VND	VND	VND
<b>COST</b>			
Opening balance	2,688,880,000	7,059,785,693	9,748,665,693
Closing balance	<b>2,688,880,000</b>	<b>7,059,785,693</b>	<b>9,748,665,693</b>
<b>ACCUMULATED DEPRECIATION</b>			
Opening balance	110,501,916	6,239,915,066	6,350,416,982
Charge for the year	448,146,667	352,334,822	800,481,489
Closing balance	<b>558,648,583</b>	<b>6,592,249,888</b>	<b>7,150,898,471</b>
<b>NET BOOK VALUE</b>			
Opening balance	<b>2,578,378,084</b>	<b>819,870,627</b>	<b>3,398,248,711</b>
Closing balance	<b>2,130,231,417</b>	<b>467,535,805</b>	<b>2,597,767,222</b>

The cost of the Corporation's tangible fixed assets includes VND 6,139,549,385 of assets which have been fully depreciated but are still in use as at 31 December 2023 (as at 31 December 2022: VND 5,946,131,385).

11. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Computer software VND
<b>COST</b>	
Opening balance	24,747,266,000
Additions	422,604,000
- New purchases	422,604,000
<b>Closing balance</b>	<b>25,169,870,000</b>
<b>ACCUMULATED AMORTISATION</b>	
Opening balance	23,901,313,318
Charge for the year	504,414,079
<b>Closing balance</b>	<b>24,405,727,397</b>
<b>NET BOOK VALUE</b>	
Opening balance	845,952,682
<b>Closing balance</b>	<b>764,142,603</b>

The cost of the Corporation's intangible assets includes VND 23,908,313,000 of assets which have been fully amortised but are still in use as at 31 December 2023 (as at 31 December 2022: VND 23,375,313,000).

12. TRADE ACCOUNTS PAYABLE

	Closing balance VND	Opening balance VND
Payables regarding insurance contracts	557,817,147,431	585,093,899,382
- Payables regarding outward reinsurance premium	360,242,067,858	393,699,552,632
- Payables regarding claim compensation	141,922,292,710	137,748,627,968
- Other payables	55,652,786,863	53,645,718,782
Other trade accounts payable	41,516,025,737	29,553,338,485
	<b>599,333,173,168</b>	<b>614,647,237,867</b>

*In which:*

	Closing balance VND	Opening balance VND
Domestic payables	448,509,011,618	445,193,707,586
Overseas payables	150,824,161,550	169,453,530,281
	<b>599,333,173,168</b>	<b>614,647,237,867</b>

*Trade payables to related parties (Note 28):*

	Closing balance VND	Opening balance VND
PVI Insurance Corporation	93,800,102,235	124,718,824,948
Hannover Re	12,262,328,770	1,011,546,480
Hannover Re - Malaysia Branch	1,283,278,036	19,974,545
	<b>107,345,709,041</b>	<b>125,750,345,973</b>

13. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	Opening balance	In the year		Closing balance
	VND	Payable VND	Paid VND	VND
Value added tax on goods and services	40,794,518	724,111,565	721,341,408	43,564,675
Corporate income tax	15,137,139,826	54,237,611,608	47,326,485,027	22,048,266,407
- Previous years	15,137,139,826	2,033,056,379	16,886,158,325	284,037,880
- Year 2023	-	52,204,555,229	30,440,326,702	21,764,228,527
Personal income tax	2,676,018,104	13,429,122,271	13,853,635,749	2,251,504,626
Withholding tax	256,399,267	1,313,442,456	1,383,607,429	186,234,294
Business license tax	-	3,000,000	3,000,000	-
Fees, charges and other payables	-	722,051,278	697,052,060	24,999,218
	<b>18,110,351,715</b>	<b>70,429,339,178</b>	<b>63,985,121,673</b>	<b>24,554,569,220</b>

14. OTHER CURRENT PAYABLES

	Closing balance VND	Opening balance VND
Unearned commission income	114,682,983,666	127,944,214,714
- Opening balance	127,944,214,714	96,489,804,916
- Unearned commission income incurred in the year	231,793,416,367	277,533,361,018
- Commission income allocated in the year	(245,054,647,415)	(246,078,951,220)
- Closing balance	114,682,983,666	127,944,214,714
Other current payables	10,278,604,135	602,073,138,194
- Trade union fee, social insurance, health insurance, unemployment insurance	1,599,608,983	1,331,220,349
- Payable related to proceeds from share issuance waiting for capital increase	-	588,487,320,000
- Payable for office renovation	-	1,501,631,274
- Payable for life insurance for senior personal	3,665,000,000	3,665,000,000
- Payable to PVIAM for cost of entrusted investment	1,478,881,320	45,880,791
- Payable to PVI Holdings for office expansion rental and other information technology expenses	745,307,931	1,932,132,356
- Other payables	2,789,805,901	5,109,953,424
	<b>124,961,587,801</b>	<b>730,017,352,908</b>

