

PVI HOLDINGS

(Incorporated in the Socialist Republic of Vietnam)



**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS**

For the year ended 31 December 2024



PVI HOLDINGS

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

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PVI Tower, No. 01 Pham Van Bach, Cau Giay

Hanoi, S.R. Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

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

THE BOARDS OF DIRECTORS AND MANAGEMENT

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

Board of Directors

Mr. Jens Holger Wohlthat	Chairman
Mr. Duong Thanh Danh Francois	Permanent Vice Chairman (Appointed on 16 August 2024)
Mr. Nguyen Tuan Tu	Vice Chairman (Appointed on 16 August 2024)
Mr. Nguyen Xuan Hoa	Permanent Vice Chairman (Resigned on 16 August 2024)
Mr. Ulrich Heinz Wollschlager	Member
Mr. Doan Linh	Member
Ms. Bui Thi Nguyet	Independent member
Mr. Christian Sebastian Mueller	Independent member
Ms. Christine Nagel	Independent member (Appointed on 16 August 2024)
Ms. Pecastaing Pierre Tatiana	Independent member (Resigned on 16 August 2024)

Board of Management

Mr. Nguyen Tuan Tu	Chief Executive Officer (CEO) (Appointed on 16 August 2024)
Mr. Nguyen Xuan Hoa	CEO (Resigned on 16 August 2024)
Mr. Phung Tuan Kien	Deputy CEO
Mr. Pham Anh Duc	Deputy CEO
Mr. Vu Van Thang	Deputy CEO
Mr. Do Tien Thanh	Deputy CEO

THE BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

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

PVI HOLDINGS

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

STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

- 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 consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

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

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

For and on behalf of the Board of Management, 



Nguyen Tuan Tu
Chief Executive Officer

20 February 2025

INDEPENDENT AUDITORS' REPORT

**To: The Shareholders, the Boards of Directors and Management
PVI Holdings**

We have audited the accompanying consolidated financial statements of PVI Holdings (the "Company"), prepared on 20 February 2025 as set out from page 04 to page 45, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statement of income, the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting and for such internal control as management determines is necessary to enable the preparation of the consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

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

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

Opinion

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



Tran Huy Cong
Deputy General Director
Audit Practising Registration Certificate
No. 0891-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

20 February 2025
Hanoi, S.R. Vietnam

Doan Dieu Huyen
Auditor
Audit Practising Registration Certificate
No. 5593-2025-001-1

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		26,187,880,113,585	21,466,480,851,646
I. Cash and cash equivalents	110	4	388,792,764,696	877,163,095,746
1. Cash	111		316,238,124,190	351,481,314,924
2. Cash equivalents	112		72,554,640,506	525,681,780,822
II. Short-term financial investments	120		9,959,113,535,060	7,875,936,852,492
1. Trading securities	121	5	283,029,277,324	783,707,880,000
2. Provision for impairment of trading securities	122	5	(37,085,880,000)	(37,085,880,000)
3. Held-to-maturity investments	123	5	9,713,170,137,736	7,129,314,852,492
III. Short-term receivables	130		15,019,145,938,281	12,037,832,009,515
1. Short-term trade receivables	131	6	15,010,359,058,562	12,009,193,640,574
2. Short-term advances to suppliers	132		7,152,198,964	14,247,383,259
3. Other short-term receivables	136	7	220,156,522,417	245,506,299,400
4. Provision for short-term doubtful debts	137	8	(218,521,841,662)	(231,115,313,718)
IV. Inventories	140		3,008,969,635	1,478,500,125
1. Inventories	141		3,008,969,635	1,478,500,125
V. Other short-term assets	150		817,818,905,913	674,070,393,768
1. Short-term prepayments	151	12	812,786,418,685	656,204,466,413
2. Value added tax deductibles	152		244,848,370	13,098,053,320
3. Taxes and other receivables from the State budget	153	15	4,787,638,858	4,767,874,035
B. NON-CURRENT ASSETS	200		5,578,984,084,033	5,476,198,143,574
I. Long-term receivables	210		35,270,897,860	31,517,358,248
1. Other long-term receivables	216	7	35,270,897,860	31,517,358,248
II. Fixed assets	220		329,694,589,642	354,107,091,396
1. Tangible fixed assets	221	9	271,394,690,862	284,791,786,495
- Cost	222		627,665,329,939	637,496,487,041
- Accumulated depreciation	223		(356,270,639,077)	(352,704,700,546)
2. Intangible assets	227	10	58,299,898,780	69,315,304,901
- Cost	228		226,488,200,441	216,979,389,106
- Accumulated amortisation	229		(168,188,301,661)	(147,664,084,205)
III. Investment property	230	11	753,684,406,044	784,831,020,506
- Cost	231		1,105,607,068,661	1,105,607,068,661
- Accumulated depreciation	232		(351,922,662,617)	(320,776,048,155)
IV. Long-term assets in progress	240		203,390,000	-
1. Construction in progress	242		203,390,000	-
V. Long-term financial investments	250		4,370,664,511,772	4,205,104,347,585
1. Equity investments in other entities	253	5	49,636,474,000	64,539,474,000
2. Provision for impairment of long-term financial investments	254	5	(42,234,039,962)	(40,288,701,545)
3. Held-to-maturity investments	255	5	4,363,262,077,734	4,180,853,575,130
VI. Other long-term assets	260		89,466,288,715	100,638,325,839
1. Long-term prepayments	261	12	70,718,503,951	84,552,537,053
2. Deferred tax assets	262		18,747,784,764	16,085,788,786
TOTAL ASSETS (270=100+200)	270		31,766,864,197,618	26,942,678,995,220

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

CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		23,584,028,863,377	18,843,302,734,767
I. Current liabilities	310		23,476,490,014,519	18,697,769,023,111
1. Short-term trade payables	311	13	4,060,145,460,140	3,185,878,720,846
2. Short-term advances from customers	312	14	710,524,317,878	447,922,610,796
3. Taxes and amounts payable to the State budget	313	15	163,377,958,588	210,970,725,843
4. Payables to employees	314		305,696,125,237	422,234,696,402
5. Short-term accrued expenses	315		70,123,012,676	64,336,608,184
6. Short-term unearned revenue	318		30,709,164,178	29,889,201,296
7. Other current payables	319	16	111,114,535,683	85,993,107,437
8. Short-term loans	320	17	200,000,000,000	-
9. Short-term provisions	321	18	17,802,879,951,675	14,228,147,406,019
10. Bonus and welfare funds	322		21,919,488,464	22,395,946,288
II. Long-term liabilities	330		107,538,848,858	145,533,711,656
1. Long-term unearned revenue	336		70,230,882,355	107,375,869,510
2. Other long-term payables	337	16	36,096,818,959	36,781,177,935
3. Long-term provisions	342	18	1,211,147,544	1,376,664,211
D. EQUITY	400		8,182,835,334,241	8,099,376,260,453
I. Owners' equity	410	19	8,182,835,334,241	8,099,376,260,453
1. Owners' contributed capital	411		2,342,418,670,000	2,342,418,670,000
- Ordinary shares carrying voting rights	411a		2,342,418,670,000	2,342,418,670,000
2. Share premium	412		3,716,658,852,155	3,716,658,852,155
3. Investment and development fund	418		179,211,820,775	179,211,820,775
4. Other reserves	420		396,504,060,718	357,167,593,918
5. Retained earnings	421		1,188,692,049,722	1,173,632,587,644
- Retained earnings accumulated to the prior year end	421a		383,349,031,190	256,066,115,779
- Retained earnings of the current year	421b		805,343,018,532	917,566,471,865
6. Non-controlling interests	429		359,349,880,871	330,286,735,961
TOTAL RESOURCES (440=300+400)	440		31,766,864,197,618	26,942,678,995,220

