

**VIETNAM NATIONAL
REINSURANCE CORPORATION**



**POSITION
ENHANCEMENT**

**VIETNAM NATIONAL REINSURANCE
CORPORATION**

HEAD OFFICE

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(84 024) 3942 2354/65-69

HOCHIMINH BRANCH

11 Nguyen Cong Tru, District 1, Ho Chi Minh City
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ANNUAL REPORT | 2023



POSITION ENHANCEMENT

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Mr. Nguyen Anh Tuan
Chairman

CHAIRMAN'S message



VINARE

POSITION ENHANCEMENT

VINARE - The Leading Reinsurer in Vietnam

With its position as the leading reinsurer in the Vietnamese market, VINARE's mission is to offer long-term solutions and reinsurance protection in both local and international markets, supporting the sustainable development of the insurance industry and fostering socioeconomic growth. Over the past 30 years, VINARE has solidified its position in the Vietnamese market by offering comprehensive and diverse reinsurance solutions, meeting the increasingly high demands of the market.

VINARE takes pride in its strong financial capacity and effective risk management capabilities, contributing to the stability and development of the domestic insurance market. VINARE is not only a reliable partner for insurance companies in risk-sharing but also a driving force in promoting product innovation and enhancing the quality of insurance services. The achievements and contributions of VINARE have been recognized by the market, firmly consolidating its position in the insurance industry and laying the groundwork for realizing its strategic development goals by the end of 2024 and beyond, aiming towards 2030.

With outstanding business performance and contributions to the Vietnamese insurance market over its 30-year journey, VINARE has been honored with prestigious awards from the State, Government, and Ministry of Finance, including First, Second, and Third Class Labor Medals, Third Class Independence Medals, and numerous other prestigious titles. In 2023, VINARE achieved notable accomplishments. VINARE was honored to be listed in the Top 500 Fastest Growing Enterprises (Vietnam Report), Top 500 Most Profitable Enterprises (Vietnam Report), Top Strong Brands – Sustainable Development 2022-2023 (Vietnam Economic Times), Top 10 Companies with Good Corporate Governance in the Mid-Cap Group at the Vietnam Listed Companies Awards (VLCA) 2023, Top 10 Listed Companies with Good Corporate Governance in the 2022-2023 Evaluation Period by the Hanoi Stock Exchange (HNX), Top 12 Board of Directors committed to Good Corporate Governance Practice as well as Top 5 Boards of Directors with Good Diversity according to the Vietnam Institute of Directors (VIOD).



VINARE

Aiming to further enhance our position

Not only being the leading reinsurance company in Vietnam, but over the years, the status and image of VINARE have been increasingly solidified in the international arena. In the eyes of international peers, VINARE is perceived as a well-established, professional reinsurer with a distinct voice in the insurance market. VINARE consistently plays a vital role as a significant bridge in relationships with international organizations, serving as a hub for sharing neutral, comprehensive, and objective information for the entire insurance market.

Since 2013, VINARE has been one of the first two insurance/reinsurance companies in the Vietnamese insurance market to undergo credit ratings with the international rating agency AM Best, maintaining a continuous financial strength rating of B++, reflecting its strong financial position and good operating results.

At VINARE, we understand that to expand into the world, deeply integrating into the international arena, we need to prioritize sustainable development goals linked to Environmental, Social, and Corporate Governance (ESG) factors. We have established and implemented a specific roadmap related to ESG, regularly monitoring progress in managing ESG issues and publicly disclosing information. VINARE has, is, and will continue to build an environment of trust, transparency, and accountability, which are essential for promoting long-term investment growth, financial stability, and business ethics, thereby supporting long-term growth of enterprises. We consistently adhere to corporate governance principles and practices for the benefit of VINARE and the entire insurance industry; further enhance social activities related to employees, customers, and communities; and expand efforts towards resource conservation, pollution reduction, waste reduction, and carbon emissions reduction, contributing to the Vietnamese government's commitment to achieving net-zero greenhouse gas emissions by 2050.



Successful Business Results in 2023

In 2023, the global economy continued to face numerous difficulties and challenges. Strategic competition among major countries intensified, exacerbating geopolitical tensions; conflicts such as the Russia-Ukraine confrontation and unrest in the Middle East adversely affected the global economic recovery process following the Covid-19 pandemic. Many countries experienced slower growth, leading to a decrease in global demand, directly impacting Vietnam. Vietnam's Gross Domestic Product (GDP) in 2023 increased by 5.05% compared to the previous year, only surpassing the growth rates of 2020 and 2021 during the period from 2011 to 2023. According to preliminary data from the Insurance Association of Vietnam, the non-life insurance market only grew by 2.87%, the lowest growth rate recorded in the past 5 years.

Nevertheless, with the determination of the Board of Directors, the Board of Management, and the entire staff, VINARE's business activities yielded remarkably positive

results. The total revenue reached VND 3,319 billion, with the gross written premium amounted to VND2,677 billion, reflecting a 13% rise year-on-year and achieving 108.5% of the target. Investment revenue amounted to VND491.7 billion. Notably, premium volume from core business posted a growth rate of 28.9% year-on-year, surpassing the initial forecasts for the year. This remarkable performance can be attributed to the successful writing of new business in overseas markets which increased by 41% y-o-y, mainly in Property line. Besides, revenue from treaties, particularly within the Engineering, Hull and Motor lines also witnessed decent growth rates.

In addition, profits from financial investment activities also saw considerable growth thanks to an increase in investment assets, taking advantage of a short period of interest rate hike as well as increased investment in bank bonds with higher yields than those of the corresponding deposit interest rates. As a result, pre-tax profit grew 7.8% year-on-year to VND473.6 billion.

Dear Shareholders,

The year 2024 marks a pivotal moment in executing the development strategy and goals set forth by the Board of Directors for the 2020 - 2024 term, as ratified during the General Shareholders' Meeting. The target for revenue growth from reinsurance premiums in 2024 is set at 9.0%, with the core business segment continuing to aim for a high growth plan of 9.3%. VINARE also plans for a pre-tax profit growth of 6.6%, with expectations of stability in the stock market and investment landscape.

Throughout the last 30 years, under the leadership of the Board of Directors, Board of Management, the trust and support of shareholders, partners, customers, and the determination and solidarity of our staff, VINARE has overcome numerous challenges on the path of development, progressively establishing its reputation and brand on the market.

As we embark on the journey of the next 30 years, I am confident that entering a new phase, VINARE will further leverage the achievements attained, continue to effectively pursue strategic objectives, uphold confidence with shareholders, partners, and customers, contributing significantly to the sustainable development

of the Vietnamese insurance market. We are committed to maintaining a spirit of dedication and professionalism while seeking new opportunities for expansion and growth. VINARE's mission extends beyond creating value for shareholders to actively contributing to the sustainable development of the community and society.

As a Chairman of the Board of Directors of VINARE, I am truly proud of what VINARE has accomplished over the past 29 years, and I believe that, with our close cooperation and unwavering trust, we will continue to rise and affirm our stature.

Congratulations to VINARE on its 30th Anniversary - a significant milestone in its establishment and development journey!

Wishing you happiness, health, and success./.

Sincerely,

Nguyen Anh Tuan
Chairman

HIGHLIGHTS OF 2023

FAST500
Top 500 Fastest Growing Enterprises

FAST 500
VINARE WAS RANKED IN THE
TOP 500 FASTEST GROWING
ENTERPRISES IN 2023

VINARE was listed in
Top Strong Brands -
Sustainable Development
2022-2023

Outstanding
achievements in business
operation in 2022
and several Certificates
of Commendation for
Outstanding Insurance
Practitioners and
Managers

Outstanding
Insurance Manager
in 2022

Insurance Association of Vietnam awarded
a Certificate of Commendation to the
team of the Vietnam National Reinsurance
Corporation (VINARE) for

Insurance Association of Vietnam
awarded a Certificate of Commendation
to Mr. Nguyen Anh Tuan, Chairman of
the Board of Directors of VINARE, for
achieving the title of

TOP 500
Most Profitable Enterprises
in Vietnam in 2023

TOP 5
Boards of Directors
with Good Diversity

according to the Vietnam Institute of Directors
(VIOD)

TOP 10
Companies with Good
Corporate Governance

TOP 10
listed companies with good
corporate governance in the
evaluation period of
2022-2023

in the Mid-Cap Group at the Vietnam
Listed Companies Awards (VLCA) 2023

at the 2023 Annual Conference of the
Hanoi Stock Exchange

TOP 12
Board of Directors
committed to Good
Corporate Governance
Practice

according to the Vietnam Institute of
Directors (VIOD)



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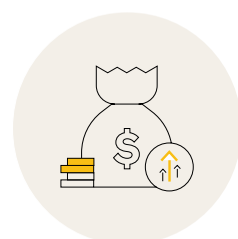
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AM Best rating

OVERVIEW OF Vietnam National Reinsurance Corporation



As the national reinsurer in Vietnam market, our mission is to provide risk transfer solutions and services of international quality in the local and regional markets and to support Vietnam insurance industry aiming for a sustainable and efficient market growth as well as to promote socio-economic development.



CHARTER CAPITAL (VND)

1,658,106,170,000

ABOUT US

Trading name : Vietnam National Reinsurance Corporation
License of establishment and operation : 28GP/KDBH dated 15/11/2004 of the Ministry of Finance
Amended license : 28/GPDC6/KDBH dated 19/02/2024 of the Ministry of Finance
Address : 141 Le Duan, Hoan Kiem, Hanoi
Tel : 84 24 39422354
Email : vinare@vinare.com.vn
Website : www.vinare.com.vn
Share code : VNR

LINES OF BUSINESS

Lines of business

- » Inward and outward reinsurance business in domestic and overseas markets
- » Financial investment, real estate investment and other investment activities in accordance with the law.

Office

- » Head office: 141 Le Duan, Hoan Kiem, Hanoi
- » Branch: 11 Nguyen Cong Tru, District 1, Ho Chi Minh City.



HISTORICAL Milestones

1994
Founding of VINARE as the first domestic reinsurance company with initial capital of VND40 billion.

1999
Honored with the Third Class Labour Order by the President of State.

2001
The head quarter building at 141 Le Duan, Hanoi was inaugurated and put into operation.

2004-2005
• Successfully equitized and started operation as a shareholding company with charter capital of VND500 billion.
• Honored with the Second Class Labour Order by the President of State on its 10th Anniversary.

2006
The first enterprise of the insurance industry to be listed on the stock exchange and the tenth to be listed on Hanoi Stock Trading Center.

2007-2008
• Paid-up capital increased to VND672 billion.
• Swiss Re became the strategic partner (25% stake).

2009
Awarded with the First Class Labour Order by the President of State on its 15th Anniversary.

2011
Paid-up capital increased to VND1,008 billion.

2012 - 2013
• Assigned Financial Strength Rating of "B++" (Good) and Issuer Credit Rating of "bbb" by A.M. Best Asia-Pacific Ltd.

2014
• Paid-up capital increased to VND1,310 billion.
• Received Third Class Independence Order of the State on the 20th anniversary of establishment.

2015 - 2016
• Development Strategy for 2015 – 2020 approved by General Meeting of Shareholders.

2017
• VINARE was honored among Top 30 Transparent Enterprises of Hanoi Stock Exchange in 2017 for the fourth consecutive time.
• Awarded with the "Vietnam Excellent Brand 2017" by Vietnam Economic Times.
• "Best Reinsurance Brand" in Vietnam 2017 by Global Brands Magazine.

2018
• VINARE was honored among Top 500 most profitable companies 2018.
• Awarded with the "Vietnam Excellent Brand 2018" by Vietnam Economic Times.

2019
Honored with the Government's Emulation Flag for outstanding achievements in business activities.

2020
Honored with the Investor Relation Award 2020 for full compliance with information disclosure requirements on the stock market in 2020.

2021
• Charter capital increased to VND1,507 billion.
• VINARE listed in Top Ten Banking – Financial Services of Vietnam Top Brands 2020 – 2021.
• VINARE listed in PROFIT500 – The list of 500 most profitable companies in Vietnam.
• Investor Relation Award 2021 granted to Vietnam National Reinsurance Corporation for full compliance with information disclosure requirements on the stock market in 2021.
• VINARE's Annual Report named as "Outstanding Progress" in the Listed Companies Awards.