Other payables to related parties (Note 28):

	Closing balance VND	Opening balance VND
PVI Holdings	745,307,931	590,223,464,852
PVI Asset Management Joint Stock Company	1,478,881,320	45,880,791
	<b>2,224,189,251</b>	<b>590,269,345,643</b>

15. UNDERWRITING RESERVES

Claim reserve and unearned premium reserve	Inward reinsurance reserve	Closing balance	
		Outward reinsurance reserve	Net inward reinsurance reserve
	VND	VND	VND
1. Claim reserve	2,089,193,609,830	1,472,220,510,189	616,973,099,641
<i>Reserve for unsettled claims</i>	<i>1,966,327,960,345</i>	<i>1,402,337,978,457</i>	<i>563,989,981,888</i>
<i>Reserve for losses incurred but not reported</i>	<i>122,865,649,485</i>	<i>69,882,531,732</i>	<i>52,983,117,753</i>
2. Unearned premium reserve	1,233,129,373,507	694,160,522,593	538,968,850,914
	<u>3,322,322,983,337</u>	<u>2,166,381,032,782</u>	<u>1,155,941,950,555</u>

In details:

Claim reserve	Inward reinsurance claim reserve	Closing balance	
		Outward reinsurance claim reserve	Net inward reinsurance claim reserve
	VND	VND	VND
Opening balance	2,291,366,751,963	1,749,255,012,278	542,111,739,685
(Decrease)/Increase in the year	(202,173,142,133)	(277,034,502,089)	74,861,359,956
Closing balance	<u>2,089,193,609,830</u>	<u>1,472,220,510,189</u>	<u>616,973,099,641</u>

Unearned premium reserve	Unearned inward reinsurance premium reserve	Closing balance	
		Unearned outward reinsurance premium reserve	Net unearned inward premium reinsurance reserve
	VND	VND	VND
Opening balance	1,187,085,767,903	579,276,826,818	607,808,941,085
Increase/(Decrease) in the year	46,043,605,604	114,883,695,775	(68,840,090,171)
Closing balance	<u>1,233,129,373,507</u>	<u>694,160,522,593</u>	<u>538,968,850,914</u>

Catastrophe reserve	Current year		Prior year
	VND		VND
Opening balance	161,090,170,334		125,312,974,367
Increase in the year	31,789,870,652		35,777,195,967
Closing balance	<u>192,880,040,986</u>		<u>161,090,170,334</u>

16. OWNERS' EQUITY

	Owners' contributed capital	Share premium	Compulsory reserve fund	Retained earnings	Total
	VND	VND	VND	VND	VND
Prior year's opening balance	728,000,000,000	-	54,366,308,787	112,475,890,858	894,842,199,645
Profit for the year	-	-	-	152,660,671,391	152,660,671,391
Allocated to compulsory reserve fund	-	-	7,565,409,521	(7,565,409,521)	-
Dividends declared	-	-	-	(116,480,000,000)	(116,480,000,000)
Allocated to other funds	-	-	-	(7,289,033,906)	(7,289,033,906)
Current year's opening balance	728,000,000,000	-	61,931,718,308	133,802,118,822	923,733,837,130
Capital increase during the year (i)	316,000,000,000	329,328,334,779	-	-	645,328,334,779
Profit for the year	-	-	-	202,161,683,285	202,161,683,285
Allocated to compulsory reserve fund (ii)	-	-	9,924,894,203	(9,924,894,203)	-
Dividends declared (iii)	-	-	-	(171,076,000,000)	(171,076,000,000)
Allocated to other funds (iv)	-	-	-	(6,564,408,870)	(6,564,408,870)
Current year's closing balance	1,044,000,000,000	329,328,334,779	71,856,612,511	148,398,499,034	1,593,583,446,324