Hoang Huy Hiep
Preparer

Tran Duy Cuong
Chief Accountant



Nguyen Tuan Tu
Chief Executive Officer

20 February 2025

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

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	22	20,376,218,972,121	14,661,051,650,660
2. Deductions	02	23	12,637,961,930,835	7,951,711,779,171
3. Net revenue from goods sold and services rendered (10=01-02)	10		7,738,257,041,286	6,709,339,871,489
4. Cost of sales	11	24	6,785,015,410,116	5,670,584,516,232
5. Gross profit from goods sold and services rendered (20=10-11)	20		953,241,631,170	1,038,755,355,257
6. Financial income	21	27	1,320,878,161,465	1,329,507,445,406
7. Financial expenses	22	28	446,340,171,662	396,628,105,079
- In which: Interest expense	23		31,745,327,697	32,882,447,418
8. General and administration expenses	26	25	713,547,008,109	727,852,418,881
9. Operating profit (30=20+(21-22)-26)	30		1,114,232,612,864	1,243,782,276,703
10. Other income	31	29	127,221,907,974	92,814,613,193
11. Other expenses	32	30	123,889,644,316	90,186,541,686
12. Profit from other activities (40=31-32)	40		3,332,263,658	2,628,071,507
13. Accounting profit before tax (50=30+40)	50		1,117,564,876,522	1,246,410,348,210
14. Current corporate income tax expense	51	31	240,584,833,176	242,193,648,200
15. Deferred corporate tax (income)	52		(2,661,995,978)	(2,284,556,542)
16. Net profit after corporate income tax (60=50-51-52)	60		879,642,039,324	1,006,501,256,552
In which:				
Profit after tax attributable to Parent Company	61		843,032,680,980	957,129,679,508
Profit after tax attributable to non-controlling shareholders	62		36,609,358,344	49,371,577,044
17. Basic earnings per share	70	32	3,556	4,037


Hoang Huy Hiep
Preparer


Tran Duy Cuong
Chief Accountant




Nguyen Tuan Tu
Chief Executive Officer

20 February 2025

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

CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	1,117,564,876,522	1,246,410,348,210
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	86,121,688,606	86,035,131,575
Provisions	03	943,072,707,241	403,092,611,604
Foreign exchange losses arising from translating foreign currency items	04	55,484,075,590	28,549,853,023
(Gains) from investing activities	05	(1,102,648,246,892)	(1,116,798,964,864)
Interest expense	06	31,745,327,697	32,882,447,418
3. Operating profit before movements in working capital	08	1,131,340,428,764	680,171,426,966
Changes in receivables	09	(93,738,803,139)	394,883,316,994
Changes in inventories	10	(1,530,469,510)	948,253,701
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	520,496,004,574	(406,561,496,508)
Changes in prepaid expenses	12	(142,747,919,170)	9,630,015,882
Changes in trading securities	13	500,678,602,676	688,701,809,394
Interest paid	14	(31,608,593,375)	(32,882,447,417)
Corporate income tax paid	15	(265,422,786,476)	(225,296,571,107)
Other cash outflows	17	(41,538,476,360)	(37,506,096,909)
Net cash generated by operating activities	20	1,575,927,987,984	1,072,088,210,996
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(32,524,031,791)	(48,851,554,726)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	137,602,610	332,000,000
3. Cash outflow for lending, buying debt instruments of other entities	23	(14,071,056,521,606)	(12,014,835,565,509)
4. Cash recovered from lending, selling debt instruments of other entities	24	11,697,989,406,200	10,320,725,134,427
5. Cash recovered from investments in other entities	26	17,083,600,000	-
6. Interest earned, dividends and profits received	27	877,156,445,729	870,597,869,664
Net cash (used in) investing activities	30	(1,511,213,498,858)	(872,032,116,144)

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

CONSOLIDATED CASH FLOW STATEMENT (Continued)
(Indirect method)
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from share issue and owners' contributed capital	31	25,989,600,000	17,096,634,773
2. Proceeds from borrowings	33	1,915,550,372,574	1,682,985,399,817
3. Repayment of borrowings	34	(1,715,550,372,574)	(1,711,983,399,816)
4. Dividends and profits paid	36	(780,080,076,493)	(736,681,154,281)
Net cash (used in) financing activities	40	(554,090,476,493)	(748,582,519,507)
Net decreases in cash (50=20+30+40)	50	(489,375,987,367)	(548,526,424,655)
Cash and cash equivalents at the beginning of the year	60	877,163,095,746	1,423,599,922,142
Effects of changes in foreign exchange rates	61	1,005,656,317	2,089,598,259
Cash and cash equivalents at the end of the year (70=50+60+61)	70	388,792,764,696	877,163,095,746

Hoang Huy Hiep
Preparer

Tran Duy Cuong
Chief Accountant



Nguyen Tuan Tu
Chief Executive Officer

20 February 2025

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

PVI Holdings (the "Company"), formerly known as PetroVietnam Insurance Joint Stock Corporation, was established and operates under License No. 42 GP/KDBH dated 12 March 2007 issued by the Ministry of Finance.

PVI Holdings' shares have been listed on the Hanoi Securities Trading Center (currently known as the Hanoi Stock Exchange) (listed code: PVI) since 10 August 2007.

On 28 June 2011, the 12th amended Business Licence No. 0100151161 was granted to PetroVietnam Insurance Joint Stock Corporation by the Hanoi Authority for Planning and Investment; accordingly, the Company's name was changed to PVI Holdings and some other principal activities were revised and added.

The Company has officially operated under a parent-subidiary structure in accordance with the newly amended Business License since 01 August 2011.

The total number of employees of the Company and its subsidiaries as at 31 December 2024 was 2,479 (as at 31 December 2023: 2,482).

Operating industry

The Company's operating industry includes financial services and real estate business.

Principal activities

The principal activities of the Company and its subsidiaries include:

- Asset holdings;
- Insurance and reinsurance activities;
- Financial services;
- Real estate business; and
- Information technology service activities and other services related to computers and data processing.

Normal business cycle

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

The Company's structure

The Company has its head office located at PVI Tower, No. 01 Pham Van Bach, Cau Giay district, Hanoi and 02 dependent accounting branches – the Information Technology Center and the Business Services and Management Center.

The list of the Company's direct subsidiaries as at 31 December 2024 includes:

- PVI Insurance Corporation (PVI Insurance)
- Hanoi Reinsurance Joint Stock Corporation (Hanoi Reinsurance)
- PVI Asset Management Joint Stock Company (PVI AM)
- PVI Opportunity Investment Fund (POF) (i)
- PVI Infrastructure Investment Fund (PIF) (i)



- (i) PVI Opportunity Investment Fund ("POF") was established on 08 October 2015 as a closed-end fund in accordance with Notice No. 215/TB-UBCK issued by the State Securities Commission of Vietnam and continued to be extended to 08 October 2025 according to Official Letter No.3388/UBCK-QLQ dated 20 May 2020. PVI Infrastructure Investment Fund ("PIF") was established on 25 May 2017 as a closed-end fund in accordance with Notice No. 153/TB-UBCK issued by the State Securities Commission of Vietnam and continued to be extended to 25 May 2027 according to Certificate No. 26/GCN-UBCK dated 25 June 2021 issued by State Securities Commission of Vietnam. POF and PIF were invested by the Company and its subsidiaries, including PVI Insurance Corporation and Hanoi Reinsurance Joint Stock Corporation. POF and PIF are under the management of PVI Asset Management Joint Stock Company. The depository bank is Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Thanh Branch.

Disclosure of information comparability in the consolidated financial statements

The comparative figures of the consolidated financial statements are the figures of the Company's audited consolidated financial statements for the year ended 31 December 2023.

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

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

The consolidated financial statements are prepared based on consolidation of separate financial statements of the Company and its subsidiaries' financial statements.

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

Financial year

The Company'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 Company in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of the consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated 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 consolidated 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.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (namely PVI Opportunity Investment Fund ("POF") and PVI Infrastructure Investment Fund ("PIF")) (collectively referred to as "subsidiaries") prepared for the year ended 31 December 2024. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests consist of the amount of those non-controlling interests at the date of the original business combination (see below) and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combination

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the year of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Financial instruments

Initial recognition

Financial assets

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

Financial assets of the Company comprise cash, cash equivalents, trade receivables, other receivables and financial investments.

The fair value of cash and cash equivalents is the carrying amount. The fair value of accounts receivable is equal to cost less provision for receivables

The fair value of these financial investments is determined as follows:

- The fair value of listed trading securities is determined according to the closing prices listed on the Hanoi Stock Exchange (HNX) or the Ho Chi Minh Stock Exchange (HOSE) at the year-end date.

- The fair value of trading securities which have been registered for trading in the market of unlisted public companies (UPCoM) is determined by the average reference price of the nearest 30 trading days before the year-end.
- For other trading securities, the fair value is determined by using the appropriate valuation methodology, including the method that involves comparison with similar trading securities having market prices and the net asset value method.
- The fair value of long-term equity investments is determined by the method of the net asset value method based on the most recent financial statements of the investment unit collected by the Company at the reporting date.
- The fair value of bond investments is determined by book value as the interest rate is subject to changes of market interest rates.
- The fair value of the deposits at the domestic commercial banks and bonds is determined at the book value.
- For other investments with insufficient information in the market to determine the fair value at the reporting date, the book value of these items is presented instead of the fair value.