2022
• Honored with the Ministry of Finance's Certificate of Merit for "Outstanding achievements in business activities in the period of 2020 – 2021".
• Top 10 Excellent Brands – Vietnam Top Brands 2021 – 2022.
• Top 500 most profitable enterprises in Vietnam in 2022.
• VNR500 Ranking – Top 500 Largest Enterprises in Vietnam in 2022.
• Top 10 listed companies with good corporate governance 2021 – 2022.
• Top 10 listed companies with the best annual reports in 2022 among the mid-cap group.
• Mr. Nguyen Anh Tuan, Chairman of the Board of Directors was honored to receive the Outstanding Young Entrepreneur Award 2022.

Charter capital increased to
VND **1,658** BILLION

TOP 500
largest enterprises in Vietnam
(Vietnam Report)

TOP 500
most profitable enterprises in Vietnam
(Vietnam Report)

Top Strong Brands
for Sustainable Development
in 2022-2023 (VnEconomy –
VN Economic Times)

TOP 10
Listed Companies with good
corporate governance 2022 - 2023
(HNX)

TOP 12
BOD committed to CG best practices
& Top 5 Board Diversity (Board
Diversity) (VIOD)

TOP 10
Listed Mid-Cap Companies
with best corporate governance
(VLCA 2023)

Certificate of Merit for
"Outstanding Achievements in
Business operation"
(Insurance Association of Vietnam)

Being a leading reinsurer in Vietnam



Our vision

- » Being a leading reinsurer in Vietnam and the region and a professional investor.
- » Providing long-term solutions and services of international quality.
- » Supporting Vietnam insurance industry, aiming for a sustainable and efficient market growth.
- » Assuming social responsibility to support the socio-economic development and international competitiveness of Vietnam.



Our value propositions

- » Optimum profit to investors
- » Improving insurance market efficiency and profitability:
 - Risk and capital management
 - Training and knowhow transfer
 - Insurance and reinsurance market information
- » Sustained insurance market growth:
 - Providing reinsurance capacity as required
 - Supporting new insurance product development
- » Active involvement in promoting sustainable development of Vietnam.



Growth Targets 2020 - 2025

Growth

- » Average gross written premium growth : 9%/year
- » Maximum average Combined Ratio : 98%
- » Minimum average pre-tax profit growth : 7%/year
- » Minimum dividend ratio : 12%/year
- » Minimum average ROE : 10%

Charter capital

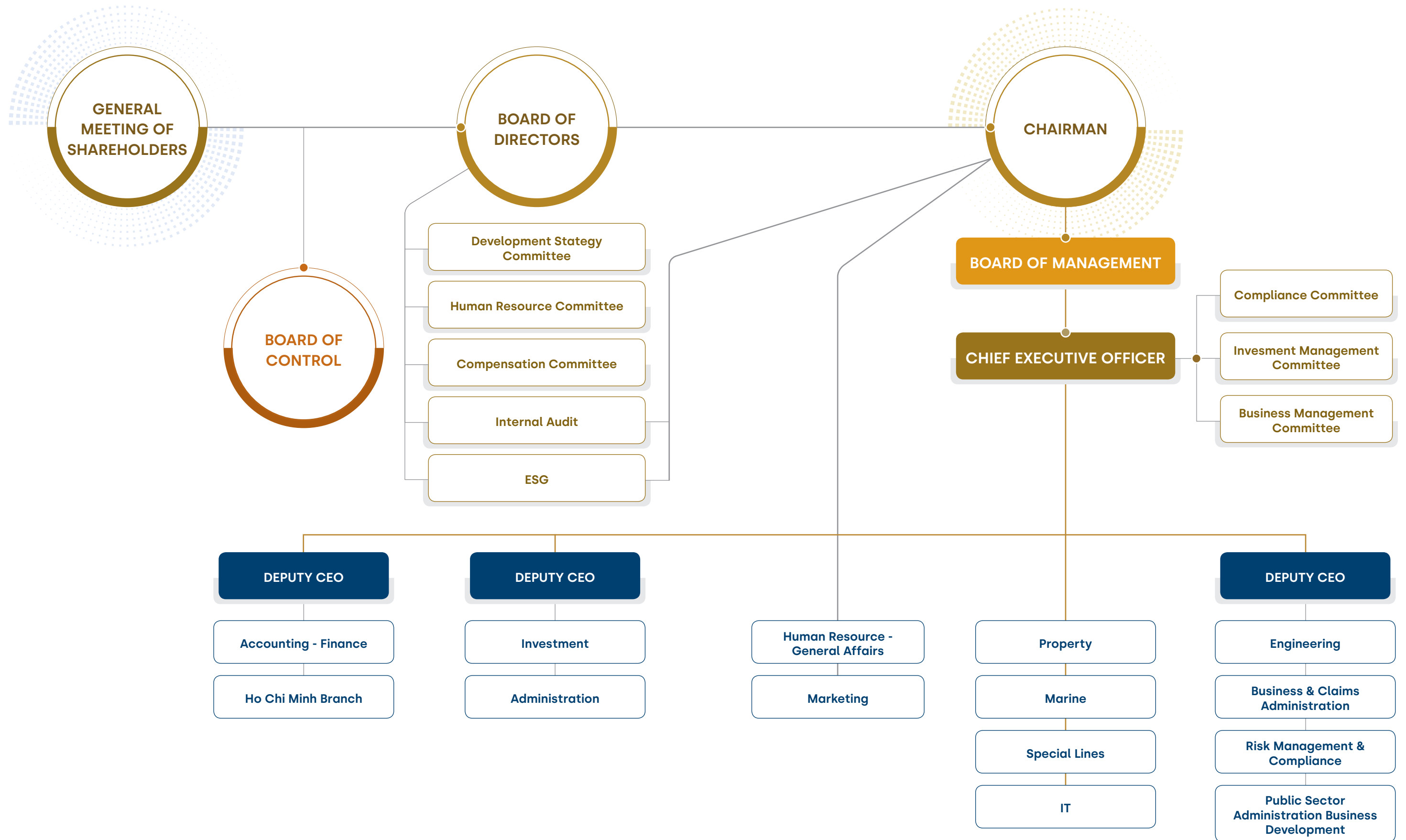
to be increased to VND2,000 billion by 2024.



Sustainable development

- » Contributing to the sustainable development of Vietnam insurance market through raising awareness on insurance, providing reinsurance capacity and supporting the development of insurance products for the large number of citizens.
- » Actively participating in the sustainable development of Vietnam.

ORGANIZATION



CORPORATION LEADERSHIP

BOARD OF DIRECTORS



Mr. NGUYEN ANH TUAN

Chairman

(Member since 11/6/2020 and Chairman since 22/7/2020)



Mr. NGUYEN XUAN VIET

Deputy Chairman

(Member since 24/4/2019 and Deputy Chairman since 10/9/2020)



Ms. ANNA LEE ON WAH

Deputy Chairman

Independent Member

(Member since 22/4/2022 and Deputy Chairman since 29/8/2022)



Mr. MAI XUAN DZUNG

Member

(Member since 26/4/2017)

Nationality: Vietnamese

Qualifications

- Master of International Business Law, University of Tours – French Republic affiliated with Foreign Trade University, Hanoi
- Bachelor of Foreign Economics, Foreign Trade University, Hanoi

Current positions

- Chairman of the Board of VINARE (full-time)
- Head of Investment Department, State Capital Investment Corporation (SCIC)
- Deputy Chairman, Insurance Association of Vietnam
- Chairman of The Country's National Bureau for Implementing Protocol 5 - the ASEAN Scheme of Compulsory Motor Vehicle Insurance (VINABAI)
- Deputy Chairman, Samsung Vina Insurance Company Limited

Past positions

- Secretary of the Board of Directors, Deputy Chief of Staff, Head of Investment Department 3, State Capital Investment Corporation (SCIC)
- Member of the Board of Directors (part-time), Traphaco Joint Stock Company
- Member of the Board of Directors (part-time), Tien Phong Junior Plastic Joint Stock Company
- Chairman of the Board of Directors (part-time), Vietnam Seaproducts Joint Stock Corporation (Seaprodex).

Nationality: Vietnamese

Qualifications

- Engineer of Machine Building Technology, Hanoi University of Science and Technology
- Bachelor of Commerce Business Administration

Current positions

- Member of the Board of Members, CEO of Bao Viet Insurance Corporation
- Member of the Board of Directors, Bao Viet Holdings
- Member of the Board of Members, Bao Viet Fund Management Company Limited
- Chairman, Insurance Association of Vietnam

Past positions

- Deputy CEO, Bao Viet Insurance Corporation
- Head of Application Development 2 Department
- Head of Application Operations and Maintenance Department.

Nationality: Chinese

Qualifications

- Master degree of Business Administration, Hong Kong Open University
- Degree of BA (Hons) in Finance Services, Napier University, UK
- Chartered Insurer of Chartered Insurance Institute (ACII)
- Associate-ship of Australian Insurance Institute (ANZII)

Current positions

- Head of New Business Development, P&C SID, Swiss Re
- Head of P&C, Hong Kong & Taiwan, Swiss Re

Past positions

- Head of Business Services, Asia (including ANZ), Swiss Re
- Head of P&C, Hong Kong & Taiwan as well as Branch Manager/Chief Executive for Swiss Re Hong Kong.

Nationality: Vietnamese

Qualifications

- Master of International Economics and Finance, University of Queensland, Australia.
- ANZIIIF Certificate (Senior Associate), Australian - New Zealand Academy of Insurance and Finance.
- Bachelor of Insurance Economics, National Economics University.

Current positions

- Member of the Board of Directors, Chief Executive Officer, VINARE
- Member of the Board of Directors, Post - Telecommunication Joint - Stock Insurance Corporation (PTI)

Past positions

- Deputy CEO of VINARE
- Manager of Marine Department, VINARE
- Deputy Manager of Marine Department, VINARE.

CORPORATION LEADERSHIP
Board of Directors



Mr. NGUYEN DINH AN
Member

(Member since 26/4/2017)



Mr. PHAM PHAN DZUNG
Independent member

(Member since 11/6/2020)



Ms. NGUYEN THI QUYNH HUONG
Member

(Member since 23/4/2021)



Ms. NGUYEN THI HUONG GIANG
Member

(Member since 22/4/2022)



Mr. NGUYEN HONG HOANG NAM
Member

(Member since 20/4/2023 in place of
Mr. Vu Anh Tuan resigned from 20/4/2023)

Nationality: Vietnamese

Qualifications

- Master of Economics and Finance, Staffordshire University, UK
- Bachelor of Economics, National Economics University

Current positions

- Member of the Board of Directors, Acting Chief Executive Officer, Bao Viet Holdings
- Board member and Chief Executive Officer, Baoviet Fund (BVF)
- Member of the Board of Directors, Bao Viet Joint Stock Commercial Bank

Past positions

- Head of General Secretariat, Bao Viet Holdings.

Nationality: Vietnamese

Qualifications

- PhD in Economics, Academy of Finance
- Master of Economics, Columbia University, USA
- Bachelor of Industrial Accounting, University of Finance – Accounting (Academy of Finance)

Current positions

- Independent member

Past positions

- Director General of the General Department of State Reserve, Ministry of Finance
- Director of Finance and Banking Department, Ministry of Finance
- Deputy Director of Finance Policy Department, Ministry of Finance.

Nationality: Vietnamese

Qualifications

- Master of Business Administration, Foreign Trade University
- Bachelor of Credit and Finance, Academy of Finance

Current positions

- Deputy Head of Investment Department 1, State Capital Investment Corporation (SCIC)

Past positions

- Deputy Head of Finance and Accounting Department, State Capital Investment Corporation (SCIC).

Nationality: Vietnamese

Qualifications

- Master of Finance, Banking, Insurance, NANTES University
- Bachelor of Russian Arts, University of Foreign Languages, Hanoi National University

Current positions

- Member of the Board of Directors, Chief Executive Officer, Petrolimex Insurance Joint Stock Corporation (PJICO)

Past positions

- Deputy Chief Executive Officer of PJICO
- Manager of Property – Engineering Department, PJICO.

Nationality: Vietnamese

Qualifications

- Master of Financial Management, Hanoi National University
- Bachelor of Science in Management, majored in Business Administration, Keuka College;
- Bachelor of Political Science, majored in political development, Academy of Journalism and Propaganda

Current positions

- Deputy Director, Bao Minh Trang An and Director, Bao Minh Long Bien, Bao Minh Insurance Corporation

Past positions

- Director of Bao Minh Vinh Phuc
- Director of Bao Minh Thai Nguyen.