- (i) During the year, the Corporation completed the capital increase according to Resolution of the Board of Directors No. 37/NQ-PVIRE dated 23 August 2022 on approving the detailed plan to increase charter capital by offering shares for existing shareholders in 2022 and Resolution of the 2023 Annual General Meeting of Shareholders No. 01/2023/NQ-DHDCD dated 27 April 2023 on approving the treatment of deposit interest on escrow account to receive contributed capital. On 20 July 2023, the Corporation was granted the amended license No. 86/GPDC4/KDBH by the Ministry of Finance, changing the Corporation's charter capital from VND 728,000,000,000 to VND 1,044,000,000,000.
- (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 under current regulations.
- (iii) Dividends distribution to shareholders include:
- The 2<sup>nd</sup> dividend advance of 2022 is made according to Resolution No. 11/NQ-PVIRE dated 08 March 2023 of the Board of Directors with the amount of VND 36,400,000,000; equivalent to 5% of charter capital of VND 728,000,000,000.
  - Remaining dividend of 2022 is made according to Resolution No. 34/NQ-PVIRE dated 04 August 2023 of the Board of Directors with the amount of VND 14,616,000,000; equivalent to 1.4% of new charter capital of VND 1,044,000,000,000.
  - The 1<sup>st</sup> dividend advance of 2023 is made according to Resolution No. 39/NQ-Hanoi Re dated 30 October 2023 of the Board of Directors with the amount of VND 120,060,000,000; equivalent to 12% of new charter capital of VND 1,044,000,000,000.
- (iv) The Corporation made allocation to the bonus and welfare funds and the bonus fund for the Executive Board in accordance with Resolution No. 01/2023/NQ-DHDCD dated 27 April 2023 of the 2023 Annual General Meeting of Shareholders.



Details of owners' contributed capital are as follows:

**Shares**

	<u>Closing balance</u>	<u>Opening balance</u>
	Share	Share
<b>Numbers of shares registered to issue</b>	<b>104,400,000</b>	<b>72,800,000</b>
Common shares	104,400,000	72,800,000
<b>Numbers of shares issued to the public</b>	<b>104,400,000</b>	<b>72,800,000</b>
Common shares	104,400,000	72,800,000
<b>Numbers of outstanding shares</b>	<b>104,400,000</b>	<b>72,800,000</b>
Common shares	104,400,000	72,800,000

A common share has par value of VND 10,000.

**Status of increased capital utilization during the year**

According to the increased capital utilization plan announced in the Prospectus dated 04 November 2022, the Corporation has used the additional capital of VND 645,328,334,779 from 20 July 2023 for the following purposes:

<b>Purpose</b>	<b>Planned investment amount</b>	<b>Actual amount used</b>
	<u>VND</u>	<u>VND</u>
Invest in bank deposits	377,000,000,000	380,297,885,774
Other long-term investments	255,000,000,000	265,030,449,005
	<b>632,000,000,000</b>	<b>645,328,334,779</b>

**17. INSURANCE PREMIUM**

	<b>Current year</b>	<b>Prior year</b>
	<u>VND</u>	<u>VND</u>
Inward reinsurance premium	2,457,312,989,701	2,444,143,777,316
Property insurance	855,957,408,897	691,369,620,078
Engineering insurance	394,339,291,092	349,709,101,422
Health and personal accident insurance	371,317,933,841	173,750,313,633
Hull and P&I insurance	217,696,184,352	186,554,957,760
Motor vehicle insurance	199,526,679,062	445,441,302,556
Cargo insurance	165,531,742,339	162,720,197,935
Fire insurance	160,605,245,229	311,335,695,930
Energy insurance	25,265,179,579	18,842,774,808
Aviation insurance	13,024,011,872	74,931,116
Other insurance	54,049,313,438	104,344,882,078
(Increase) in unearned premium reserve for inward reinsurance	(46,043,605,604)	(390,866,647,770)
	<b>2,411,269,384,097</b>	<b>2,053,277,129,546</b>

18. OUTWARD REINSURANCE PREMIUM

	Current year VND	Prior year VND
Total outward reinsurance premium	1,397,650,634,638	1,251,570,578,399
Property insurance	589,410,266,264	453,244,665,804
Engineering insurance	212,668,733,000	195,888,644,496
Health and personal accident insurance	176,060,800,257	1,246,114,377
Hull and P&I insurance	124,744,448,536	128,134,896,225
Motor vehicle insurance	4,430,418,930	3,179,503,841
Cargo insurance	98,791,158,582	105,088,992,435
Fire insurance	138,193,331,851	306,593,094,806
Energy insurance	17,270,220,753	19,664,670,822
Aviation insurance	11,641,577,393	-
Other insurance	24,439,679,072	38,529,995,593
(Increase) in unearned premium reserve for outward reinsurance	(114,883,695,775)	(123,842,646,238)
	<b>1,282,766,938,863</b>	<b>1,127,727,932,161</b>