Financial liabilities

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

Financial liabilities of the Company comprise trade payables, other payables and accrued expenses.

Subsequent measurement after initial recognition

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank demand deposits, cash in transit and short-term, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

a. Trading securities

Trading securities are those the Company holds for trading purpose. Trading securities are recognised from the date the Company obtains the ownership of those securities and initially measured at the fair value of payments made at the transaction date plus directly attributable transaction costs.

In subsequent years, investments in trading securities are measured at cost less provision for impairment of such investments.

Provision for impairment of investments in trading securities is made when there has been evidenced that their market prices are lower than their costs in accordance with prevailing accounting regulations.

b. Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term bank deposits, certificates of deposit and bond investments.

Held-to-maturity investments are recognised 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 recognised in the consolidated 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 impairment of held-to-maturity investments.

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

c. Equity investments in other entities

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.

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.

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rental income from operating leases is recognised in the consolidated income statement on a straight-line basis over the term of the relevant lease.

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, structures	25 - 40
Motor vehicles	6
Office equipment	3 - 10
Others	3 - 6

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 consolidated income statement.

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") and land use rights.

Computer software is amortised using the straight-line method over the estimated useful life of 3 years. Land use rights are amortised using the straight-line method over the duration of the right to use the land. Indefinite-term land use rights are not amortised as per the prevailing relevant regulations.

Investment properties

Investment properties held to earn rentals include office buildings held by the Company to earn rentals that are stated at cost less accumulated depreciation. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties. Investment properties held to earn rentals are depreciated using the straight-line method over their estimated useful lives.

Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses include commission expenses, insurance agent support expenses, expense for e-commerce services, costs of tools and supplies issued for consumption and other expenses which are expected to provide future economic benefits to the Company.

Other expenses are costs of tools and supplies issued for consumption and other expenses which have been capitalised as prepayments and are allocated to the consolidated income statement using the straight-line method in accordance with the prevailing accounting regulations.

Accounting policies for prepaid expenses regarding commission expense for insurance business, commission expenses, insurance agent support expenses, expense for e-commerce services are stated in the "Expenses" section of "Significant accounting policies related to insurance business" part.

Borrowing costs

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

Payable provisions

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company 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 as at the consolidated balance sheet date.

Unearned revenue

Unearned revenue is the amounts received in advance relating to results of operations of one or for multiple accounting periods for services related to office lease and financial service that have been yet provided. 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

Revenue from the rendering of services

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognised in each year by reference to the percentage of completion of the transaction at the consolidated balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) The amount of revenue can be measured reliably;
- (b) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Financial income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

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

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 consolidated balance sheet date are retranslated at the exchange rates of commercial bank where the Company usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the consolidated income statement.

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 consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years 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 consolidated 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 Company 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.

Enterprise funds

All profits are used to allocate to bonus and welfare funds, bonus for the management, compulsory reserve fund and other funds under the decision-making competence of the General Shareholders' Meeting. The allocation ratio shall be decided at the General Shareholders' Meeting as per the request of the Board of Directors.

Significant accounting policies related to insurance business

Insurance 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:

Application for PVI Insurance Corporation:

- 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 insurances: Applying the 1/24 method of making unearned premium reserve.

Application for Hanoi Reinsurance Joint Stock Corporation:

- For reinsurance agreements with terms of less than or equal to 01 year:

Unearned premium reserve for inward reinsurance is made at 25% of the inward reinsurance premium less any deduction from the inward reinsurance premium for cargo transport types, and 50% for other insurance types.

Unearned premium reserve for outward reinsurance is made at 25% of the outward reinsurance premium for cargo transport types and 50% for other insurance types.

- For reinsurance agreements with terms of more than 01 year:

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

The movement of unearned premium reserve has been recorded in "Deductions" line item in these consolidated financial statements.

Claim reserve:

- For losses incurred and reported, including both direct insurance and inward reinsurance, the Company 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):

- PVI Insurance Corporation makes claim reserve based on the statistics of historical data.
- Hanoi Reinsurance Joint Stock Corporation makes claim reserve for inward reinsurance at the rate of 5% of the inward reinsurance premium for each insurance transaction, and makes 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", making reserve to cover the losses in the future that have not yet been incurred and of which the claims do not appear at the consolidated balance sheet date (including catastrophe reserve) is deemed unnecessary. However, the Company implements the provision policy following regulations of the Ministry of Finance. The catastrophe reserve is made until this reserve is equal to 100% of the premium retained in the period of the Company and is consistently provided for all types of insurance services at:

- PVI Insurance Corporation makes reserve on 1% of the premium retained in the year.
- Hanoi Reinsurance Joint Stock Corporation makes reserve on 3% of the premium retained in the year.

Reserves for the Company's direct insurance and inward reinsurance are not offset with reserve for outward reinsurance. Such reserves should be presented under separate items in the consolidated balance sheet. Accordingly, unearned premium reserve and claim reserve for direct insurance, inward

reinsurance and catastrophe reserve are recognised as payables while unearned premium reserve for outward reinsurance and claim reserve for outward reinsurance are recognised as reinsurance assets (and recorded in the "Trade receivables" line item in these consolidated financial statements).

b) Health insurance lines

Mathematical reserve

For health insurance and reinsurance contract (insurance contract) with a term of more than 1 year, Mathematical reserve is set aside as follows:

- For health insurance policies which only cover death or total permanent disability: Applying the method of making mathematical reserve on a daily basis according to the gross premium valuation.
- For other health insurance policies:
 - PVI Insurance Corporation applies the method of making mathematical reserve on a daily basis according to the gross premium valuation.
 - Hanoi Reinsurance Joint Stock Corporation applies the 1/8 method of making mathematical reserve method on a daily basis according to the gross premium valuation.

Unearned premium reserve

For health insurance and reinsurance contract (insurance contract) with a term of less than 1 year:

- PVI Insurance Corporation applies the method of making unearned premium reserve on a daily basis.
- Hanoi Reinsurance Joint Stock Corporation makes reserve at 50% of the gross premium.

Claim reserve

For losses incurred and reported, including both direct insurance and inward reinsurance, the Company 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 but not yet settled at the year end.

For losses incurred but not reported ("IBNR"):

- PVI Insurance Corporation made deductions based on historical data statistics.
- Hanoi Reinsurance Joint Stock 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.

The Board of Management believes that provisions for losses incurred but not reported have been prudently evaluated and fully reported.

Equalization reserve

The equalization reserve was provided at the rate of 1% of the premium retained in the year for PVI Insurance Corporation and 3% for Hanoi Reinsurance Joint Stock Corporation and recognized as catastrophe reserve in the consolidated balance sheet.

Reserves for the Company's direct insurance and inward reinsurance are not offset with reserve for outward reinsurance. Such reserves should be presented under separate items in the consolidated balance sheet. Accordingly, unearned premium reserve and claim reserve for direct insurance and inward reinsurance and catastrophe reserve are recognised as payables while unearned premium reserve for outward reinsurance and claim reserve for outward reinsurance are recognised as reinsurance assets (and recorded in the "Trade receivables" line item in these consolidated financial statements).

Revenue recognition

Direct insurance premium

Direct insurance premium revenue is recognized when the Company 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 policyholder and the policyholder has fully paid the insurance premium;
- There is evidence that the insurance contract has been conducted and the policyholder has fully paid insurance premium;
- When the insurance policy is signed, the Company has an agreement with the policyholder on the insurance premium payment term (including the extension 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, the Company shall record revenues from the premium corresponding to the period or periods of premium that have incurred, and shall not record revenues 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 Company accounts insurance premium revenue corresponding to the period or periods in which insurance premiums have incurred. In case the policyholder 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 consolidated balance sheet.

Deductions 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 Company and confirmed by the Company.

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

In the year, commission income and other incomes from reinsurance activities are recorded on accrual basis. At the year end, the Company should determine unearned commission income from outward reinsurance corresponding to outward reinsurance premium not yet recognised in this year so as to allocate such commission income to the subsequent financial years under the corresponding method of making reserves.

Expenses

Claim settlement expenses for direct insurance are recorded as incurred, that is, when the Company 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 that the reinsurers have sent to the Company and the claim is accepted by the Company.