CORPORATION LEADERSHIP
BOARD OF CONTROL



Ms. LE THI THANH HIEN
Head of the Board of Control
*(Member since 22/4/2015,
Head of BOC since 17/5/2023)*

Nationality: Vietnamese

Qualifications

- Master of Finance, University of Sydney
- Bachelor of Accounting, University of National Economics

Current positions

- Manager of Finance Department, State Capital Investment Corporation (SCIC)

Past positions

- Senior Auditor, Pricewaterhouse Coopers.



Mr. VU NGOC VUONG
Member
(Member since 26/4/2017)

Nationality: Vietnamese

Qualifications

- Master of Business Administration, Frederick Taylor University
- Bachelor of Finance – Banking, Academy of Finance

Current positions

- Official of Investment Department, Bao Viet Holdings



Mr. DAO MANH DUONG
Member
(Member since 11/6/2020)

Nationality: Vietnamese

Qualifications

- Master of Economics
- Bachelor of Corporate Finance, University of Finance and Accounting (Academy of Finance)
- Bachelor of English, University of Foreign Languages, National University

Current positions

- Manager of Marketing Department, VINARE

Past positions

- Manager of Property Department, VINARE



Mr. TUSHAR CHATTERJEE
Member
(Member since 11/6/2020)

Nationality: Indian

Qualifications

- Doctor of Philosophy (PhD), Heriot-Watt University
- Postgraduate Diploma in Actuarial Science, Heriot-Watt University
- Master in Statistics (Honours, Indian Statistical Institute
- Bachelor in Statistics, Indian Statistical Institute

Current positions

- Head L&H Operational RM and CRO Swiss Re Nexus I Director I Group Risk Management

Past positions

- Head of ERM and Head of ORM, Swiss Re Singapore.



Ms. TRAN THI MINH PHUONG
Member
(Member since 20/4/2023)

Nationality: Vietnamese

Qualifications

- Bachelor of Economics, Academy of Finance, Ha Noi

Current positions

- Deputy Head of Accounting Division, BIDV Insurance Joinstock Corporation (BIC)

Past positions

- Deputy Manager, Finance and Accounting Department, BIC
- Manager, Finance and Accounting Department, BIC
- Manager of Department, Accounting Division, BIC.

CORPORATION LEADERSHIP

BOARD OF MANAGEMENT



Mr. MAI XUAN DUNG

Chief Executive Officer

(Since 17/11/2020)



Mr. NGUYEN MANH LINH

Deputy Chief Executive Officer

(Since 01/09/2016)



Mr. DO ANH DUC

Deputy Chief Executive Office

(Since 01/02/2023)



Ms. LUU THI VIET HOA

Deputy Chief Executive Office

(Since 30/12/2023)

Nationality: Vietnamese

Qualifications

- Master of International Economics and Finance, University of Queensland, Australia.
- ANZIIIF Certificate (Senior Associate), Australian - New Zealand Academy of Insurance and Finance.
- Bachelor of Insurance Economics, National Economics University.

Current positions

- Member of the Board of Directors, Chief Executive Officer, VINARE
- Member of the Board of Directors, Post - Telecommunication Joint - Stock Insurance Corporation (PTI)

Past positions

- Deputy CEO of VINARE
- Manager of Marine Department, VINARE
- Deputy Manager of Marine Department, VINARE.

Nationality: Vietnamese

Qualifications

- Master of Science (MSC), CERAM School of Economics, Sophia Antipolis, France.
- Master of Business Administration (MBA), Asian Institute of Technology, Thailand.
- Informatics Engineer, Hanoi University of Science and Technology.

Current positions

- Member of the Board of Directors, Petrolimex Insurance Joint Stock Corporation (PJICO)

Past positions

- Manager of Risk Management Department, VINARE
- Deputy Manager of Human Resources – General Affairs Department and Assistant Manager, VINARE.

Nationality: Vietnamese

Qualifications

- Master of Business Administration, National Economics University, Hanoi.
- Bachelor, National Economics University.
- Bachelor, University of Law.

Current positions

- Chairman, Legacy Insurance Brokerage Joint Stock Company
- Chairman of the Board of Representatives, Bao Viet Bond Fund (BVBF), Bao Viet Fund
- Chairman of the Board of Representatives, Bao Viet Prospect Equity Open-ended Fund (BVPF), Bao Viet Fund
- Member of the Board of Control, Hung Vuong Insurance Joint Stock Company (BHV)

Past positions

- Manager of Investment Department, VINARE.

Nationality: Vietnamese

Qualifications

- Bachelor of Finance, University of Finance and Accounting

Current positions

- Member of the Board of Control, Global Insurance Joint Stock Corporation (GIC)

Past positions

- Chief Accountant, VINARE
- Manager of Finance - Accounting Department, VINARE.

SHAREHOLDING structure



VINARE's shareholding structure as at 20/10/2023

(According to the List No. S064/2023-VNR/VSDC as at 24/10/2023 of VSDC)

No.	Shareholder	Capital contribution (VND)	Share amount	Shareholding stake (%)
1	State Capital Investment Corporation (SCIC)	669,261,340,000	66,926,134	40.36%
2	Swiss Re	414,527,700,000	41,452,770	25.00%
3	Bao Viet Holding	152,139,270,000	15,213,927	9.18%
4	Bao Viet Fund Management Limited Company	132,769,340,000	13,276,934	8.01%
5	Bao Minh Insurance Corporation	106,607,990,000	10,660,799	6.43%
6	PG Insurance Corporation	41,458,650,000	4,145,865	2.50%
7	United Insurance Company of Vietnam (UIC)	17,767,980,000	1,776,798	1.07%
8	BIDV Insurance Corporation (BIC)	13,662,120,000	1,366,212	0.82%
9	Others	109,911,780,000	10,991,178	6.63%
	Total	1,658,106,170,000	165,810,617	100.00%

Shareholding structure

No.	Criteria	Share amount
1	Total number of share	165,810,617
	• Openly traded common stock	165,810,475
	• Restricted common stock	142
2	Number of shares by types	165,810,617
	• Openly traded common stock	165,810,475
	• Restricted common stock	142

Shareholder structure

No.	Shareholder	Share amount	Shareholding stake
1	Institutions:	158,161,478	95.39%
a	Local	113,371,032	68.37%
	• State Capital Investment Corporation	66,926,134	40.36%
	• Others	46,444,890	28.01%
b	Overseas	44,790,446	27.01%
2	Individuals:	7,649,139	4.61%
a	Local	7,198,334	4.34%
b	Overseas	450,805	0.27%
	Total	165,810,617	100.00%

Major shareholders

No.	Shareholder	Share amount	Shareholding stake
1	State Capital Investment Corporation (SCIC)	66,926,134	40.36%
2	Swiss Re	41,452,770	25.00%
3	Bao Viet Holding	15,213,927	9.18%
4	Bao Viet Fund Management Limited Company	13,276,934	8.01%
5	Bao Minh Insurance Corporation	10,660,799	6.43%

SUBSIDIARY and associated company



SUBSIDIARY

Business license No. 0103141556 first amendment on 16/07/2021, issued by Hanoi Department of Planning and Investment.

Address: 6th Floor, 141 Le Duan, Hoan Kiem, Hanoi

Charter capital: VND93,919,000,000

Lines of business:

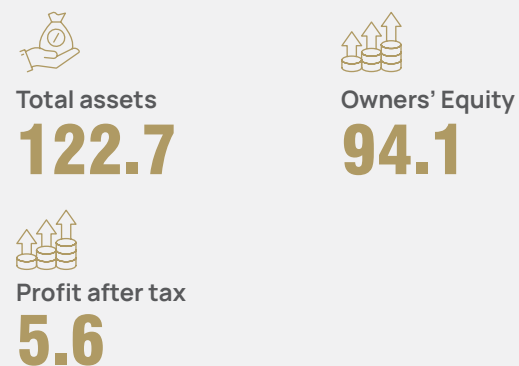
- Real estate business;
- Real estate management consultancy;
- Investment in the construction of transport infrastructure, urban and housing projects;
- Trading in other industries and services according to the Business License No. 0103141556 issued on 16/07/2021

Major shareholders:

VINARE	63.9%
Song Da Urban & Industrial Zone Investment and Development Joint Stock Company	10.6%
Phu Loc Real Estate Joint Stock Company	10.6%
Other shareholders	14.9%

Key financial indicators in 2023

Unit: VND billion



ASSOCIATE

Establishment and operation license No.

70/GPDC1/KDBH issued by the Ministry of Finance on 18/08/2014

Address: 45th Floor, Bitexco Financial Tower, 2 Hai Trieu, District 1, Ho Chi Minh City

Charter capital: VND500,000,000,000

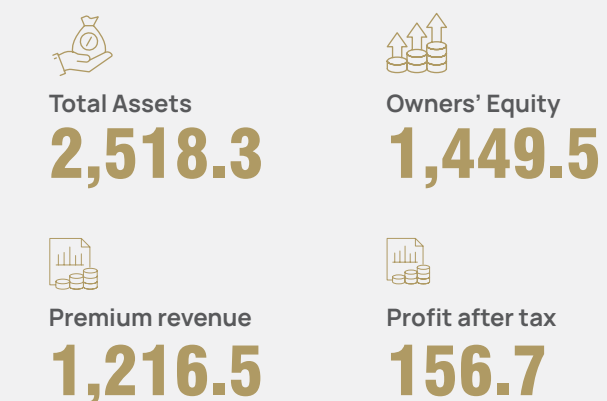
Lines of business: Non-life insurance business and financial investment in accordance with the law.

Joint venture partner:

Samsung Marine and Fire Insurance Company, Korea.

Key financial indicators in 2023

Unit: VND billion



OUR CLIENTS

DOMESTIC NON-LIFE (RE) INSURANCE COMPANIES

AAA AAA Assurance Corporation	TMIV Tokio Marine Insurance Vietnam	PVI PVI Insurance Corporation
ABIC Agriculture Bank Insurance Joint-Stock Corporation	Fubon VN Fubon Insurance (Vietnam) Co., Ltd	Hanoi Re Hanoi Reinsurance Joint Stock Corporation
AIG Vietnam AIG Vietnam Insurance Company Limited	GIC Global Insurance Company	QBE Vietnam QBE Insurance (Vietnam) Company Limited
BAOLONG Bao Long Insurance Corporation	HD Insurance HD Insurance Company Ltd	SVI Samsung Vina Insurance Company
BAOMINH Bao Minh Insurance Corporation	Liberty Insurance Liberty Insurance Limited	TIC Tasco Joint Stock Company
BAOVIET Baoviet Insurance Corporation	MIC Military Insurance Corporation	UIC United Insurance Company of Vietnam
BHV Hung Vuong Assurance Corporation	MSIG Vietnam MSIG Insurance (Vietnam) Co., Ltd	VASS Vien Dong Assurance Corporation
BIC BIDV Insurance Corporation	PAC Phu Hung Assurance Corporation	VBI VietinBank Insurance Company
BSH Saigon - Hanoi Insurance Corporation	PJICO Petrolimex Insurance Corporation	VNI Vietnam National Aviation Insurance Company
Chubb Vietnam Chubb Insurance Vietnam Company Limited	PTI Post - Telecommunication Joint - Stock Insurance Corporation	XTI Xuan Thanh Insurance Joint Stock Corporation

DOMESTIC LIFE INSURANCE COMPANIES

Baoviet Life BaoViet Life Corporation
AIA AIA (Vietnam) Life Insurance Co., Ltd
Manulife Manulife Vietnam Insurance Co. Ltd

OUR CLIENTS

BROKERS

Aon Aon	ENC PLUS ENC PLUS Insurance Brokers Co. Ltd	LOCKTON LOCKTON	PWS PWS Global Risks Labuan Ltd
ACE Ace Insurance Brokers	Guy Carpenter Guy Carpenter & Company Ltd	M.B. Boda M. B. Boda Reinsurance Brokers	RISK CARE Risk Care Insurance Broking Services Pvt. Ltd.
ARB Asia Reinsurance Brokers Pte Ltd	Gallagher Re Gallagher Re	Mahindra Mahindra Insurance Brokers Limited	UIB UIB Insurance Brokers (Korea) Co., Ltd
AIB Alliance Insurance Brokers Pvt. Ltd.	Haakon Haakon Ltd	MALAKUT Malakut Insurance Brokers (Vietnam) LLC	Ulysse Re Ulysse Re
AIH AIH Reinsurance brokers limited	HIS HIS Insurance Services Co., Ltd.	Mathsons Mathrawala and Sons Insurance Brokers	Willis Tower Watson Willis Tower Watson
AXIOM AXIOM InRe Insurance Brokers	Hub Risk Hub Risk Solutions Limited	Marsh Marsh Ltd	WIS Worldwide Insurance Services Ltd.
Asure Re Asure Re Brokers	INTERLINK Interlink Insurance & Reinsurance Broking Pvt. Ltd.	MHK MHK Insurance Services limited	
BHARAT RE Bharat Re-Insurance Brokers Pvt. Ltd.	IRICBS International Reinsurance & Insurance Consultancy & Broking Services Pvt. Ltd.	Pana Harrison Pana Harrison (Asia) Pte Ltd	
BRM BRM Korea Co., Ltd.	KMD KM Dastur Reinsurance Brokers	Pioneer Pioneer Insurance & Reinsurance Broker Pvt Ltd	
Challenge Challenge Group	J.B. Boda J.B Boda & Co.	Protection Protection Insurance and Reinsurance Services	