19. TOTAL INSURANCE CLAIM SETTLEMENT EXPENSES

	Current year VND	Prior year VND
Claim settlement expenses	890,048,683,782	937,436,986,841
Property insurance	240,449,369,603	346,134,419,302
Engineering insurance	65,890,758,306	55,896,068,104
Health and personal accident insurance	68,637,243,005	31,902,178,019
Hull and P&I insurance	178,145,154,525	161,567,716,601
Motor vehicle insurance	219,356,754,951	178,600,883,739
Cargo insurance	33,862,795,079	12,302,169,847
Fire insurance	47,328,878,313	98,813,659,058
Energy insurance	24,973,492,283	42,345,107,963
Aviation insurance	1,382,343,201	5,961,091
Other insurance	10,021,894,516	9,868,823,117
Claim receipts from ceded policies	(464,017,012,903)	(560,436,291,722)
(Decrease) in inward reinsurance claim reserve	(202,173,142,133)	(141,662,263,286)
Decrease in outward reinsurance claim reserve	277,034,502,089	170,907,894,487
	<b>500,893,030,835</b>	<b>406,246,326,320</b>

20. OTHER EXPENSES FOR INSURANCE ACTIVITIES

	Current year VND	Prior year VND
Commission for inward reinsurance	671,124,646,489	588,278,957,891
Inward reinsurance broker expenses	7,503,916,595	5,923,880,255
Other inward reinsurance expenses	27,120,046,834	21,152,331,743
Other reinsurance expenses	65,657,656,606	60,947,901,596
Including:		
Labour expenses	29,472,257,637	26,853,150,446
Reversal of previous year's employee expenses	-	(5,177,666,906)
Office equipment expenses	185,475,408	927,364,843
Outsourcing expenses	5,897,974,127	4,582,980,641
Other expenses	30,101,949,434	33,762,072,572
	<b>771,406,266,524</b>	<b>676,303,071,485</b>



21. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Interest income from bank deposits and bonds	156,145,563,832	83,931,312,474
Interest income from entrusted investment	15,229,379,616	10,551,464,843
Foreign exchange gain	29,972,909,381	30,967,420,129
Dividends and profits received	52,069,090,500	58,131,490,285
	<u>253,416,943,329</u>	<u>183,581,687,731</u>

22. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Foreign exchange losses	28,450,204,979	28,865,402,436
Cost of financial investment management	19,048,146,708	6,899,063,716
Interest expenses	9,641,102,309	2,755,126,661
Cost of entrusted investment	1,608,377,650	160,620,599
Cost of investment consulting services	200,000,000	90,909,091
	<u>58,947,831,646</u>	<u>38,771,122,503</u>

23. GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
Labour	24,317,792,832	23,304,543,163
Reversal of previous year's employee expenses	-	(5,245,015,351)
Office equipment expenses	1,138,623,003	1,322,406,614
Depreciation and amortisation	1,147,406,012	589,006,126
Taxes, fees and charges	5,241,437,319	4,362,781,752
Provision (reversed)/made	(3,128,473,399)	1,595,489,563
Out-sourced services	8,947,658,671	7,404,517,552
Other expenses	3,290,406,567	2,297,564,639
	<u>40,954,851,005</u>	<u>35,631,294,058</u>

24. OPERATION COST BY NATURE

	Current year	Prior year
	VND	VND
Claim expenses	500,893,030,835	406,246,326,320
Increase in catastrophe reserve	31,789,870,652	35,777,195,967
Commission expense for inward reinsurance	671,124,646,489	588,278,957,891
Inward reinsurance brokerage expenses	7,503,916,595	5,923,880,255
Other inward reinsurance expenses	27,120,046,834	21,152,331,743
Labour	53,790,050,469	50,157,693,609
Reversal of previous year's employee expenses	-	(10,422,682,257)
Depreciation and amortisation	1,147,406,012	589,006,126
Out-sourced services	14,845,632,798	11,987,498,193
Provision (reversed)/made	(3,128,473,399)	1,595,489,563
Office equipment expenses	1,324,098,411	2,249,771,457
Other expenses	38,633,793,320	40,422,418,963
	<u>1,345,044,019,016</u>	<u>1,153,957,887,830</u>