Claim receipts from ceded policies are recognised 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 recognised 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 "Expenses for insurance activities" items.

At the year end, the Company shall determine commission expenses for direct insurance and inward reinsurance which have not been recognised 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 under the corresponding method of making reserves.

Compulsory reserve

The compulsory reserve fund is made up at the rate of 5% of the insurance companies' profit after tax until it is equal to 10% of their charter capital. Compulsory reserve is presented in the item "other reserves" in the consolidated balance sheet.

4. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	2,065,477,609	2,257,255,941
Bank demand deposits	306,658,607,764	341,523,074,140
Cash in transit	7,514,038,817	7,700,984,843
Cash equivalents (i)	72,554,640,506	525,681,780,822
	<u>388,792,764,696</u>	<u>877,163,095,746</u>

- (i) Represent bank deposits with the original term of 03 months or less at domestic credit institutions with interest rate from 2.6% to 4.75% per annum (as at 31 December 2023: from 3.6% to 4.2% per annum).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

5. FINANCIAL INVESTMENTS

			Closing balance		Opening balance	
	Cost	Fair value (*)	VND	Cost	Fair value (*)	VND
a. Trading securities	283,029,277,324	245,943,397,324	(37,085,880,000)	783,707,880,000	746,622,000,000	(37,085,880,000)
- Total amount of stocks	233,029,277,324	195,943,397,324	(37,085,880,000)	48,260,880,000	11,175,000,000	(37,085,880,000)
- Total amount of bonds	50,000,000,000	50,000,000,000	-	735,447,000,000	735,447,000,000	-
b. Held-to-maturity investments	14,076,432,215,470	14,076,432,215,470	-	11,310,168,427,622	11,310,168,427,622	-
b1) Current investments	9,713,170,137,736	9,713,170,137,736	-	7,129,314,852,492	7,129,314,852,492	-
- <i>Term deposits (i)</i>	8,328,191,635,409	8,328,191,635,409	-	5,703,874,801,916	5,703,874,801,916	-
- <i>Bonds (ii)</i>	1,239,978,502,327	1,239,978,502,327	-	1,425,440,050,576	1,425,440,050,576	-
- <i>Certificates of deposit (iii)</i>	145,000,000,000	145,000,000,000	-	-	-	-
b2) Non-current investments	4,363,262,077,734	4,363,262,077,734	-	4,180,853,575,130	4,180,853,575,130	-
- <i>Term deposits (i)</i>	1,527,189,666,130	1,527,189,666,130	-	2,774,419,666,130	2,774,419,666,130	-
- <i>Bonds (ii)</i>	2,836,072,411,604	2,836,072,411,604	-	1,326,433,909,000	1,326,433,909,000	-
- <i>Certificates of deposit (iii)</i>	-	-	-	80,000,000,000	80,000,000,000	-
c. Equity investments in other entities	49,636,474,000	7,402,434,038	(42,234,039,962)	64,539,474,000	28,112,877,018	(40,288,701,545)
- <i>Investments in other entities (iv)</i>	49,636,474,000	7,402,434,038	(42,234,039,962)	64,539,474,000	28,112,877,018	(40,288,701,545)

(i) Represent deposits with original term of more than 3 months and the remaining term of 12 months or less from the reporting date (recognised as short-term held-to-maturity investments) and the remaining term of more than 12 months from the reporting date (recognised as long-term held-to-maturity investments) at domestic credit institutions.

(ii) Represent an investment in corporate and financial institution bonds with a remaining term of 12 months or less 12 from the reporting date (recognised as short-term held-to-maturity investments) and the remaining term of more than 12 months from the reporting date (recognised as long-term held-to-maturity investments).

(iii) Represent certificates of deposit in domestic credit institutions with the original term of more than 3 months and remaining term of 12 months or less from the reporting date.

(iv) Represent the capital contribution to other entities with the holding period of more than 12 months from the reporting date.

(*) Fair value of financial investments is determined according to the accounting policy presented in Note 3.

Details of the subsidiaries under the direct ownership of the Company as at 31 December 2024 are as follows:

Subsidiary	Head quarters	Proportion of ownership interest (%)	Proportion of voting right held (%)	Main business
PVI Insurance Corporation	Hanoi	100	100	Non-life insurance
Hanoi Reinsurance Joint Stock Corporation	Hanoi	81.09	81.09	Reinsurance
PVI Asset Management Joint Stock Company	Hanoi	61.96	61.96	Investment fund management
PVI Opportunity Investment Fund	Hanoi	41.36	100	Investment fund
PVI Infrastructure Investment Fund	Hanoi	34.67	100	Investment fund

Details of PVI Opportunity Investment Fund ("POF") and PVI Infrastructure Investment Fund ("PIF"):

PVI Opportunity Investment Fund ("POF") was established on 08 October 2015 as a closed-end fund in accordance with Notice No. 215/TB-UBCK issued by the State Securities Commission of Vietnam and continued to be extended to 08 October 2025 according to Official Letter No.3388/UBCK-QLQ dated 20 May 2020. PVI Infrastructure Investment Fund ("PIF") was established on 25 May 2017 as a closed-end fund in accordance with Notice No. 153/TB-UBCK issued by the State Securities Commission of Vietnam and continued to be extended to 25 May 2027 according to Certificate No. 26/GCN-UBCK dated 25 June 2021 issued by State Securities Commission of Vietnam. POF and PIF were invested by the Company and its subsidiaries, including PVI Insurance Corporation and Hanoi Reinsurance Joint Stock Corporation. POF and PIF are under the management of PVI Asset Management Joint Stock Company. The depository bank is Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Thanh Branch.

POF's total capital as at 31 December 2024 was VND 2,000,000,000,000 and was contributed by:

	Contribution amount VND	Proportion of contribution %
PVI Holdings	827,272,730,000	41.36
PVI Insurance Corporation	868,181,820,000	43.41
Hanoi Reinsurance Joint Stock Corporation	304,545,450,000	15.23
	2,000,000,000,000	100

PIF's total capital as at 31 December 2024 was VND 1,500,000,000,000 and was contributed by:

	Contribution amount VND	Proportion of contribution %
PVI Holdings	520,000,000,000	34.67
PVI Insurance Corporation	706,000,000,000	47.07
Hanoi Reinsurance Joint Stock Corporation	274,000,000,000	18.26
	1,500,000,000,000	100

6. TRADE RECEIVABLES

a. Short-term trade receivables

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Receivables from direct insurance premium	712,008,137,929	775,625,244,644
Receivables from inward reinsurance	191,017,914,604	251,236,623,976
Receivables from outward reinsurance	1,027,367,520,058	650,212,673,406
Receivables related to reinsurance assets (i)	12,402,662,194,295	9,781,816,006,186
Receivables from financial investments	673,545,423,413	544,247,758,456
Receivables from non-insurance business	3,757,868,263	6,055,333,906
	<u>15,010,359,058,562</u>	<u>12,009,193,640,574</u>

b. Trade receivables from related parties

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
The members of Vietnam Oil and Gas Group	359,576,940,405	394,750,923,255
Hannover Rück SE	146,097,553,061	108,572,508,571
HDI Global SE	750,935,967	254,787,605
HDI Global Network AG	1,733,350,291	1,956,361,408
HDI Global Specialty SE	-	25,508,907

(i) Receivables related to reinsurance assets represent the value of reinsurance assets including unearned premium reserve for outward reinsurance and claim reserve for outward reinsurance.

7. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
- Advances to employees	7,187,916,374	8,429,697,302
- Deposits and mortgages	1,230,808,932	761,295,465
- Payments on behalf of HDI Global SE	492,140,037	317,064,000
- Other receivables (i)	211,245,657,074	235,998,242,633
	<u>220,156,522,417</u>	<u>245,506,299,400</u>
b. Non-current		
- Deposits and mortgages	35,270,897,860	31,517,358,248
	<u>35,270,897,860</u>	<u>31,517,358,248</u>

(i) The closing balance of other receivables includes receivables from the investments in Song Da Thang Long bonds with principal amount of VND 167,972,628,907. The investment in Song Da Thang Long bonds has a payment term of February 2013. As of 31 December 2024, the Company has made provision for the entire value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

8. PROVISION FOR SHORT-TERM DOUBTFUL DEBTS

	Closing balance			Opening balance		
	Historical cost	Provision	VND Recoverable amount	Historical cost	Provision	VND Recoverable amount
Total amount of receivables and loans past due or not past due but impaired	708,686,424,536	(218,521,841,662)	490,164,582,874	416,889,981,309	(231,115,313,718)	185,774,667,591
	<u>708,686,424,536</u>	<u>(218,521,841,662)</u>	<u>490,164,582,874</u>	<u>416,889,981,309</u>	<u>(231,115,313,718)</u>	<u>185,774,667,591</u>

- There are no fines and receivables on late payment interests under the contract arising from the overdue debts that are not recognised as revenue.