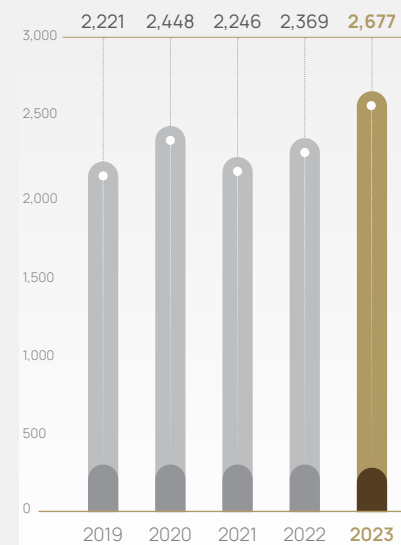
OVERSEAS (RE)INSURANCE COMPANIES

Allianz Re Allianz Reinsurance	Emirates Insurance Emirates Insurance Company	KB Insurance Co., Ltd KB Insurance Co., Ltd	Sava Re Pozavarovalnica Sava d.d., Czech	Steamship Mutual P&I Club Steamship Mutual P&I Club
Allied World Allied World Assurance Company Holdings, Ltd	Esicuba Seguros Internacionales de Cuba, S.A.	Labuan Re Labuan Reinsurance (L) Ltd	Peak Re Peak Reinsurance Company Limited	Sukoon Sukoon Insurance
Amlin MS Amlin	FPG Phillipines FPG Insurance Co., INC., Makati, Phillipines	LVI Lao-Viet Insurance Company	PICC PICC Property and Casualty Co., Ltd	Swiss Re Swiss Reinsurance Company
AIRCLAIMS AIRCLAIMS LIMITED	GARD GARD	London P&I Club The London Steam-Ship Owners' Mutual Insurance Association Limited	Ping An Ping An Insurance Company of China, Ltd.	Trust Re Trust International Insurance and Reinsurance Company B.S.C.
Asian Re Asian Reinsurance Corporation	GIC Bhutan Re GIC Bhutan Re	Malaysian Re Malaysian Reinsurance Berhad	RongSheng RongSheng P&C Insurance Co., Ltd	TUGU RE PT. Tugu Reasuransi Indonesia
Aspen Re Aspen	GIC India General Insurance Corporation of India	Munich Re Munich Reinsurance Company	Russian Re Russian National Reinsurance Corporation	Thai Re Thai Reinsurance Public Company Ltd
AXIS Re AXIS Re	GIG Gulf Insurance Group (Gulf)	MSIG Mitsui Sumitomo Insurance Co. Ltd.	Qianhai Re Qianhai Reinsurance Co., Ltd.	Toa Re The Toa Reinsurance Company, Limited
Berkley Re Berkley Re	HFW LLP Holman Fenwick Willan Llp	Mongolia Re Mongolian National Reinsurance Company	SANTAM RE Santam RE	Tokio Marine Kiln Tokio Marine Kiln
BEAZLEY Beazley	Hannover Re Hannover Re	Nat Re The National Reinsurance Corporation of the Philippines	Seoul Guarantee Seoul Guarantee Insurance Company	TPRe Taiping Reinsurance Co., Ltd
BH SPECIALTY Berkshire Hathaway Specialty Insurance	Huione Huione Insurance PLC	National Insurance National Insurance Company Limited	SOGAZ SOGAZ INSURANCE	Trans Re Transatlantic Reinsurance Company
Canopius Canopius	Huyndai Hyundai Marine & Fire Insurance Company Co., Ltd.	Nepal Re Nepal Reinsurance Company Limited	Samsung F&M Samsung Fire & Marine Insurance Co., Ltd	Triglav Re Triglav Re, Reinsurance Company Ltd
CB Insurance CB General Insurance PLC	Hanwha Hanwha General Insurance	New India The New India Assurance Co. Ltd.	Saudi Re Saudi Reinsurance Company	United India United India Insurance Company Limited
China Re China Reinsurance Company	Indonesia Re Indonesian Reinsurance (PT Reasuransi Indonesia Utama)	NH Insurance NongHyup Property and Casualty Insurance	SCOR SCOR	ZURICH Zurich Insurance Company
China Pacific China Pacific Insurance Co., (HK) Limited	III India International Insurance	ORIENT Orient Insurance PJSC	Shipowners' P&I Club The Shipowners' Mutual Protection and Indemnity Association (Luxembourg)	West of England P&I Club The West of England Ship Owners Mutual Insurance Association (Luxembourg)
CVI Cambodia-Vietnam Insurance Plc.	Korean Re Korean Reinsurance Company	Oriental The Oriental Insurance Company	Sirius Point Sirius Point Ltd	
Echo Re Echo Reinsurance Limited Company	Kuwait Re Kuwait Reinsurance Company	PartnerRe PartnerRe Ltd.	SompoRe SompoRe	

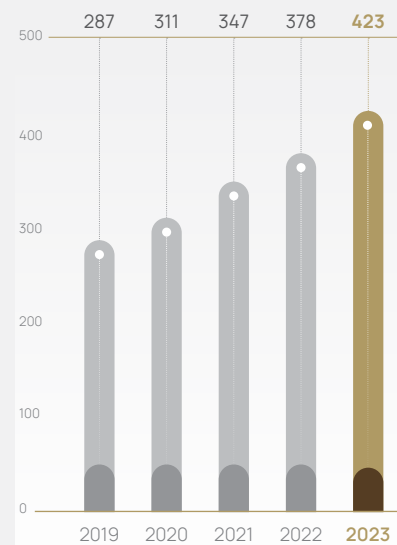
KEY FINANCIAL INDICATORS

2019-2023

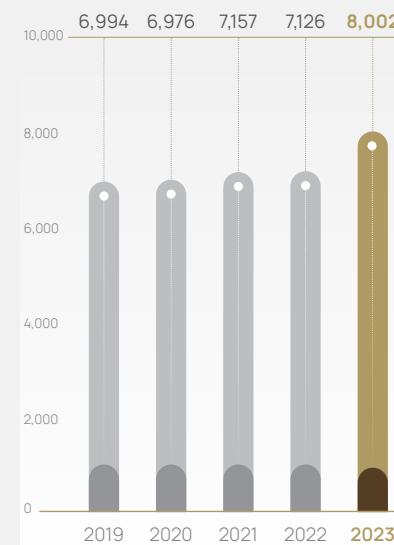
GROSS WRITTEN PREMIUM
(VND billion)



CONSOLIDATED AFTER-TAX PROFIT
(VND billion)



CONSOLIDATED TOTAL ASSETS
(VND billion)



Consolidated Financial Statements

Unit: VND billion

	2019	2020	2021	2022	2023
Gross written premium	2,221	2,448	2,246	2,369	2,677
Net written premium	1,191	1,497	1,273	1,275	1,379
Revenue from investment and other activities	337	380	480	415	483
Accumulated technical reserves (net)	1,314	1,543	1,520	1,497	1,613
Charter capital	1,310	1,310	1,507	1,507	1,658
Total assets	6,994	6,976	7,157	7,126	8,002
Pre-tax profit	344	377	423	463	500
After-tax profit	287	311	347	378	423
ROA (%)	4.10	4.46	4.85	5.31	5.29
ROE (%)	9.33	9.89	10.56	10.94	11.39
EPS (VND)	2,118	2,314	2,235	2,228	2,465

Separate Financial Statements

Unit: VND billion

	2019	2020	2021	2022	2023
Gross written premium	2,221	2,448	2,246	2,369	2,677
Net written premium	1,191	1,497	1,273	1,275	1,379
Revenue from investment and other activities	357	390	463	419	492
Accumulated technical reserves (net)	1,314	1,543	1,520	1,497	1,613
Charter capital	1,310	1,310	1,507	1,507	1,658
Total assets	6,773	6,738	6,915	6,862	7,713
Pre-tax profit	332	357	408	439	474
After-tax profit	275	291	332	355	397
ROA (%)	4.05	4.32	4.80	5.17	5.15
ROE (%)	9.40	9.90	10.83	11.05	11.53

AM Best Affirms Credit Ratings
of Vietnam National Reinsurance
Corporation



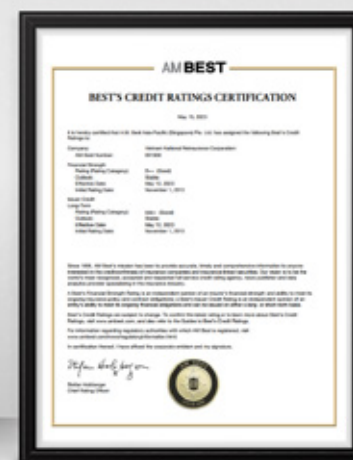
AM Best has affirmed the
Financial Strength Rating of

B++ (Good)

and the Long-Term Issuer
Credit Rating of

bbb+ (Good)

of Vietnam National Reinsurance Corporation (VINARE) (Vietnam).
The outlook of these Credit Ratings (ratings) is stable.



The ratings reflect VINARE's balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, neutral business profile and appropriate enterprise risk management (ERM).

The company's balance sheet strength assessment reflects its risk-adjusted capitalisation at the strongest level at year end 2022, as measured by Best's Capital Adequacy Ratio (BCAR). This capital adequacy ratio is underpinned by the company's low net underwriting leverage and high quality panel of retrocessionaires. VINARE's regulatory solvency exceeds the minimum requirement by a wide margin and improved during 2022 with a reduction in the company's personal accident premiums. Offsetting factors to the company's balance

sheet strength include its moderate investment risk, high dividend payout ratio and exposure to catastrophe risk.

AM Best views VINARE's operating performance as strong, with the company recording a five-year weighted average return-on-equity ratio of 9.9% (fiscal years 2018-2022). The company's strong operating performance is supported by the favourable performance of its commercial risks and stable investment income. Underwriting results improved in 2022, driven by favourable attritional and catastrophe loss experience, and a reduced expense ratio. VINARE's overall earnings are driven predominantly by investment income, despite lower deposit yields in 2022 compared with 2021. Prospectively, AM Best expects the company to maintain its strong level of operating performance, supported by controlled underwriting growth and improved pricing conditions in its core lines of business.

AM Best considers VINARE's business profile as neutral. Benefiting from strong shareholders' support and the company's status as a national reinsurer, VINARE has established long-standing relationships with local cedants and government. Although VINARE's geographic spread is largely concentrated in its domestic market, the company has a well-diversified underwriting portfolio by lines of business, with a good balance between commercial and retail risks.

AM Best views the company's ERM as appropriate given the developed reporting system and prudent risk management approach. Risk management framework and risk modelling capabilities have benefited and are expected to continue developing with the technical support provided by 25% shareholder Swiss Reinsurance Company Ltd.



3

BUSINESS ENVIRONMENT & BUSINESS STRATEGY

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GLOBAL Macroeconomics

THE GLOBAL ECONOMY IN 2023



The year 2023 proved to be a challenging one for the global economy, characterized by declining GDP growth, trade, and global investment, while non-performing loans increased and inflation remained high. These issues were exacerbated by geopolitical conflicts, technological fragmentation, extreme weather events, and widespread diseases. By the end of 2023, international organizations had revised their global economic growth forecasts in various directions, but most projections were lower than the growth rate of 2022.



Persistent Inflationary Pressures

While overall inflation began to decrease in most countries, primarily due to falling energy prices, core inflation remained above central banks' target levels. Economies heavily dependent on energy imports experienced significant price increases, especially since the disruption of oil imports from Russia. According to the International Monetary Fund (IMF), high energy prices and reduced supply were the primary causes of elevated inflation in many countries.