25. CORPORATE INCOME TAX

	Current year	Prior year
	VND	VND
Accounting profit before tax	256,399,294,893	190,280,856,225
Adjustments for taxable profit		
Add:	18,922,736,326	3,103,954,024
- Remuneration of the Board of Directors and the Board of Control	899,142,857	415,694,805
- Last year unrealized foreign exchange (loss) realized during the year	(1,049,809,281)	(2,498,550,900)
- Interest on deposits at escrow account recorded in share premium	13,633,353,317	-
- Other non-deductible expenses	5,440,049,433	5,186,810,119
Less:	(14,299,255,073)	(5,283,886,078)
- Recovery of non-deductible expenses in previous years	(6,525,839,650)	-
- Expenses excluded from tax calculation in last year are eligible for deduction this year	(1,111,818,498)	-
- Non-taxable profit (Dividend received from PVI Opportunity Investment Fund and PVI Infrastructure Investment Fund on which Corporate income tax has already been paid)	(4,047,606,985)	(6,333,695,359)
- Unrealised exchange rate (gain)/loss of asset items	(2,613,989,940)	1,049,809,281
Taxable profit	261,022,776,146	188,100,924,171
Normal tax rate	20%	20%
Corporate income tax expense based on taxable profit in the current year	52,204,555,229	37,620,184,834
Adjustments of previous year's corporate income tax expense to the current corporate income tax expense	2,033,056,379	-
Total current corporate income tax expense	54,237,611,608	37,620,184,834

26. BASIC EARNINGS PER SHARE

	Current year	Prior year
	VND	VND
Profit after corporate income tax	202,161,683,285	152,660,671,391
Profit after tax attributable to ordinary shareholders	202,161,683,285	152,660,671,391
Less: appropriation to Bonus and welfare funds	(7,075,658,915)	(6,564,408,870)
Earnings for the purpose of calculating basic earnings per share	195,086,024,370	146,096,262,521
Average number of outstanding ordinary shares	87,084,932	72,800,000
Basic earnings per share	2,240	2,007

27. 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 maximising the return to shareholders through the optimisation of the debt and equity balance.

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

### 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 04.

### Categories of financial instruments

	Closing balance		Opening balance	
	Book value	Fair value	Book value	Fair value
	VND	VND	VND	VND
<b>Financial assets</b>				
Cash	21,145,198,339	21,145,198,339	601,499,861,209	601,499,861,209
Trade and other receivables	550,793,656,370	550,793,656,370	493,810,913,676	493,810,913,676
Short-term and long-term financial investments	2,793,641,425,160	2,806,217,937,471	2,103,017,930,000	2,117,340,559,799
<b>Total</b>	<b>3,365,580,279,869</b>	<b>3,378,156,792,180</b>	<b>3,198,328,704,885</b>	<b>3,212,651,334,684</b>
<b>Financial liabilities</b>				
Trade and other payables	608,012,168,320	608,012,168,320	1,215,389,155,712	1,215,389,155,712
<b>Total</b>	<b>608,012,168,320</b>	<b>608,012,168,320</b>	<b>1,215,389,155,712</b>	<b>1,215,389,155,712</b>

The Board of Management of the Corporation has evaluated that the fair value of financial assets and financial liabilities at the year end is equal to their book value, except for the fair value of the investments in PVI Opportunity Investment Fund and PVI Infrastructure Investment Fund as presented in Note 06.

### 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 reinsurance risk, market risk (including foreign currency risk), credit risk and liquidity risk.

#### Reinsurance risk

A risk arising from any reinsurance contract is the possibility of failure to make an accurate assessment on risk levels of insurance subjects and on loss levels under reinsurance liability. The risk assessment on reinsurance acceptance and losses under the reinsurers' obligations is restricted by quality, timeliness and completeness of information investigated and provided by clients, cedants, and other partners in reinsurance activities. The Corporation manages such risks by applying the inward reinsurance strategy, setting up an appropriate rate of retained premium for each inward reinsurance type, arranging outward reinsurance activities reasonably, and actively providing compensations.

#### Market risk

The Corporation's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Corporation does not hedge these risk exposures due to limited liquidity of the market to purchase such financial instruments.

The Corporation prioritizes maintaining a strong capital resource to support business development and ensure legal capital requirements, as well as Solvency Margin requirements as prescribed by legal documents and relevant law. The table below shows the minimum solvency margin and solvency margin of the Corporation.