- The recoverability of some receivables of the Company that have been provided for is low since the Company's partners are experiencing financial difficulties or in bankruptcy.

- Recoverable amounts of receivables that have been provided for are measured at historical cost less provision.



9. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Office equipment	Motor vehicles	Others	Total
	VND	VND	VND	VND	VND
COST					
Opening balance	290,803,723,881	254,105,862,270	84,457,845,106	8,129,055,784	637,496,487,041
New purchase	-	8,046,909,255	15,692,471,853	-	23,739,381,108
Disposals	-	(22,701,257,138)	-	-	(22,701,257,138)
Destruction	-	(8,079,768,163)	-	-	(8,079,768,163)
Reclassification	-	(2,534,986,000)	-	-	(2,534,986,000)
Other decrease	-	(136,436,000)	(118,090,909)	-	(254,526,909)
Closing balance	290,803,723,881	228,700,324,224	100,032,226,050	8,129,055,784	627,665,329,939
ACCUMULATED DEPRECIATION					
Opening balance	78,606,012,556	206,835,316,345	59,134,315,861	8,129,055,784	352,704,700,546
Charge for the year	7,965,831,886	19,149,465,057	8,064,123,357	-	35,179,420,300
Disposals	-	(22,701,257,138)	-	-	(22,701,257,138)
Destruction	-	(8,079,768,163)	-	-	(8,079,768,163)
Reclassification	-	(728,563,612)	-	-	(728,563,612)
Other decrease	-	(95,692,099)	(8,200,757)	-	(103,892,856)
Closing balance	86,571,844,442	194,379,500,390	67,190,238,461	8,129,055,784	356,270,639,077
NET BOOK VALUE					
Opening balance	212,197,711,325	47,270,545,925	25,323,529,245	-	284,791,786,495
Closing balance	204,231,879,439	34,320,823,834	32,841,987,589	-	271,394,690,862

The historical cost of tangible fixed assets includes VND 229,340,579,071 of tangible fixed assets which have been fully depreciated but are still in use as at 31 December 2024 (as at 31 December 2023: VND 229,790,208,714).

10. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Computer software VND	Total VND
COST			
Opening balance	42,930,348,893	174,049,040,213	216,979,389,106
Additions	-	6,973,825,335	6,973,825,335
Reclassifications	-	2,534,986,000	2,534,986,000
Closing balance	42,930,348,893	183,557,851,548	226,488,200,441
ACCUMULATED AMORTISATION			
Opening balance	1,879,371,415	145,784,712,790	147,664,084,205
Charge for the year	160,327,183	19,665,353,921	19,825,681,104
Reclassifications	-	698,536,352	698,536,352
Closing balance	2,039,698,598	166,148,603,063	168,188,301,661
NET BOOK VALUE			
Opening balance	41,050,977,478	28,264,327,423	69,315,304,901
Closing balance	40,890,650,295	17,409,248,485	58,299,898,780

The historical cost of intangible assets includes VND 119,315,500,213 of intangible assets which have been fully amortised but are still in use as at 31 December 2024 (as at 31 December 2023: VND 117,926,500,213).

11. INCREASES, DECREASES IN INVESTMENT PROPERTIES

	Opening balance VND	Increase in the year VND	Decrease in the year VND	Closing balance VND
Investment properties held to earn rentals				
Cost	1,105,607,068,661	-	-	1,105,607,068,661
Buildings and land use rights	1,105,607,068,661	-	-	1,105,607,068,661
Accumulated depreciation	320,776,048,155	31,146,614,462	-	351,922,662,617
Buildings and land use rights	320,776,048,155	31,146,614,462	-	351,922,662,617
- Charge for the year	-	31,116,587,202	-	31,116,587,202
- Reclassification	-	30,027,260	-	30,027,260
Net book value	784,831,020,506	-	31,146,614,462	753,684,406,044
Buildings and land use rights	784,831,020,506	-	31,146,614,462	753,684,406,044

Investment properties held to earn rentals represent the value of buildings held by the Company corresponding to the completed area for leases and are depreciated on the straight-line basis.

As at 31 December 2024, the Company is in the process of determining the fair value of these investment properties.

12. PREPAID EXPENSES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
Unallocated commission fees	559,256,685,013	448,542,816,239
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 prepayments	61,458,890,523	49,341,500,421
	<u>812,786,418,685</u>	<u>656,204,466,413</u>
b. Non-current		
Other long-term prepayments	70,718,503,951	84,552,537,053
	<u>70,718,503,951</u>	<u>84,552,537,053</u>

13. SHORT-TERM TRADE PAYABLES

a. Trade payables

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Payables for direct insurance	1,003,479,856,181	483,216,278,635
Payables for inward reinsurance	264,091,673,965	258,537,997,424
Payables for outward reinsurance	2,672,530,802,821	2,412,834,488,289
Other trade payables	120,043,127,173	31,289,956,498
	<u>4,060,145,460,140</u>	<u>3,185,878,720,846</u>

The Company has the ability to pay its trade payables as at the balance sheet date.

b. Trade payables to related parties

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
The members of Vietnam Oil and Gas Group	514,171,418,287	80,936,376,818
Hannover Rück SE	237,664,523,099	119,860,574,986
HDI Global SE	401,814,686	923,635,260
HDI Global Network AG	16,234,094,262	31,671,775,943
HDI Global Specialty SE	-	765,511,489

14. SHORT-TERM ADVANCES FROM CUSTOMERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Advances for direct insurance	710,524,317,878	447,922,610,796
	<u>710,524,317,878</u>	<u>447,922,610,796</u>

PVI HOLDINGS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

15. TAXES AND RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance		Payable/Receivable during the year	Paid/Off set during the year	Closing balance	
	Receivables	Payables			Receivables	Payables
	VND	VND			VND	VND
Value added taxes	3,283,531,512	102,291,496,642	917,399,197,771	948,101,195,170	3,095,188,378	71,401,156,109
Corporate income tax	1,484,342,523	90,228,943,666	240,584,833,176	265,422,786,476	1,484,342,523	65,390,990,366
Other taxes and charges payable	-	18,450,285,535	231,289,006,777	223,361,588,156	208,107,957	26,585,812,113
	4,767,874,035	210,970,725,843	1,389,461,380,858	1,437,073,912,936	4,787,638,858	163,377,958,588

16. OTHER PAYABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
Insurance and trade union fee	11,048,893,773	9,002,051,566
Short-term deposits received	-	-
Others	100,065,641,910	76,991,055,871
	<u>111,114,535,683</u>	<u>85,993,107,437</u>
b. Non-current		
Others	36,096,818,959	36,781,177,935
	<u>36,096,818,959</u>	<u>36,781,177,935</u>

17. SHORT-TERM LOANS

	Closing balance		Increases	In the year		Opening balance	
	Amount	VND Amount able to be paid off		Decreases	Amount	VND Amount able to be paid off	
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thanh Cong Branch	-	-	837,338,485,887	837,338,485,887	-	-	-
Shinhan Bank Vietnam Limited - Pham Hung Branch	-	-	1,747,441,115,423	1,747,441,115,423	-	-	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ha Noi Branch (i)	-	-	400,000,000,000	200,000,000,000	200,000,000,000	200,000,000,000	200,000,000,000
	-	-	2,984,779,601,310	2,784,779,601,310	200,000,000,000	200,000,000,000	200,000,000,000

- (i) Represents loan in Vietnam Dong ("VND") at Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ha Noi Branch under Loan Contract No. 01/2024/CV-VCBHN-PVI dated 15 August 2024 with a loan amount of VND 400 billion of PVI Joint Stock Company to finance legal, reasonable, and valid short-term credit needs. The maximum loan term is no more than 12 months from the following day of disbursement date, and interest is paid monthly at the rate specified on the debt receipt. The collateral for the loan is Office Building 2 located at VP2, Yen Hoa residential area and public works, Yen Hoa Ward, Cau Giay District, Hanoi City.