Record High Interest Rates

On July 26, the FED raised interest rates by 0.25 percentage points, setting the new target range for the federal funds rate at 5.25% to 5.5%, the highest level in 22 years. The year 2023 also saw a wave of interest rate hikes by major central banks worldwide. On September 14, the European Central Bank (ECB) raised three key interest rates—refinancing, deposit, and lending rates—by 25 basis points each, reaching their highest levels since the Euro was introduced in 1999.

Geopolitical Tensions Threatening Global Security

As the Russia-Ukraine war entered its third year, another unexpected conflict erupted in October 2023 in the Gaza Strip between Israel and the Palestinian Hamas forces. These conflicts not only caused significant loss of life and property but also disrupted global financial and commodity markets, particularly in energy and food sectors. This volatility poses risks to growth and inflation, adding an unpredictable variable for policymakers.

China and the U.S., the world's two largest economies, further exacerbated geopolitical tensions. Throughout 2023, despite efforts to ameliorate relations, the relationship between the U.S. and China continued to deteriorate. A significant issue was the intense technological rivalry, with both nations striving for dominance in emerging technologies such as artificial intelligence, electric vehicles, and clean energy.

China's Economy Declined After the COVID-19 Pandemic

At the end of 2022, as Beijing began to lift COVID-19 measures, the world eagerly anticipated a strong recovery of the Chinese economy, expecting it to serve as a driving force for global growth in 2023. However, after a brief surge in early 2023, China's economic recovery started to lose momentum due to uncertainties in the real estate sector and a significant debt burden accumulated from years of aggressive infrastructure investment. According to new data released by the National Bureau of Statistics of China, the country's economy grew by 4.9% in the third quarter of 2023, following growth rates of 4.6% in the first quarter and 6.3% in the second quarter. The figure for the fourth quarter of 2023 stands at 5.2%.

GLOBAL ECONOMIC OUTLOOK FOR 2024



Most international organizations have recently lowered their growth forecasts for the global economy in 2024. In October 2023, the IMF reduced its 2024 forecast by 0.1 percentage points to 2.9%. Similarly, in November 2023, the OECD revised its global economic growth forecast for 2024 down to 2.7%, lower than the 2.9% estimate for 2023. The OECD noted that the global economy might achieve a "soft landing," particularly in developed countries, rather than falling into a recession as previously feared.



The risks hindering global economic growth remain present and some are on the rise, considered long-term consequences of the COVID-19 pandemic. These include:

- (1) the ongoing conflicts between Russia-Ukraine and Israel-Palestine, along with continuing economic instability, which will significantly impact the global economy;
- (2) heightened competition between the two economic poles of China and the US and their allies, which is expected to intensify in the near future;
- (3) the effects of tight monetary policies aimed at combating inflation, and gradually diminishing fiscal support policies in the context of rising debt levels.

1

The geopolitical tensions between Russia-Ukraine and Israel-Hamas, coupled with ongoing economic instability, will significantly impact the global economy.

Oil prices are expected to continue rising due to prolonged supply cuts from Russia and Middle Eastern countries. Food prices are also projected to keep increasing due to frequent supply disruptions, posing challenges for many low-income nations and developing economies.

2

The intense competition between the two economic poles of China and the US, along with their respective allies, is expected to increase in the near future, presenting new challenges.

China-Russia cooperation is forecasted to not only counteract US and European sanctions but also to influence the global economy significantly. Conversely, the US and Europe will need to enhance the resilience of their supply chains for critical materials through a combination of diversification, stockpiling, and increased domestic production.

3

The impact of tight monetary policies aimed at combating inflation and the gradual reduction of fiscal support in the context of rising debt levels.

The effects of monetary tightening have a lag, so the impact of high interest rates is expected to continue affecting the global economy in the first one or two quarters of 2024. Key economies will face a gradual slowdown in growth and significant financial challenges and risks as a result of previously enacted policies. Meanwhile, the policy tools available to mitigate these risks are becoming increasingly limited.



In addition, global economic growth in 2024 will also be supported by several favorable factors, including:

- (i) At the global level, commitments and agreements on globalization may have slowed, but the flows of globalization continue to persist;
- (ii) New growth drivers for the global economy are emerging during this period, particularly the trends of green transformation and economic integration post-COVID-19.

Additionally, the rapid development of digital transformation driven by the Fourth Industrial Revolution will create new breakthroughs that support global economic growth.





VIETNAM Economy

VIETNAM ECONOMY IN 2023



Vietnam entered 2023 with fundamental advantages stemming from the impressive economic recovery in 2022. Vietnam had become the fourth largest economy in ASEAN and the 40th largest in the world, recognized as one of the most dynamic and open economies globally.



In a meeting with Prime Minister Pham Minh Chinh on September 5, 2023, World Economic Forum (WEF) President Klaus Schwab emphasized that :

Vietnam is a bright spot for economic growth post-COVID-19. This success is attributed to a comprehensive approach to macroeconomic management, which has helped the economy navigate current international and regional challenges.



In 2023, Vietnam's GDP growth reached

5.05%

Although this is lower than the target of 6-6.5%, it is still more than double the average global GDP growth and places Vietnam among the countries with the highest growth rates worldwide for 2023. The agriculture, forestry, and fisheries sector grew by **3,83%**; industry and construction increased by **3,74%** and the services sector experienced the highest growth at **6,82%**.

Vietnam's GDP growth in 2023



Overall in 2023, the Consumer Price Index (CPI) increased by

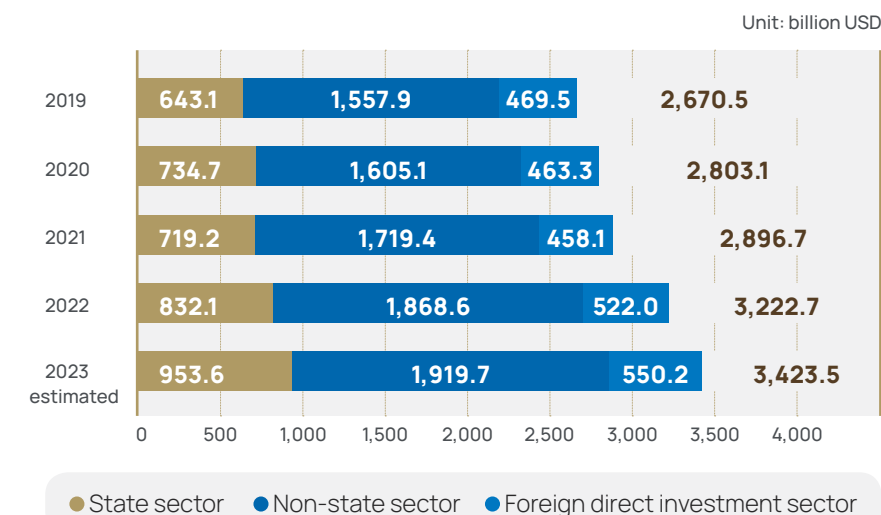
3.25%

y-o-y, aligning with the target set by the National Assembly.

The total realized investment capital for the entire society at current prices was estimated at (trillion VND)

3,423.5

a rise of 6.2% from the previous year. This included a 14.6% increase in the State sector, a 2.7% increase in the non-State sector, and a 5.4% increase in the foreign direct investment sector.



The total export and import turnover of goods was estimated at (billion USD)

683

a decrease of 6.6% compared to the previous year. Specifically, exports declined by 4.4% while imports decreased by 8.9%.



355.5
billion USD

4.4%

Exports

327.5
billion USD

8.9%

Imports

28.0
billion USD

Trade surplus

Economic growth in 2023 was supported by several favorable factors:

- **Macroeconomic Stability:** Effective coordination of fiscal and monetary policies helped maintain inflation within a safe range.
- **Agricultural Sector:** The primary sector (agriculture, forestry, and fisheries) continued to act as a stabilizing force for the economy. It actively pushed forward restructuring processes, ensuring both supply security and food security, while also achieving positive results, contributing to steady growth.
- **Service Sector Recovery:** The service sector showed signs of recovery, with tourism being a highlight. The tourism boom since late April stimulated increased consumer demand, which positively impacted other service industries such as transportation, accommodation, food and beverage services, travel, arts, and entertainment.
- **Industrial Activity:** Industrial activities gradually recovered, with the industrial production index showing a slight upward trend.
- **Effective Inflation Control:** Efficient inflation control stabilized cash flows, which was crucial for economic growth.



Alongside these favorable factors, several difficulties and challenges hindered growth in 2023:

- **Geopolitical and Global Economic Uncertainties:** Global economic difficulties, weak overall demand recovery, high inflation in many countries, and unstable supply chains negatively impacted the domestic economy.
- **Industrial Production:** Although there were positive changes, industrial production remained slow and did not achieve a strong acceleration compared to the same period in 2022. This was due to reduced orders, high input costs, and a lack of export markets, which affected many industrial sectors, especially manufacturing.
- **Slow Export-Import Recovery:** Export and import activities recovered slowly due to reduced global demand, tight monetary policies, and persistent high inflation.
- **Real Estate Market:** The real estate market continued to be sluggish with limited cash flow, especially under the pressure of large corporate bond maturities and repayments in 2023.
- **Foreign Investment:** Foreign investment in 2023 did not reach its full potential as investors were hesitant to expand their investments in existing projects in Vietnam, given the overall global economic challenges and the business community's difficulties.

MACROECONOMIC OUTLOOK FOR VIETNAM IN 2024

According to forecasts from most global economic research organizations, the world economy in 2024 will still face many challenges and uncertainties. Geopolitical tensions, climate change, and natural disasters will continue to paint a mixed picture of the global economy, which has not fully recovered to pre-pandemic levels.

However, the economic growth outlook for Vietnam in 2024 is expected to be more positive and vibrant year-on-year, with an improved growth rate. Vietnam continues to maintain its unique appeal and demonstrates strong development potential in the medium to long term. Many international organizations predict that in 2024, Vietnam's economic growth will align with the targets set by the National Assembly, estimated to be around 6% to 6.5%.



As we move into 2024, exports, public investment, and FDI are expected to continue driving economic growth.

Exports are projected to return to a growth trajectory, thanks to the recovery of the global technology market, which will boost demand for key products such as electronics, computers, and phones. Additionally, agricultural exports, including commodities like rice and coffee, will remain a strong foundation, benefiting from sustained high international prices due to tight supply.

Public Investment will be a crucial factor.

In the new year, Vietnam must rely on public investment as a growth driver. The Asian Development Bank's (ADB) in their report notes that the main factors affecting the economy are the global economic downturn, monetary tightening in some developed countries, and supply chain disruptions caused by increased geopolitical tensions. However, Vietnam's economy remains resilient, and recovery is expected to brighten due to robust domestic consumption, moderate inflation, accelerated public investment, and improved trade activities.

Unit: %	IMF	ADB	WB
Vietnam	6.9	6	5.5
Thailand	2.7	3.7	3.2
Philippines	5.9	6.2	5.9
Singapore	2.1	4.8	2.2
Indonesia	5	5	4.9
Malaysia	4	4.9	4.3

FDI Prospects are bright

Early in 2024, numerous American companies announced plans to invest over USD8 billion in Vietnam. Vietnam is advancing up the technology ladder as foreign investment projects are encouraged in chip production and high-tech industries. High-tech exports are driving Vietnam's economic growth.

However, there are still challenges impacting Vietnam's economy in 2024, such as political risks affecting investment, exports, and tourism sectors. Despite well-controlled inflation and interest rates, they remain relatively high. Public investment disbursement has not seen significant breakthroughs, and domestic enterprises continue to face difficulties on multiple fronts (legal issues, market access, resources, etc.). The restructuring of state-owned enterprises, especially weak financial institutions, remains slow.

FINANCIAL - INSURANCE MARKET



Financial – Monetary Market



Looking back at the financial-monetary developments in 2023, economic experts noted that few central banks worldwide had to shoulder as diverse objectives as in Vietnam, ranging from inflation control, exchange rates, credit, to social welfare.

In 2023, the State Bank of Vietnam lowered key interest rates four times, with reductions ranging from 0.5 to 2.0% per year. The continuous adjustment and reduction of operating interest rates were evaluated by many domestic and international experts as flexible and appropriate to market conditions to support the economic recovery and growth as directed by the National Assembly and the Government, thereby continuing to steer towards reducing the interest rate floor of the market, increasing the accessibility of capital for enterprises and people, contributing to promoting economic growth.