	<u>Solvency margin</u>	<u>Minimum Solvency margin</u>	<u>Solvency margin percentage</u>
As at 31 December 2023	VND 1,077 billion	VND 307 billion	351%
As at 31 December 2022	VND 350 billion	VND 306 billion	115%

*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:

	<u>Assets (VND equivalent)</u>		<u>Liabilities (VND equivalent)</u>	
	<u>Closing balance</u>	<u>Opening balance</u>	<u>Closing balance</u>	<u>Opening balance</u>
United States Dollar (USD)	161,032,670,742	213,233,747,689	177,241,456,689	239,506,122,568
Euro (EUR)	31,689,152,709	28,869,755,047	27,336,890,774	29,831,635,357
South Korean Won (KRW)	6,225,416,537	4,226,218,177	4,752,675,516	5,393,698,071
Indian Rupee (INR)	2,422,956,185	85,611,365	13,203,172,570	600,169,078
Others	9,998,550,942	6,339,300,173	9,231,375,569	5,056,601,775

*Foreign currency sensitivity analysis*

The Corporation is mainly exposed to United States Dollar, South Korean Won and Euro.

The following table details the Corporation's sensitivity to a 2% increase and decrease in Vietnam Dong against the relevant foreign currencies. 2% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 2% change in foreign currency rates. For a 2% increase/(decrease) in the following foreign currencies against Vietnam Dong, the profit before tax in the year would (decrease)/increase by respective amounts as follows:

<u>Currencies</u>	<u>Current year</u> <u>VND</u>	<u>Prior year</u> <u>VND</u>
United States Dollar (USD)	(324,175,719)	(525,447,498)
South Korean Won (KRW)	29,454,820	(23,349,598)
Euro (EUR)	87,045,239	(19,237,606)

**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 Corporation business operation is reinsurance, accordingly, the Corporation is mainly exposed to credit risks from clients operating in direct insurance business.



### 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 owners to meet its liquidity requirements in the short and longer terms.

The following tables detail the Corporation's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment years. The tables have 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 one year	From 1 - 5 years	Total
	VND	VND	VND
<b>Closing balance</b>			
Cash	21,145,198,339	-	21,145,198,339
Trade and other receivables	550,793,656,370	-	550,793,656,370
Short-term and long-term financial investments	1,476,943,752,350	1,316,697,672,810	2,793,641,425,160
<b>Total</b>	<b>2,048,882,607,059</b>	<b>1,316,697,672,810</b>	<b>3,365,580,279,869</b>
Trade and other payables	608,012,168,320	-	608,012,168,320
<b>Total</b>	<b>608,012,168,320</b>	-	<b>608,012,168,320</b>
<b>Net liquidity gap</b>	<b>1,440,870,438,739</b>	<b>1,316,697,672,810</b>	<b>2,757,568,111,549</b>
	Less than one year	From 1 - 5 years	Total
	VND	VND	VND
<b>Opening balance</b>			
Cash	601,499,861,209	-	601,499,861,209
Trade and other receivables	493,810,913,676	-	493,810,913,676
Short-term and long-term financial investments	1,329,472,480,000	773,545,450,000	2,103,017,930,000
<b>Total</b>	<b>2,424,783,254,885</b>	<b>773,545,450,000</b>	<b>3,198,328,704,885</b>
Trade and other payables	1,215,389,155,712	-	1,215,389,155,712
<b>Total</b>	<b>1,215,389,155,712</b>	-	<b>1,215,389,155,712</b>
<b>Net liquidity gap</b>	<b>1,209,394,099,173</b>	<b>773,545,450,000</b>	<b>1,982,939,549,173</b>

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

## 28. 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
PVI Insurance Corporation	Fellow subsidiary
PVI Asset Management Joint Stock Company	Fellow subsidiary
PVI Opportunity Investment Fund	Fellow subsidiary
PVI Infrastructure Investment Fund	Fellow subsidiary
Hannover Re	In the same Corporation with shareholder of Holding company
Hannover Re – Malaysia Branch	In the same Corporation with shareholder of Holding company
Hannover Rück SE – Malaysia Branch	In the same Corporation with shareholder of Holding company
HDI-Gerling Industrie, Versicherung AG	In the same Corporation with shareholder of Holding company

*The Corporation's significant related party transactions in the year are as follows:*