18. PROVISIONS

a) Short-term

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Unearned premium reserve	7,827,057,353,927	5,659,316,760,210
Claim reserve	9,597,552,508,658	8,142,854,191,923
Catastrophe reserve	378,270,089,090	425,976,453,886
	<u>17,802,879,951,675</u>	<u>14,228,147,406,019</u>

b) Long-term

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Other long-term provisions	1,211,147,544	1,376,664,211
	<u>1,211,147,544</u>	<u>1,376,664,211</u>

19. SHAREHOLDERS' EQUITY

Charter capital

According to its amended Establishment and Operation License issued by the Ministry of Finance, the Company's charter capital is VND 2,342,418,670,000. As at 31 December 2024, the charter capital was fully contributed by the shareholders as follows:

Shareholders' name	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Contribution amount</u>	<u>Proportion of contribution</u>	<u>Contribution amount</u>	<u>Proportion of contribution</u>
	VND	%	VND	%
PetroVietnam Oil and Gas Group	819,787,400,000	35.00	819,787,400,000	35.00
HDI Global SE (Talanx)	992,751,380,000	42.38	911,058,090,000	38.89
Funderburk Lighthouse Ltd.	295,351,950,000	12.61	295,351,950,000	12.61
International Finance Corporation	-	-	140,515,120,000	6.00
Others	234,527,940,000	10.01	175,706,110,000	7.50
	<u>2,342,418,670,000</u>	<u>100</u>	<u>2,342,418,670,000</u>	<u>100</u>

Changes in shareholders' equity

	Owners' contributed capital	Share premium	Investment and development fund	Other owners' capital	Retained earnings	Non-controlling interests	Total
	VND	VND	VND	VND	VND	VND	VND
Prior year's opening balance	2,342,418,670,000	3,716,658,852,155	179,211,820,775	320,407,581,922	1,044,331,777,979	255,999,552,683	7,859,028,255,514
Capital increase	-	-	-	-	-	64,021,860,121	64,021,860,121
Profit for the year	-	-	-	-	957,129,679,508	49,371,577,044	1,006,501,256,552
Appropriation to compulsory reserve fund	-	-	-	39,563,207,643	(39,563,207,643)	-	-
Appropriation to bonus and welfare funds	-	-	-	-	(40,217,945,303)	(1,804,823,287)	(42,022,768,590)
Supplementing retained earnings from other funds	-	-	-	(2,803,195,647)	2,803,195,647	-	-
Dividends declared	-	-	-	-	(702,725,541,000)	(36,249,430,600)	(738,974,971,600)
Change due to share purchase of subsidiary	-	-	-	-	(48,125,371,544)	(1,052,000,000)	(49,177,371,544)
Current year's opening balance	2,342,418,670,000	3,716,658,852,155	179,211,820,775	357,167,593,918	1,173,632,587,644	330,286,735,961	8,099,376,260,453
Profit for the year	-	-	-	-	843,032,680,980	36,609,358,344	879,642,039,324
Appropriation to compulsory reserve fund	-	-	-	37,689,662,448	(37,689,662,448)	-	-
Appropriation to bonus and welfare funds (i)	-	-	-	-	(39,333,426,621)	(1,370,032,514)	(40,703,459,135)
Dividends declared (i)	-	-	-	-	(749,303,325,481)	(32,165,780,920)	(781,469,106,401)
Change due to subsidiary increases its charter capital from the owner's equity	-	-	-	1,646,804,352	(1,646,804,352)	-	-
Change due to subsidiary increases its charter capital from issuing shares	-	-	-	-	-	25,989,600,000	25,989,600,000
Current year's closing balance	2,342,418,670,000	3,716,658,852,155	179,211,820,775	396,504,060,718	1,188,692,049,722	359,349,880,871	8,182,835,334,241

- (i) According to the Resolutions of the General Meeting of Shareholders No. 01/2024/NQ-DHDCD dated 21 March 2024, the Company appropriated to bonus and welfare funds from 2023 profit and approved the profit distribution plan with a dividend payout ratio of 32% on par value per share. The Company has paid dividend to shareholders in September 2024 under Resolution No. 81/NQ-PVI dated 20 August 2024 of the Board of Directors.

Capital transactions with owners and distributions of dividends and profits are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
- Owners' contributed capital		
+ Opening balance	2,342,418,670,000	2,342,418,670,000
+ Closing balance	2,342,418,670,000	2,342,418,670,000
- Dividends, profits paid	(749,573,910,400)	(702,725,541,000)

Shares

The number of outstanding shares in circulation of the Company as at 31 December 2024 is as follows:

Shares	<u>Closing balance</u>	<u>Opening balance</u>
Number of shares registered to be issued	234,241,867	234,241,867
<i>Ordinary shares</i>	234,241,867	234,241,867
Number of shares issued to the public	234,241,867	234,241,867
<i>Ordinary shares</i>	234,241,867	234,241,867
Number of outstanding shares in circulation	234,241,867	234,241,867
<i>Ordinary shares</i>	234,241,867	234,241,867

An ordinary share has par value of VND 10,000.

20. OFF BALANCE SHEET ITEMS

	<u>Unit</u>	<u>Closing balance</u>	<u>Opening balance</u>
1. Direct insurance contract of which liabilities have not yet been 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	373,844,816,765	354,021,526,653
4. Foreign currencies			
+ United States Dollar	USD	2,038,270	4,709,869
+ Euro	EUR	366,200	326,251
+ Russian Ruble	RUB	64,737	1,265,840
+ British Pound	GBP	-	16,721

21. SEGMENT REPORT

Geographical segments

The Company has no business activity out of the territory of Vietnam; therefore, the Company has no geographical segment outside Vietnam.

Business segments

For management purposes, the Company is organised into 3 operating divisions: investment, non-life direct insurance and non-life reinsurance. The Company prepares the segment report according to these three divisions.

Main activities of the three sectors are as follows:

- Investment: mainly term deposits, certificates of deposit, bonds, shares, and investment trusts, and real estate business;
- Non-life direct insurance: non-life insurance business;
- Non-life reinsurance: Inward/outward reinsurance business.



The Company's segment business information is as follows:

Consolidated balance sheet as at 31 December 2024:

Items	Insurance			Investment division VND	Elimination VND	Total VND
	Non-life insurance		Reinsurance division VND			
	Non-life direct insurance division VND					
Segment assets	1,604,060,332,701	17,480,854,528,414	24,852,916,502,597	(12,170,967,166,094)	31,766,864,197,618	
Segment liabilities	14,127,837,595,037	12,307,189,569,196	883,510,798,628	(3,734,509,099,484)	23,584,028,863,377	

Consolidated income statement for the year ended 31 December 2024:

Items	Insurance			Investment division VND	Elimination VND	Total VND
	Non-life insurance		Reinsurance division VND			
	Non-life direct insurance division VND					
Net sales by segment	5,851,690,898,757	2,075,909,180,850	2,765,255,987,803	(1,506,498,956,685)	9,186,357,110,725	
Insurance	5,851,690,898,757	2,075,909,180,850	-	(387,976,259,553)	7,539,623,820,054	
Investment	-	-	2,765,255,987,803	(1,118,522,697,132)	1,646,733,290,671	
Expenses by segment	5,629,567,206,456	2,025,554,063,276	971,149,069,149	(557,478,104,678)	8,068,792,234,203	
Profit before tax by segment	222,123,692,301	50,355,117,574	1,794,106,918,654	(949,020,852,007)	1,117,564,876,522	

22. GROSS REVENUE FROM GOODS SOLD AND SERVICES RENDERED

a) Revenue

	Current year	Prior year
	VND	VND
Premium from direct insurance	13,346,213,755,341	11,002,077,073,236
Premium from inward reinsurance	5,741,187,613,324	2,564,094,377,058
Commission from outward reinsurance	902,974,080,401	824,914,439,206
Other income from insurance activities	187,210,301,823	75,287,025,979
Income from non-insurance business	198,633,221,232	194,678,735,181
	20,376,218,972,121	14,661,051,650,660

b) Revenue from related parties

	Current year	Prior year
	VND	VND
The members of Vietnam Oil and Gas Group	1,624,726,962,421	1,587,399,403,585
Hannover Rück SE	119,603,465,017	109,451,263,982
HDI Global SE	1,253,824,853	2,496,670,543
HDI Global Network AG	13,601,174,768	11,893,684,176
HDI Global Insurance Limited Liability Company	226,256,335	36,359,622,309
HDI Global Specialty SE	543,484,773	558,500,973