Government Bond Market

In 2023, the State Treasury successfully mobilized

298,476

billion dong
in government bonds

In 2023, the State Treasury successfully mobilized 298,476 billion dong in government bonds, achieving 98% of the adjusted plan set by the Ministry of Finance. Long-term maturities of 10 - 15 years continued to be favored due to better interest rates compared to capital costs.

Corporate Bond Market

After the sluggish period of 2022, signs of improvement emerged in 2023 thanks to Government Decree No. 08/2023/NĐ-CP. Furthermore, key factors contributing to a more positive corporate bond market include declining interest rates and ample bank liquidity. This is seen as a supportive foundation for business operations, increasing opportunities for the healthy development of the bond market. In 2024, to serve the strategy of land fund establishment and project development, real estate enterprises need to mobilize various sources of capital, with bonds still being one of the prioritized channels. However, for many enterprises, bond issuance plans are carefully calculated.

Stock Market

Ups and Downs Throughout 2023



After a rather sluggish start in the first quarter, the stock market began to show more activity from April onwards as Vietnam shifted towards a more relaxed and flexible monetary policy. Nevertheless, caution prevailed as liquidity remained very low in December. Overall, throughout 2023, money did not flow into the stock market as expected despite record low interest rates, even lower than during the COVID-19 period.

The stock market outlook for 2024 is expected to have many variables to consider, including macroeconomic factors and global securities; political events in the Middle East, and domestically, bonds are a risk to watch. Conversely, drivers for market growth include the potential strong recovery of corporate profits, and interest rates remaining low...

NON-LIFE INSURANCE Market

According to the Insurance Association of Vietnam's data, the non-life insurance market only experienced a growth of nearly 3% in 2023 - the lowest growth rate recorded in the past 5 years. The slowdown in personal insurance (which account for nearly 60% of the market share), such as life insurance, health insurance (with only about 0.3% growth), and motor insurance (down by 1.9%), is the main factor affecting the market revenue growth. Commercial insurance lines such as Property and Engineering maintained stable growth due to positive impacts from the support of mandatory insurance legislation, the growth of FDI projects, and particularly the strong growth of public investment projects. Cargo insurance was the only major commercial line experiencing a significant decline in revenue (10.8%) due to the decline in import-export turnover in 2023.

Although the "hard" market trend directly influenced the underwriting policies of most enterprises in 2023, non-technical competition in the market has not shown signs of decreasing in the face of revenue pressure, especially with key business lines such as Property, Engineering, and Cargo. The loss situation in 2023 saw more positive changes as there were not many serious major loss incidents; however, the low premium level, increasing underwriting fee, and the potential risks of natural disaster losses continue to be significant concerns for the market in maintaining underwriting profitability.

Digital insurance continued to prevail in 2023 as companies intensified their introduction of digital insurance products to differentiate themselves, attracting a more diverse range of customers amidst the continued high competition in the traditional commercial insurance market.



Alongside the challenges in revenue growth for the original insurance market, Vietnamese insurance companies continued to face a challenging renewal season in 2023/2024. The "hard" market trend remained strong in reinsurance negotiations this renewal season. Most Excess of Loss (XOL) contracts continued to experience premium increases ranging from 5% to 10% (for contracts without losses), an adjustment considered relatively tolerable compared to the 2022/2023 renewal season. Overall, there weren't many significant adjustments to proportional treaties (regarding commissions, liability limits, etc.), however, reinsurers continued to be stringent in considering clients' requests for adjustment and many major reinsurers were willing to withdraw participation (even for large contracts) if certain technical requirements were not met.

The possibility of increasing or decreasing premium rates in mandatory fire and explosion insurance under Decree 67 were considered the hottest issue in the market during the 2023/2024 renewal season. With concerns that market premium would decrease sharply as a result, all leading reinsurers in the market have stipulated conditions for entering risks into treaties when applying rate adjustment under Decree 67.

Reinsurance Market in Vietnam in 2024

- The insurance market is expected to experience better recovery in 2024 due to expectations of economic growth, domestic consumption and trade in goods, the acceleration of public investment, and an increase in foreign direct investment (FDI). However, the possibility of the market returning to double-digit growth may be relatively challenging given that consumer confidence has not fully recovered and global economic and political fluctuations may continue to exert pressure on the macroeconomic landscape.
- Competition in commercial insurance business is expected to increase, especially in the Property line with the implementation of Decree 67.
- Innovation and application of technology in product design and distribution continue to be seen as one of the main solutions that enterprises apply to enhance competitiveness and attract customers.
- The "hard" market trend will continue to dominate in 2024, creating pressure on reinsurance placement and impacting the business development strategies of enterprises. Reinsurers will continue to focus on tighter management of conditions to ensure business profitability. Reinsurance placement will continue to face many difficulties, especially with facultative contracts.
- Natural disaster situations are expected to be unpredictable in 2024, potentially causing negative impacts on the market loss situation.

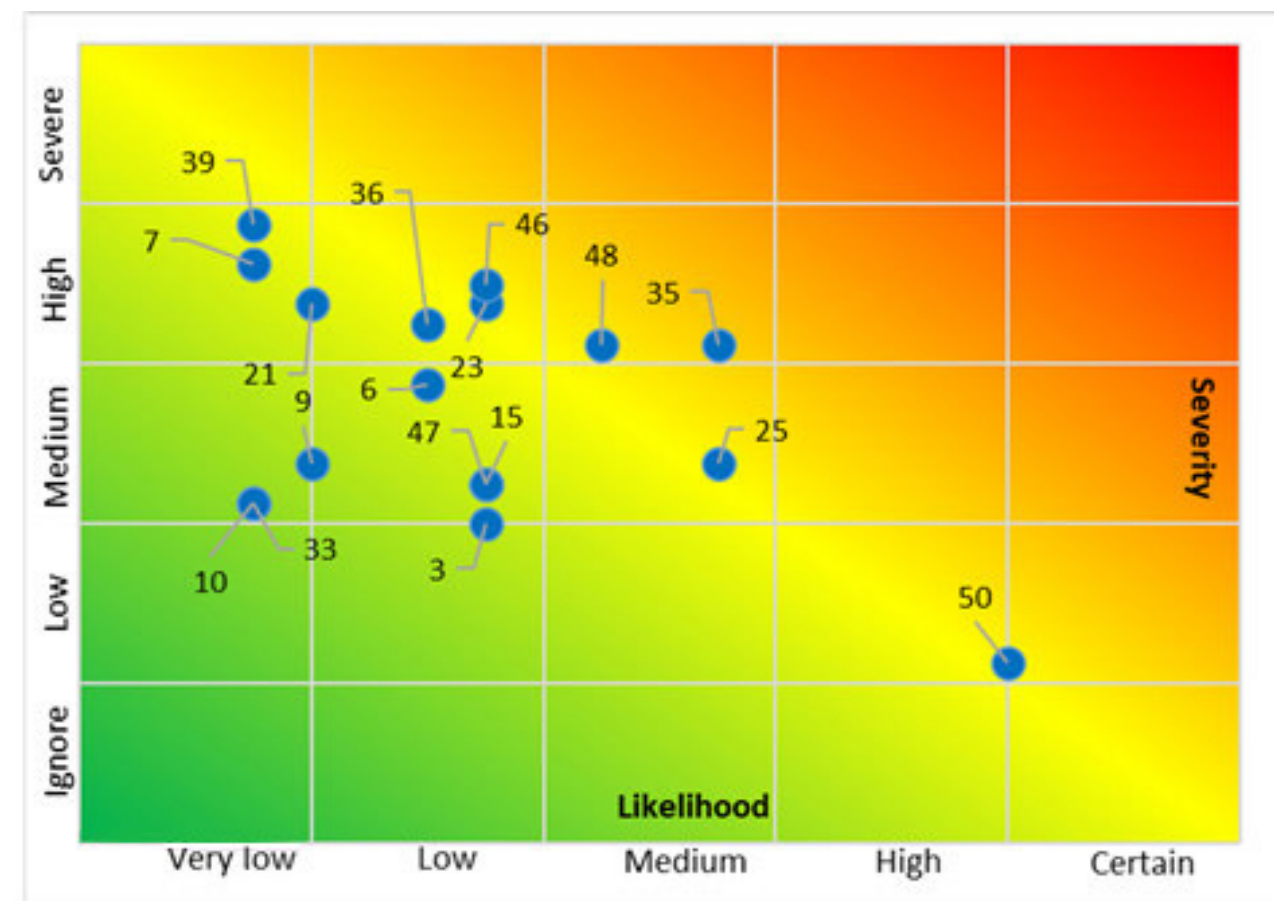


VINARE

Risk Landscape



KEY IDENTIFIED RISKS



Insurance Risks

- 10 — Gaps in terms and conditions between inward and outward contracts
- 23 — Unexpected severe Nat Cat events
- 33 — Inadequacy in reserving practices
- 50 — Poor performance in Hull

Credit Risks

- 9 — Insolvency of (re)insurers (unable to collect premium/ claim when due)
- 39 — Default/Insolvency of financial institutions; unexpected return because partners have unfavorable business results

Financial Market Risks

- 3 Exchange rate is unfavorable for VINARE
- 35 Fluctuations in interest rates due to the impact of macroeconomic policies greatly affect earnings from deposits and bonds in the portfolio
- 36 Volatility in stock market affects Net Asset Value (NAV) of entrusted funds

Strategic Risks

- 46 Loss of market position due to: high competition in soft market; low reinsurance demand in traditional products; local cedants raise their retention or alter reinsurance program
- 48 Low growth rate in core business

Reputation Risks

- 7 Reputation risk when VINARE ICR/FSR is downgraded

Regulatory Risks

- 6 Legal risk arise when there is a dispute with clients or failure to meet or not timely catch up with changes, supplement, provisions of law or the legality of reinsurance contract with local clients

Operational Risks

- 15 Lacking or losing key manager
- 21 UW software unable to replace WebXL
- 25 IT system security and continuity

INHERENT RISK MANAGEMENT



Insurance risk management

Insurance risk management is carried out comprehensively in each line of business and in each reinsurance contract. Market losses and gross inward losses are always monitored and updated promptly. Before renewal period, VINARE evaluates the performance of each contract to identify losses potential, thereby taking appropriate risk control measures (such as adjusting terms and conditions appropriately in line with market situation, or actively reducing inward share for long-term loss-making business such as hull business, applying minimum conditions when accepting some categories of risks). As a result, VINARE underwriting business has been profitable so far.

Loss reserve (outstanding loss) is booked by the Business and claim administration department and checked by underwriting departments. The figure is then certified by the appointed actuary that complies to the method of approved by the Ministry of Finance. In addition, the appointed actuary annually evaluates the adequacy of the reserving fund by comparing with the results of hypothetical reserving methods according to international standards.

For natural disaster risks, VINARE closely monitors disaster losses annually to adjust the inward cession and retrocession program appropriately to transfer the risk with overseas reinsurers.

Market Risk Management

VINARE has clearly identified inherent market risks: adverse fluctuations of interest rates; adverse fluctuations of stock market; adverse fluctuations in exchange rates; maturity mismatch between fixed assets and liability.

For adverse fluctuations of interest rates in the market, VINARE has actively signed and extended the term of a number of deposit contracts at the end of 2022 and early 2023 when interest rates were at high level. Besides, VINARE continues to increase investment in bonds (so far all are Tier II bank's bond with good credit ratings) hence creating a steady income in the medium-long term.

For the adverse fluctuations in the stock market, VINARE has identified the risk of volatility in recent years, so it should be a long-term investment. In addition, VINARE has updated and supplemented Investment Regulations in 2021, which clearly stipulates that the maximum limit of investment in listed stocks and entrusted fund is 10% of total annual investment assets to limit the impact in case of adverse volatility. In entrusted investment, VINARE also regularly coordinates with fund management companies to update and evaluate portfolio performance to decide timely adjustments. In 2023, VINARE's entrusted investment has recorded an increase of 21% in NAV.

For risks related to adverse fluctuations of exchange rates, VINARE has actively recorded exchange rates at the date of booking payment vouchers. In addition, payment is made by offsetting, so the impact of exchange rates on business results is relatively small.

For maturity mismatch between fixed assets and liability, VINARE has regularly calculated and monitored the average remaining maturity of fixed assets and the average time of paying loss. The results show that as of December 31, 2023, VINARE guarantees timely payment of liabilities arising from reinsurance business.

Unpredictable movements in the stock market, currency market, and banking system rules require VINARE to continuously update its analysis of market events and make necessary modifications to its investment on one hand complying with internal and legal rules, while reducing potential risks, boosting VINARE's financial gains.