	Current year VND	Prior year VND
<b>PVI Holdings</b>		
Office rental and services charges	4,342,729,866	4,149,185,261
Dividend paid	135,816,569,400	85,158,528,000
Advance received on share issuance	40,048,380,000	588,487,320,000
<b>PVI Insurance Corporation</b>		
Inward reinsurance premium	1,256,272,329,105	1,441,199,793,552
Commission and other expenses for inward reinsurance	363,135,034,255	332,379,884,017
Transfer of outward reinsurance premium	247,915,380,740	176,025,581,149
Commission and other income from outward reinsurance	57,416,684,567	52,158,700,157
Claim receipt from ceded policies	77,187,546,500	66,779,806,805
Claim settlement expenses for inward reinsurance	564,659,218,566	676,255,260,670
Other income from outward reinsurance	6,420,055,284	-
<b>PVI Asset Management Joint Stock Company</b>		
Investment consultant fees	200,000,000	90,909,091
Entrusted investment fees	1,605,121,473	160,620,599
<b>PVI Opportunity Investment Fund</b>		
Capital contributed	-	100,000,000,000
Dividend received	27,409,090,500	34,814,090,285
Bonds purchased	-	22,578,380,000
Bonds sold off	22,505,312,877	-
<b>PVI Infrastructure Investment Fund</b>		
Receive transfer of deposit contracts through PVI Asset Management Joint Stock Company	283,804,877,572	-
Dividend received	24,660,000,000	23,317,400,000
<b>Hannover Re - Malaysia Branch</b>		
Transfer of outward reinsurance premium	1,178,803,227	1,061,265,156
Claim receipts from ceded policies	1,198,054,001	867,175,709
Commission income from outward reinsurance	(16,918,239)	(6,292,083)
Other income from outward reinsurance	-	345,503
<b>Hannover Re</b>		
Inward reinsurance premium	34,100,817,426	15,231,878,955
Transfer of outward reinsurance premium	50,063,859	47,792,358
Claim settlement expenses for inward reinsurance	49,290,552,269	2,913,281,729
Claim receipts from ceded policies	28,509,670	85,809,694
Commission income from outward reinsurance	17,772,753	16,966,277
<b>HDI-Gerling Industrie, Versicherung AG</b>		
Claim receipts from ceded policies	8,788,392,194	-

*Significant related party balances as at the balance sheet date are as follows:*

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
<b>PVI Holdings</b>		
Other payables	745,307,931	590,223,464,852
<b>PVI Insurance Corporation</b>		
Receivables of insurance contracts	127,225,528,086	143,025,240,686
Payables of insurance contracts	93,800,102,235	124,718,824,948
<b>PVI Asset Management Joint Stock Company</b>		
Other receivables	-	2,027,134,718
Other payables	1,478,881,320	45,880,791
<b>PVI Opportunity Investment Fund</b>		
Capital investment	304,545,450,000	304,545,450,000
<b>PVI Infrastructure Investment Fund</b>		
Capital investment	274,000,000,000	274,000,000,000
<b>Hannover Re</b>		
Receivables of insurance contracts	3,304,288,100	166,961,545
Payables of insurance contracts	12,262,328,770	1,011,546,480
<b>Hannover Re - Malaysia Branch</b>		
Receivables of insurance contracts	1,803,252,536	550,302,782
Payables of insurance contracts	1,283,278,036	19,974,545

#### **Remuneration of the Boards of Directors and Management**

Remuneration of the members of the Board of Directors and the salary of the Board of Management received during the year are as follows:

	<u>Current year</u> VND	<u>Prior year</u> VND
<b>Board of Directors</b>		
Mr. Phung Tuan Kien	324,000,000	47,308,442
Mr. Duong Thanh Danh Francois	189,000,000	29,045,455
Mr. Nguyen Phuc Anh	121,500,000	14,522,727
Mr. Trinh Van Luong	189,000,000	108,000,000
Mr. Tran Duy Cuong	121,500,000	46,285,714
Mr. Nguyen Anh Tuan	-	34,077,273
Mr. Truong Minh Duc	-	2,314,286
Mr. Vu Van Thang	-	569,783,500
<b>Board of Management</b>		
Mr. Trinh Anh Tuan	2,465,196,511	1,721,242,289
Ms. Le Thi Thuy	1,725,556,165	1,170,528,489
Mr. Nguyen Hong Long	1,604,284,521	1,137,709,989
Mr. Nguyen Anh Hung	1,382,472,690	688,691,911
Mr. Ngo Thanh Hai	1,220,660,029	944,936,799
Mr. Phan Trinh Quoc Kien	-	280,937,468
	<b>9,343,169,916</b>	<b>6,795,384,341</b>