23. DEDUCTIONS

	Current year	Prior year (Restated)
	VND	VND
Outward reinsurance premium	12,336,029,699,655	7,751,810,967,589
Increase in unearned premium reserve	301,932,231,180	199,900,811,582
	12,637,961,930,835	7,951,711,779,171

24. COST OF SALES

	Current year	Prior year
	VND	VND
Claim settlements of direct policies	3,877,030,401,712	3,480,259,921,346
Claim settlements of assumed policies	1,853,110,786,429	717,886,477,938
Deductions to expenses:	(3,488,847,356,918)	(2,148,742,048,367)
- Claims receipt from ceded policies	(3,460,999,439,429)	(2,117,952,763,067)
- Receipt of claim from third parties	(16,298,143,258)	(10,170,788,734)
- Receipt of 100% of claim from goods	(11,549,774,231)	(20,618,496,566)
Claim payment from catastrophe reserve	(140,000,000,000)	(21,500,000,000)
Increase in claim reserve	687,180,194,159	302,257,243,040
Increase in catastrophe reserve	92,293,635,204	79,406,688,344
Other expenses for insurance activities	3,815,906,507,177	3,169,753,123,655
- Other expenses for direct insurance	636,683,374,603	600,855,492,306
- Other expenses for inward reinsurance	596,449,569,952	484,280,675,648
- Other expenses for outward reinsurance	76,421,583,503	55,595,520,340
- Expenses for other insurance activities	2,506,351,979,119	2,029,021,435,361
Cost of non-insurance business	88,341,242,353	91,263,110,276
	6,785,015,410,116	5,670,584,516,232

25. GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
Labour	449,024,558,015	456,534,930,790
Office expenses	32,657,280,657	31,094,842,463
Depreciation and amortisation	41,728,753,353	42,918,596,515
Out-sourced services and other monetary expenses	190,136,416,083	197,304,049,113
	<u>713,547,008,109</u>	<u>727,852,418,881</u>

26. OPERATION COSTS BY NATURE

	Current year	Prior year
	VND	VND
Expenses for insurance activities	4,190,322,188,644	3,550,299,970,595
Labour	1,266,028,109,469	1,161,013,870,653
Office expenses	104,747,776,909	100,609,732,886
Depreciation and amortisation of fixed assets and investment properties	83,884,498,434	83,962,591,785
Out-sourced services and other monetary expenses	1,853,579,844,769	1,502,550,769,194
	<u>7,498,562,418,225</u>	<u>6,398,436,935,113</u>

27. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Bank interest	732,529,127,714	789,387,190,544
Interest from bonds	355,653,876,969	298,065,533,441
Gain from stock trading activities	8,222,064,472	100,344,049,874
Dividends and profits received	14,368,383,500	29,032,570,000
Foreign exchange gain	210,103,463,859	112,678,061,503
Other financial income	1,244,951	40,044
	<u>1,320,878,161,465</u>	<u>1,329,507,445,406</u>

28. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Foreign exchange loss	176,156,850,557	119,288,323,523
Addition of provision for impairment of investments	1,945,338,417	3,625,000,000
Interest expense	31,745,327,697	32,882,447,418
Other financial expenses	236,492,654,991	240,832,334,138
	<u>446,340,171,662</u>	<u>396,628,105,079</u>

29. OTHER INCOME

	Current year	Prior year
	VND	VND
Income from collection of social insurance and health insurance on behalf	124,584,128,811	88,999,745,375
Others	2,637,779,163	3,814,867,818
	127,221,907,974	92,814,613,193

30. OTHER EXPENSES

	Current year	Prior year
	VND	VND
Expenses for collection of social insurance and health insurance on behalf	117,556,958,078	87,933,865,767
Others	6,332,686,238	2,252,675,919
	123,889,644,316	90,186,541,686

31. CORPORATE INCOME TAX

	Current year	Prior year
	VND	VND
Profit before tax	1,117,564,876,522	1,246,410,348,210
Adjustments for taxable profit		
Less: non-taxable income	(59,837,555,295)	(123,140,885,324)
- Dividends and profits received	272,631,616,500	285,967,430,000
- (Profit) from PVI Opportunity Investment Fund and PVI Infrastructure Investment Fund	(283,354,584,383)	(377,389,415,715)
- Unrealized foreign exchange (gain) from revaluation of closing balance	(10,931,758,257)	(13,028,136,691)
- Adjustment of expenditures in previous years for which additional CIT is calculated	(38,182,829,155)	(32,324,116,235)
- Other non-taxable income receivables	-	13,633,353,317
Add back: non-deductible expenses and the effects of consolidated entries	61,246,875,129	43,088,919,214
- Accrued expenses	13,309,979,890	11,422,782,708
- Remuneration of the Board of Directors	8,731,378,788	4,014,783,550
- Depreciation of car at cost over VND 1.6 billion	1,592,610,048	814,520,775
- Other non-deductible expenses	37,612,906,403	26,836,832,181
Taxable profit	1,118,974,196,356	1,166,358,382,100
Normal tax rate	20%	20%
Current corporate income tax expense calculated based on the normal tax rate	223,794,839,271	233,271,676,421
Adjustments for corporate income tax expense of the previous years into corporate income tax expense of the current year	16,789,993,905	8,921,971,779
Corporate income tax expense based on taxable profit in the current year	240,584,833,176	242,193,648,200

32. BASIC EARNINGS PER SHARE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Accounting profit after corporate income tax	843,032,680,980	957,129,679,508
Estimated appropriation to bonus and welfare funds (*)	(10,116,392,172)	(11,485,556,154)
Profit used to calculate basic earnings per share	832,916,288,808	945,644,123,354
Average ordinary shares in circulation for the year	234,241,867	234,241,867
Basic earnings per share	<u>3,556</u>	<u>4,037</u>

(*) Appropriation to bonus and welfare funds was estimated according to Resolution of the 2024 Annual General Meeting of Shareholders No. 01/2024/NQ-DHDCD dated 21 March 2024 with the rate of 1.2% distributed after-tax profit.

No instruments can dilute earnings per share in the future.

33. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company 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 Company consists of net debt (borrowings as disclosed in Note 17, offset by cash and cash equivalents) and owners' equity (comprising contributed capital, reserves and retained earnings).

Gearing ratio

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

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Borrowings	200,000,000,000	-
Less: Cash and cash equivalents	388,792,764,696	877,163,095,746
Net debt	(188,792,764,696)	-
Equity	<u>8,183,435,334,241</u>	<u>8,099,376,260,453</u>
Net debt to equity ratio	<u>-</u>	<u>-</u>

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 and cash equivalents	388,792,764,696	388,792,764,696	877,163,095,746	877,163,095,746
Trade and other receivables	2,600,912,819,716	2,600,912,819,716	2,232,577,627,303	2,232,577,627,303
Financial investments	14,329,778,046,832	14,329,778,046,832	12,081,041,200,077	12,084,903,304,640
	17,319,483,631,244	17,319,483,631,244	15,190,781,923,126	15,194,644,027,689
Financial liabilities				
Trade and other payables	4,193,307,921,009	4,193,307,921,009	3,299,650,954,652	3,299,650,954,652
Accrued expenses	70,123,012,676	70,123,012,676	64,336,608,184	64,336,608,184
Borrowings	200,000,000,000	200,000,000,000	-	-
	4,463,430,933,685	4,463,430,933,685	3,363,987,562,836	3,363,987,562,836

The fair value of financial assets and financial liabilities is stated at the value of convertible financial instruments in a current transaction between the parties, except where required to sell or dispose of. The Company 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 includes cash and cash equivalents, trade receivables, other receivables, trade payables, short-term accrued expenses and other short-term payables is equivalent to the book value of these items due to their short-term periods.
- 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 Company has set up risk management system to identify and assess the risks exposed by the Company 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 Company's operations.

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

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and prices.

Foreign currency risk management

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

During the year, the Company had commercial and non-commercial transactions in USD, Euro, Korean Won, Ringgit Malaysia, Russian Ruble and some other foreign currencies.

The Company is exposed to interest rate risk arising from commercial and non-commercial transactions of the member unit of the Company. Fluctuation in interest rates may result in loss of capital or financial performance being weakened. Interest rate risk of the Company is managed and strictly monitored on a daily basis based on the transaction limit.

Interest rate risk management

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Company by maintaining an appropriate level of borrowings and analysing market competition to enjoy favourable interest rates from appropriate lenders.