Operational Risk Management

Risks associated with insufficiency of internal guidelines/ regulations and non-compliance with internal guidelines/ regulations.

In addition to corporate governance regulations, VINARE has circulated various guidelines on underwriting, claim handling, incurring payment vouchers, offsetting and debt handling.

Encourage and oversee the first line of defense to appropriately and completely apply these guidelines. Assign monitoring and inspection responsibilities to the second line of defense.

The internal audit is carried out in accordance with the schedule that the BOD established at the start of the year, and results pertaining to internal compliance are included in periodic reports.

Legal risks

VINARE often approaches new regulations via contributing comments to draft documents as requested by Ministry of Finance, Insurance Association of Vietnam, thus being able to update changes or new requirements to adjust or build internal guidances accordingly.

In addition, VINARE strengthens the activities of the Compliance Committee according to assigned functions and tasks and continues to have legal consultancy via a service contract with a law firm. It helps VINARE to obtain advice in legal related issues, improve the corporation's compliance with provisions of law, preserve VINARE's rightful interests.

Risks related to information technology systems, personal data security and network security

VINARE has restructured IT system in the direction of strengthening the control of network security. Also, we have gradually upgraded hardware to perform the system structure. Upgrade security for laptops for remote working if necessary.

In the coming time, VINARE continues to research and upgrade the level of security, safety of system in all aspects. Adjust the system structure if necessary. VINARE has implemented several backup options (online, offline) to increase data safety and to be proactive in the situation that needs recovery. The IT department continues to study regulations on the use of underwriting software and information technology systems.

Risks related to business interruption

VINARE has developed a contingency plan for events that might interrupt company operations. In this plan, probable scenarios including failure of IT system, epidemics, natural catastrophes, fires, and explosions have been examined, and appropriate reaction plans have been sketched. The plan is annually reviewed and adjusted if necessary.



Counterparty risk management

In underwriting activities

In accordance with the posted internal instructions, the reconciliation and evaluation of debts is performed on a regular basis—at least every quarter. Debts that have been outstanding for more than three years are being dicussed and resolved gradually.

In 2023, leading overseas reinsurers or those taking more than 10% of the total liability of reinsurance contracts all have A- ratings or higher according to AM Best or other international ratings agencies. If it is found that a customer's credit rating has fluctuated negatively, VINARE will call a meeting to discuss suitable action.

In investment activities

In bond & term deposit investment, 100% of VINARE's partners are financial institutions with good credit ratings provided by Moodys, S&P or Fitch. There has been no delay in fulfilling financial obligations from these partners.

In entrusted investment, reputable fund management firms in the industry, such SSIAM, VCBF, BVF, and MBC, are the chosen.

VINARE keeps supervising partners' financial capability and their fulfillment of financial obligations. For a new investment deal, the company will carry out a thorough evaluation of partner's financial strength prior to signing.

Liquidity risk management

VINARE complies with legal regulations pertaining to the investment sector and the internal investment guidelines, including those governing the allocation of investment assets. Deposits, bonds, and entrusted investments make up to more than 85% of all investment assets which showing high liquidity of investment portfolio.

In the coming time, VINARE continue to periodically review liquidity, ensuring that the indicators of general ratio and current ratio are always greater than 1.0.

Management of other material risks as assessed by the enterprise

In order to identify other risks that might significantly impact the business, the 2nd line of defense must coordinate with departments and unit in the 1st line of defense to periodically monitor and assess business operations. In case of identifying an emerging risk, 2nd line of defense is responsible to call meetings to discuss and propose measures to mitigate or limit the risk's impact.

In early 2024, the VINARE Board of Directors established the Risk Management and Sustainable Development Subcommittee (ESG) to strengthen risk management, associated with VINARE's sustainable development goals.

BUSINESS STRATEGY

And sustainable development strategy

OUR ESG STRATEGY AND ROADMAP

BUSINESS ORIENTATION

Diversify the types of reinsurance business to achieve sustainable revenue growth.

Enhance the provision of value-added services to support sustainable market development.

Ensure policies that promote good risk management practices and do not support risks that have a negative impact on the environment.

Ensure financial investment policies that target environmentally friendly investment assets.

Ensure stable income and progressively increasing welfare policies for employees.

Contribute to the sustainable development of the Vietnamese insurance market by raising awareness of risk insurance, providing reinsurance capacity, and supporting the development of risk protection products for the general population.

Strengthen social responsibility towards the community.

Why ESG

Since its establishment, VINARE's role has been to provide customers with value-added services, focus on profitability and optimize profits and to become an active business in environmental protection and community development issues.

Businesses are becoming increasingly intertwined with Environmental, Social and Governance (ESG) concern reflecting the sustainable development.

In fact, ESG is an inevitable trend. Our world is facing environmental, social and governance challenges. International reinsurers consider ESG as one of the critical conditions and requirements before investing or cooperating.

OUR ESG STRATEGY

As a player in the insurance and reinsurance industry, VINARE has a vital interest in fostering sustainable economic and social development. We aim to provide our clients with quality and reliable services and to engage in social, environmental and community commitments.

BUSINESS STRATEGY AND SUSTAINABLE DEVELOPMENT STRATEGY



OUR ESG AMBITION

- Greenizing business activities
- Promoting development of affordable insurance products
- Upholding community responsibilities for sustainable development

ESG PRINCIPLES

We uphold the Four principles recommended by UNEPFI:

- We will embed in our decision-making environmental, social and governance issues relevant to our insurance business.
- We will work together with our clients and business partners to raise awareness of environmental, social and governance issues, manage risk and develop solutions.
- We will work together with governments, regulators, and other key stakeholders to promote widespread action across society on environmental, social and governance issues.
- We will demonstrate accountability and transparency in regularly disclosing publicly our progress in implementing the Principles.

OUR ESG INCORPORATION

UNDERWRITING

- Giving priority to providing capacity to environmental-friendly business and renewal power projects.
- Having a roadmap to limit, restrain from providing capacity for fossil fueled thermal power plants/projects.
- Promoting R&D efforts in parametric insurance for agriculture sector.
- Actively participating in risk protection schemes for the community initiated by the Government.

INVESTMENT

- Systematic integration of ESG criteria into investment process and portfolio.
- Integrating ESG issues into investment decision-making and ownership practices.
- Avoiding investment related to low ESG-rated business.

OPERATION

- Prioritizing the digital transformation in office operation to reduce the consumption of paper.
- Allocate proper budget for charity causes and other community activities.
- Prioritizing consumption of recyclable products.
- Minimizing wastes and consumption of water and electricity.

GOVERNANCE

- Monitoring the progress in managing ESG issues and regularly disclosing the information publicly.
- Identifying and assessing the key ESG risks and their impacts on business activities.
- Raising awareness about climate change risks through dialogue with clients, employees, and the public.

OUR ESG ROADMAP			2025	2035
Facultative coal thermal power (overseas)	Full exit			
Newly-built coal thermal power (Vietnam)	Limit	Full exit		
Coal shipment	Limit	Full exit		
Facultative worker compensation, Employee Liability, Professional Indemnity for Architect & Engineers for coal thermal power plants	Full exit			
Investment in bonds issued for coal exploitation and/or coal power projects	No new disbursement	Full exit		
Entrusted investment	ESG-related considerations included in Entrusted investment agreements			



4

BUSINESS RESULTS 2023 & BUSINESS PLAN 2024



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Evaluation of the Board of Management
on VINARE's performance



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Evaluation of the Board of Directors
on VINARE's performance

EVALUATION OF THE BOARD OF MANAGEMENT on VINARE's performance

Withstanding challenges of economic growth slowdown and ongoing competition in the insurance market, VINARE achieved very encouraging business results in 2023. In addition to focusing on developing core business, VINARE actively studied and developed new products in cooperation with domestic and foreign partners.



EVALUATION ON BUSINESS RESULTS 2023



Vietnam's 2023 gross domestic product (GDP) increased by

5.05%



the non-life insurance market only increased by

2.87%



Total revenue in 2023 recorded

3,319
VND billion



The year 2023 proved to be a challenging one for the global economy. Strategic competition among major countries, increasing geopolitical tensions, the Russia-Ukraine war and fighting in the Middle East region negatively exerted impacts on the world economic recovery after the Covid-19 pandemic. Many countries' slowed-down growth and decreasing world aggregate demand also directly affected Vietnam. Vietnam's 2023 gross domestic product (GDP) increased by 5.05% year-on-year, only higher than the growth rate of 2020 and 2021 in the 2011-2023 period. Thus, according to preliminary data from the Insurance Association of Vietnam, the non-life insurance market only increased by 2.87% - the lowest growth rate recorded in the past 5 years.

VINARE applied many breakthrough solutions to achieve the targets of 2023 approved by the General Meeting of Shareholders. Total revenue in 2023 recorded VND3,319 billion, of which gross written premiums reached VND2,677 billion, increasing by 13% year-on-year and reaching 108.5% of the plan, revenue from investment activities reached VND 491.7 billion.

Business results 2023



Gross written premium was

2.677

VND billion

increasing by 13 percent year-on-year and achieving 108.5% of target



Net written premium was

1,378.6

VND billion

making up 108.1% year-on-year



Claim incurred increased by

49.7%

equivalent to VND171.4 billion year-on-year

This impressive growth was driven by successful writing of new business in overseas markets under the policy of gradually expanding the market on the basis of strict risk management and ensuring business efficiency. Core business lines (including Property, Engineering, Marine and Miscellaneous) posted an increase in gross written premium of 28.9% year-on-year to VND2,540 billion and reaching 117.2% of the year plan.

The lines that largely contributed to this growth were Property with an increase of 23.7% year-on-year thanks to significant revenue growth of new overseas business. Other lines that also recorded good results like Engineering growing by 13.6%, Marine 17.8% and Miscellaneous 68.1%. Revenue from treaties, particularly from such lines, witnessed decent growth rates. VINARE step-by-step participated in Motor Insurance to extend the market in a cautious manner.

Bancass Personal Accident continued to shrink to 34.4% y-o-y due to declining demand for reinsurance and to be in line with underwriting policy which focus on underwriting profitability.

Core business posted an increase in net written premium of 41.5% year-on-year to VND1,241.6 billion whilst that of Bancass Personal Accident only accounted for 34.4% against the previous year to VND136.9 billion.

Net claim payment increased by 28.4% year-on-year due to rising claims in Motor, Engineering, P&I, Cargo and Hull.

Claim reserve increased by VND53.1 billion, as opposed to a release of VND15.7 billion in 2022, due to P&I and Engineering experiencing significant losses in some accounts largely retained by VINARE.

Property losses decreased significantly compared with recent past years. Particularly, there were only 3 major losses of over USD1 million USD totaling around USD14 million. Small losses within VINARE's retention limit have been promptly handled.

EVALUATION OF THE BOARD OF MANAGEMENT ON VINARE'S PERFORMANCE

Large losses in 2023

(Large losses in terms of VINARE's net retention)

Unit: USD

Losses	Line of Business	Date of Loss	100% Loss	VINARE share	VINARE Retention
ADG & DUC THANH	Property	11/11/2023	6,738,197	1,347,639	808,583
CHARLENE – Alleged wet damage to bagged sugar	P&I	09/09/2022	4,690,423	1,031,893	590,993
ESD KOREA VINA	Property	12/01/2023	4,470,708	894,141	536,485
VIMC GREEN – Damage to cargo	P&I	12/09/2022	850,000	675,750	123,250
TAN BINH 134 – Alleged wet damage to green coke	P&I	10/09/2023	3,370,000	640,300	350,480
KWANG GUN TEXTILE	Property	13/07/2023	3,004,291	600,858	360,515
THANH CONG 36 – c/w fishing vessel at Thailand	P&I	24/06/2023	471,166	457,031	61,722
HOANG DUONG STAR – wet damage to rice cargo	P&I	27/11/2023	544,000	424,320	43,520
LIEN CHIEU PORT	Engineering	28/12/2023	1,565,217	345,913	72,372

Investment activities in 2023

Investment environment

Vietnam's economy in 2023 basically achieved its overarching goals of stabilizing macroeconomy, inflation control, growth promotion and ensuring major economic equilibria. The State Bank maintained an accommodative monetary policy to support economic growth. Deposit interest rates sharply decreased after several cuts in the central bank's interest rates in the second quarter of 2023. The average deposit interest rate dropped to 5.8% (-0.7%).