Additional salary after tax of the members of the Board of Directors and Management in the year are as follows:

	Current year VND	Prior year VND
<b>Board of Directors</b>		
Mr. Phung Tuan Kien	169,218,360	-
Mr. Duong Thanh Danh Francois	126,913,770	-
Mr. Nguyen Phuc Anh	84,609,180	-
Mr. Trinh Van Luong	126,913,770	-
Mr. Tran Duy Cuong	101,531,016	-
Mr. Vu Van Thang	169,218,360	941,065,632
<b>Board of Management</b>		
Mr. Trinh Anh Tuan	1,930,811,075	1,164,768,676
Ms. Le Thi Thuy	746,528,572	803,502,870
Mr. Nguyen Hong Long	722,026,072	745,528,750
Mr. Nguyen Anh Hung	597,329,215	488,686,295
Mr. Ngo Thanh Hai	508,575,715	605,930,900
Mr. Phan Trinh Quoc Kien	-	129,062,746
	<b>5,283,675,105</b>	<b>4,878,545,868</b>

## 29. SUMMARY OF CLAIMS

Year of losses	2019 VND	2020 VND	2021 VND	2022 VND	2023 VND	Total VND
<b>Accumulated claim reserve amount</b>						
At the end of the year of losses	298,794,437,187	298,508,704,931	1,063,906,787,030	467,348,114,322	206,800,319,614	206,800,319,614
After 1 year	666,634,624,206	570,673,702,662	1,429,488,350,800	984,823,479,296	-	984,823,479,296
After 2 years	688,811,349,752	654,720,851,469	1,564,009,369,205	-	-	1,564,009,369,205
After 3 years	710,303,474,049	657,383,460,094	-	-	-	657,383,460,094
After 4 years	682,532,696,659	-	-	-	-	682,532,696,659
Claim reserve amount accumulated to the current year (1)	<b>682,532,696,659</b>	<b>657,383,460,094</b>	<b>1,564,009,369,205</b>	<b>984,823,479,296</b>	<b>206,800,319,614</b>	<b>4,095,549,324,868</b>
<b>Accumulated paid claim amount</b>						
At the end of the year of losses	37,816,822,787	37,331,936,925	110,009,482,576	106,240,496,911	34,774,143,186	34,774,143,186
After 1 year	330,811,470,517	247,569,522,678	571,321,993,213	539,952,469,956	-	539,952,469,956
After 2 years	482,302,619,676	377,830,377,346	795,500,009,825	-	-	795,500,009,825
After 3 years	580,145,592,765	454,675,792,439	-	-	-	454,675,792,439
After 4 years	613,568,666,710	-	-	-	-	613,568,666,710
Paid claim amount accumulated to the current year (2)	<b>613,568,666,710</b>	<b>454,675,792,439</b>	<b>795,500,009,825</b>	<b>539,952,469,956</b>	<b>34,774,143,186</b>	<b>2,438,471,082,116</b>
<b>Total outstanding claim reserve (3)=(1)-(2)</b>	<b>68,964,029,949</b>	<b>202,707,667,655</b>	<b>768,509,359,380</b>	<b>444,871,009,340</b>	<b>172,026,176,428</b>	<b>1,657,078,242,752</b>
Outstanding claim reserve for previous years' losses	-	-	-	-	-	309,249,717,593
<b>Total outstanding claim reserve at the year-end</b>	-	-	-	-	-	<b>1,966,327,960,345</b>

30. BUSINESS AND GEOGRAPHICAL SEGMENTS

The principal activities of the Corporation are to do business on reinsurance and financial investment. Accordingly, the financial information presented on the Balance sheet as at 31 December 2023 as well as revenues and expenses presented in the Income Statement for the year ended 31 December 2023 and the prior year are related to the principal business activities.

The Corporation does business on reinsurance, Insurance ancillary services and financial investments mainly in the Vietnamese market.

31. SUBSEQUENT EVENTS

Up to the reporting date, no material events that have occurred after 31 December 2023 could significantly affect the financial position of the Corporation and required adjustments to or disclosures on the financial statements for the year ended 31 December 2023.



Tran Quoc Cuong  
Preparer



Ngo Thanh Hai  
Chief Accountant



Trần Anh Tuấn  
Chief Executive Officer

Hanoi, 07 February 2024