Share price risk management

Shares held by the Company are affected by market risks arising from the uncertainty about future prices of such shares. The Company manages this risk exposure by setting up investment limits. The Company's Board of Directors also assesses and approves decisions on share investments such as operating industry, investees, etc. The Company 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 Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit risk was evaluated prudently by the Board of Management as presented in Notes 5 and 8.

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 Company believes can generate within that year. The Company's policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer terms.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. 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 Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year VND	More than 1 year VND	Total VND
Closing balance			
Cash and cash equivalents	388,792,764,696	-	388,792,764,696
Trade and other receivables	2,600,912,819,716	-	2,600,912,819,716
Financial investments	9,959,113,535,060	4,370,664,511,772	14,329,778,046,832
	<u>12,948,819,119,472</u>	<u>4,370,664,511,772</u>	<u>17,319,483,631,244</u>
Closing balance			
Borrowings	200,000,000,000	-	200,000,000,000
Trade and other payables	4,157,211,102,050	36,096,818,959	4,193,307,921,009
Accrued expenses	70,123,012,676	-	70,123,012,676
	<u>4,427,334,114,726</u>	<u>36,096,818,959</u>	<u>4,463,430,933,685</u>
Net liquidity gap	<u>8,521,485,004,746</u>	<u>4,334,567,692,813</u>	<u>12,856,052,697,559</u>
	Less than 1 year VND	More than 1 year VND	Total VND
Opening balance			
Cash and cash equivalents	877,163,095,746	-	877,163,095,746
Trade and other receivables	2,232,577,627,303	-	2,232,577,627,303
Financial investments	7,875,936,852,492	4,205,104,347,585	12,081,041,200,077
	<u>10,985,677,575,541</u>	<u>4,205,104,347,585</u>	<u>15,190,781,923,126</u>
Opening balance			
Trade and other payables	3,262,869,776,717	36,781,177,935	3,299,650,954,652
Accrued expenses	64,336,608,184	-	64,336,608,184
	<u>3,327,206,384,901</u>	<u>36,781,177,935</u>	<u>3,363,987,562,836</u>
Net liquidity gap	<u>7,658,471,190,640</u>	<u>4,168,323,169,650</u>	<u>11,826,794,360,290</u>

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

Insurance risk

Insurance risk exists at the Company's subsidiaries which operate in insurance industry, including PVI Insurance Corporation and Hanoi Reinsurance Joint Stock Corporation. A risk arising from any insurance contract is the possibility that the insured event occurs and the uncertainty of the amount of the claim payments. As the nature of an insurance contract, this risk is random and therefore unpredictable.

To achieve the goal of managing insurance risk, the Company 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.

34. RELATED PARTY TRANSACTIONS AND BALANCES

Salaries after tax of the members of Board of Directors, Board of Supervisors, Chief Executive Officer and management members in the year are as follows:

	Current year	Prior year
	VND	VND
Board of Directors	4,157,886,000	3,907,451,400
Mr. Duong Thanh Danh Francois	2,785,722,600	2,558,021,100
Mr. Doan Linh	1,372,163,400	1,349,430,300
Board of Supervisors	1,587,683,400	1,477,200,300
Ms. Ha Lan	1,587,683,400	1,477,200,300
Chief Executive Officer	2,528,653,400	2,569,200,300
Mr. Nguyen Xuan Hoa	1,743,042,200	2,569,200,300
Mr. Nguyen Tuan Tu	785,611,200	-
Other management members	13,875,237,600	13,733,076,000
Mr. Phung Tuan Kien	1,938,683,400	1,846,680,300
Mr. Pham Anh Duc	3,285,203,400	2,940,720,300
Mr. Vu Van Thang	1,937,663,400	1,768,680,300
Mr. Tran Duy Cuong	1,567,163,400	1,456,680,300
Mr. Tran Trung Hieu	80,140,800	964,163,400
Ms. Le Quynh Phuong	1,216,163,400	1,222,680,300
Mr. Vu Bao Lam	1,374,203,400	1,263,720,300
Mr. Do Tien Thanh	1,820,663,400	1,651,680,300
Ms. Dao Hai Yen	655,353,000	618,070,500

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Additional salary, remuneration and other benefits after tax of the members of the Board of Directors, Board of Supervisors, Chief Executive Officer and other management members in the year are as follows:

	Current year VND	Prior year VND
Board of Directors	9,168,370,668	7,092,310,191
Mr. Jens Holger Wohlthat	1,294,132,654	1,222,159,428
Mr. Duong Thanh Danh Francois	4,679,945,650	2,768,896,120
Mr. Doan Linh	858,390,000	775,417,500
Mr. Christian Hermelingmeier	-	77,200,000
Mr. Ulrich Heinz Wollschlager	644,240,000	722,080,000
Ms. Pecastaing Pierre Tatiana	522,332,364	338,537,143
Ms. Bui Thi Nguyet	724,770,000	812,340,000
Mr. Christian Sebastian Mueller	390,560,000	375,680,000
Ms. Christine Nagel	54,000,000	-
Board of Supervisors	1,467,662,727	1,778,230,000
Ms. Ha Lan	765,822,727	964,340,000
Mr. Le Tai Duc	243,000,000	281,700,000
Mr. Daryl John Vella	215,840,000	250,400,000
Mr. Oliver Massmann	-	43,470,000
Mr. Tran Trong Binh	243,000,000	238,320,000
Chief Executive Officer	2,319,617,062	2,833,688,650
Mr. Nguyen Xuan Hoa	2,210,850,828	2,833,688,650
Mr. Nguyen Tuan Tu	108,766,234	-
Other Managers	17,062,343,492	11,860,269,094
Mr. Phung Tuan Kien	2,460,441,574	2,783,226,860
Mr. Pham Anh Duc	7,850,700,000	2,966,600,000
Mr. Vu Van Thang	2,116,725,000	1,168,381,393
Mr. Tran Duy Cuong	1,100,474,190	1,448,801,016
Mr. Do Tien Thanh	2,148,965,000	1,169,675,000
Mr. Tran Trung Hieu	-	390,650,000
Ms. Le Quynh Phuong	510,020,000	643,890,000
Mr. Vu Bao Lam	658,710,000	634,335,000
Ms. Trinh Quynh Giao	-	449,987,778
Ms. Dao Hai Yen	216,307,728	204,722,047

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

<u>Related party</u>	<u>Relationship</u>
Vietnam Oil and Gas Group	Shareholder
HDI Global SE	Shareholder
Members of Vietnam Oil and Gas Group	Having the same shareholder
Hannover Rück SE	Having the same shareholder
HDI Global Network AG	Having the same shareholder
HDI Global Insurance Limited Liability Company	Having the same shareholder
HDI Global Specialty SE	Having the same shareholder

Transactions related to sales of goods and rendering of services to related parties are presented in Note 22.

Other transactions with related parties during the year are as follows:

	Current year VND	Prior year VND
Hannover Rück SE		
Outward reinsurance premium	252,887,348,170	248,856,475,459
Inward reinsurance claim expenses	35,644,564,193	49,290,552,269
Claim receipts from ceded policies	30,719,390,740	47,310,770,269
HDI Global SE		
Outward reinsurance premium	5,538,684,196	17,042,624,806
Commission for inward reinsurance	140,771,396	-
Other expenses related to outward reinsurance	8,220,084	(18,132,607)
Claim receipts from ceded policies	57,712,622	8,789,018,684
HDI Global Network AG		
Outward reinsurance premium	133,684,314,873	127,935,026,750
Claim receipts from ceded policies	461,696,961	4,489,001,173
Brokerage fees for inward reinsurance	10,941,177	3,616,265,132
HDI Global Insurance Limited Liability Company		
Inward reinsurance claim expenses	17,790,129,073	4,224,563,129
Commission for inward reinsurance	17,423,452,588	2,220,188,363
Brokerage fees for inward reinsurance	-	3,682,716,769
HDI Global Specialty SE		
Outward reinsurance premium	2,030,383,514	2,030,912,424
Claim receipts from ceded policies	-	8,348,079,960

Receivables from and payables to related parties are presented respectively in Note 6 and Note 13.

35. SUBSEQUENT EVENTS

There have been no events occurring after the end of the financial year that have a material effect on or are likely to have a material effect on the consolidated operations of the Company and the consolidated financial position and consolidated results of operations of the Company requiring adjustments or disclosures in the consolidated financial statements.



Hoang Huy Hiep
Preparer



Tran Duy Cuong
Chief Accountant



Nguyen Tuan Tu
Chief Executive Officer

20 February 2025