The year 2023 witnessed significant fluctuations in the stock market. By December 31, 2023, VN-Index had increased by 12.2% from 1,007.09 points at the end of 2022 to 1,129.93 points. Trading volume grew by 10.8% to 174.7 billion shares, and the total trading volume (including order matching and agreements) increased by 11.6% to 192.3 billion shares. However, the value of order matching transactions decreased by 12% to VND3,366 trillion and the total value of transactions (including continuous order matching and agreements) declined by 11.4% to VND3,784 trillion. Notably, foreign investors were net seller in 2023 with a total net sale value of USD1 billion. However, domestic capital inflows helped the market recover and maintain stability at the end of 2023.

Regarding the corporate bond market, the total issuance value in 2023 reached VND311,240 billion, a 15% increase year-on-year. Of which, the banking sector accounted for the largest proportion of issuance with VND176,006 billion (56.5%), followed by real estate sector with VND73,202 billion (23.5%).

The real estate market continued to face severe challenges across all segments, especially in housing projects and townhouses; while office leasing experienced a slow recovery.



Investment results 2023

Investment returns reached VND462.5 billion, increasing by 48% year-on-year and reaching 106.3% of the target plan.

The volatile investment environment significantly impacted 2023 financial investment activities, especially the deposit, bond and equity portfolio. Under such conditions, VINARE restructured its deposit and bond portfolio to improve long-term investment efficiency and concurrently reviewed and adjusted a number of policies and strategies in entrusted investment portfolio.

Deposit

Foreseeing the down-trend deposit interest rates, VINARE increased allocation to the deposit right from the beginning of the year with tenure of up to 18 months. The proportion of 18-month deposit contracts has increased from 21% at the end of 2022 to 43% by December 31, 2023. The average yield of the deposit portfolio increases from 5.59%/year at the end of 2022 to 9.17%/year at the end of 2023.

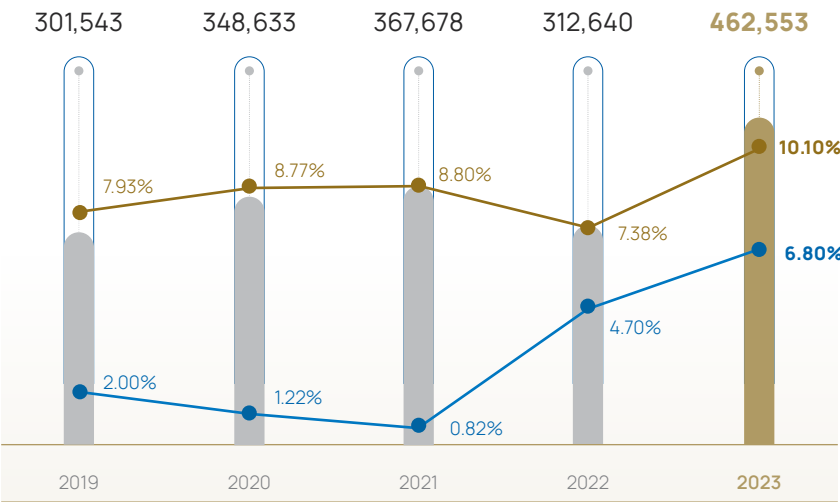
Bond

In the context of sharply falling interest rates, especially in the fourth quarter of 2023, VINARE actively sought investment opportunities in both primary and secondary markets, thus new investment in bonds amounting to VND469 billion (100% investment in banks' bonds for Tier II capital raising with credit ratings from B1, Ba2 according to Moody's). The yield of the bond portfolio in 2023 reached 8.3%, an increase of 16.3% compared to 2022.

INVESTMENT INCOME & OTHERS 2019-2023

Unit: VND million, %

- Investment income
- ROI
- Reference profit



EVALUATION OF THE BOARD OF MANAGEMENT ON VINARE'S PERFORMANCE

Private equity

The total original investment value in the equity portfolio in 2023 was VND494.3 billion. The total estimated market value of the portfolio reached VND1,805.3 billion. The difference between market value and cost of investment capital as of December 31, 2023 was more than VND1,310 billion.

All businesses in the private equity portfolio are profitable, some businesses achieved good business results after facing difficult times causing by the impact of Covid-19 pandemic.

Entrusted investment

VINARE coordinated with Fund Management enterprises to evaluate entrusted investment portfolio and review investment strategies to adapt to market conditions as well as added ESG goals into renewal and newly-signed contracts. Besides that, the recovery of the stock market in 2023 has helped NAV growth (including provision release) of the entrusted investment portfolio improve significantly.

NAV growth of the entrusted investment portfolio in 2023 reached 23.2%, higher than the growth rate of VN-Index (12.2%). The entire entrusted investment portfolio grew higher than market benchmark.

Evaluation on financial situation 2023

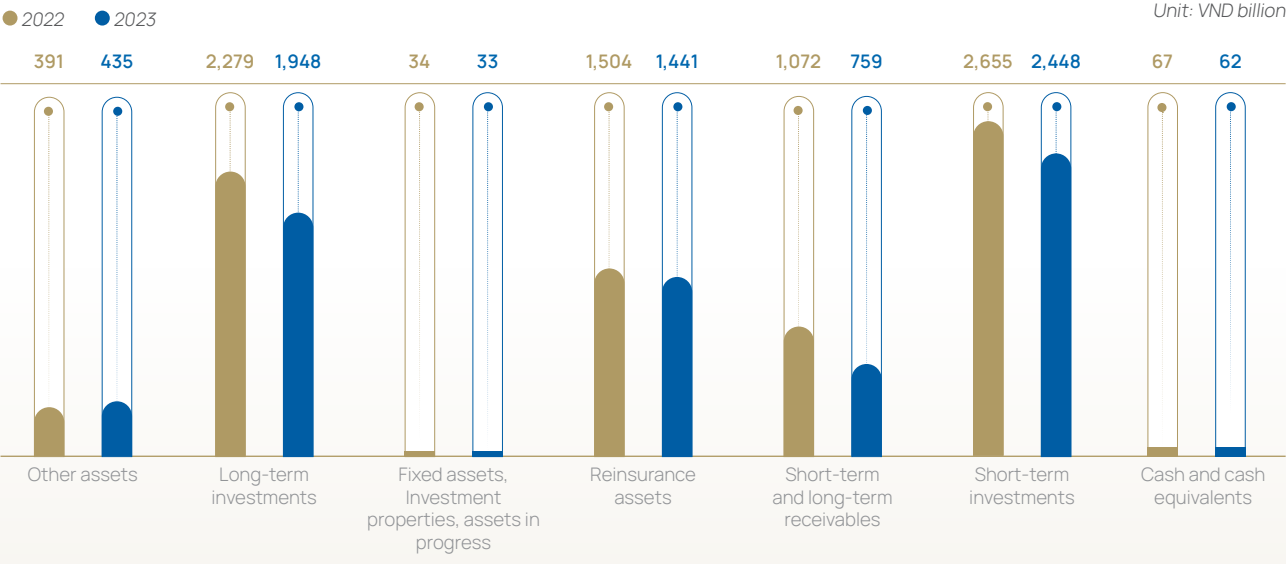
Consolidated assets

Total consolidated assets in 2023 reached VND8,002 billion, increasing by 12.3% compared to 2022 (VND7,126 billion).

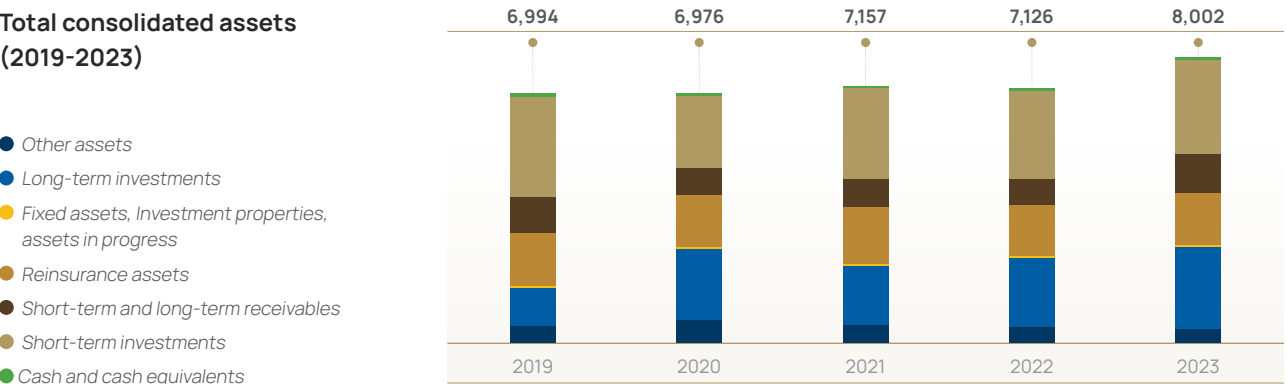
Investment assets continued to remain the largest portfolio of VINARE's total assets, accounting for 62.5% (in 2022: 62.6%). In order to ensure safety and liquidity against adverse developments of the financial market and ensure VINARE's long-term commitments to customers, deposits and bonds still accounted for the largest proportion, about 83% of the total investment assets.

Assets	2023			2022		2021		2020		2019	
	Amount	(%)		Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Other assets	391	4.88		435	6.10	476	6.65	625	9.11	470	6.72
Long-term investments	2,279	28.49		1,948	27.33	1,676	23.42	2,001	28.68	1,084	15.50
Fixed assets, Investment properties, assets in progress	34	0.43		33	0.47	31	0.44	32	0.45	31	0.45
Reinsurance assets	1,504	18.79		1,441	20.22	1,618	22.60	1,463	20.97	1,511	21.60
Short-term and long-term receivables	1,072	13.39		759	10.65	775	10.83	737	10.56	1,002	14.33
Short-term investments	2,655	33.18		2,448	34.36	2,556	35.71	2,053	29.43	2,793	39.93
Cash and cash equivalents	67	0.84		62	0.87	25	0.35	55	0.79	103	1.47
Total assets	8,002	100		7,126	100	7,157	100	6,976	100	6,994	100

Consolidated assets (2022-2023)



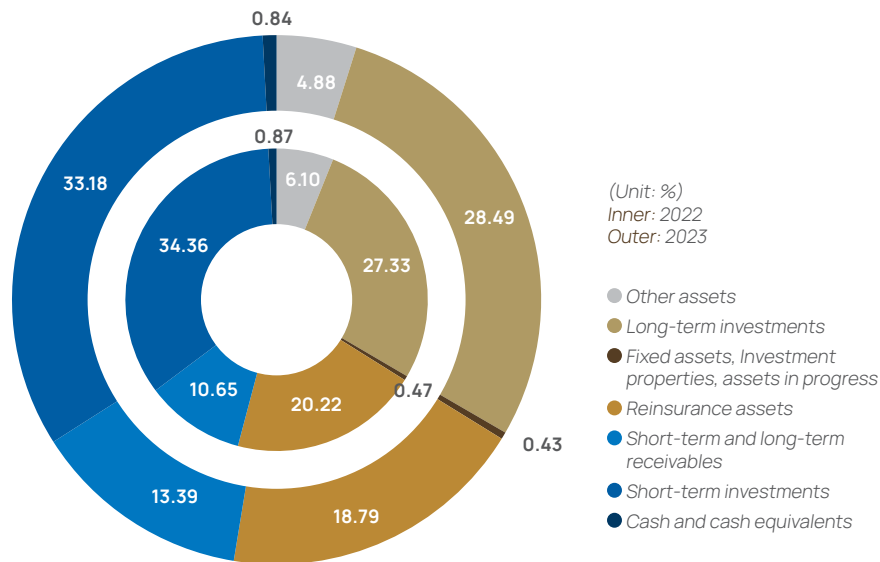
Total consolidated assets (2019-2023)



EVALUATION OF THE BOARD OF MANAGEMENT ON VINARE'S PERFORMANCE

CONSOLIDATED ASSETS STRUCTURE

In order to ensure the liquidity to meet the payment needs in the reinsurance business, short-term financial investment assets accounted for a large proportion of VINARE's total assets (by the end of 2023, short-term financial investment accounted for the largest proportion at 33.2%, followed by long-term financial investment, accounting for 28.5%).



Consolidated liabilities

CONSOLIDATED LIABILITIES

Consolidated owners' equity in 2023 reached VND3,717 billion, an increase of VND260 billion year-on-year, mainly thanks to retained profit after fully setting aside funds in accordance with the laws and Corporation regulations.

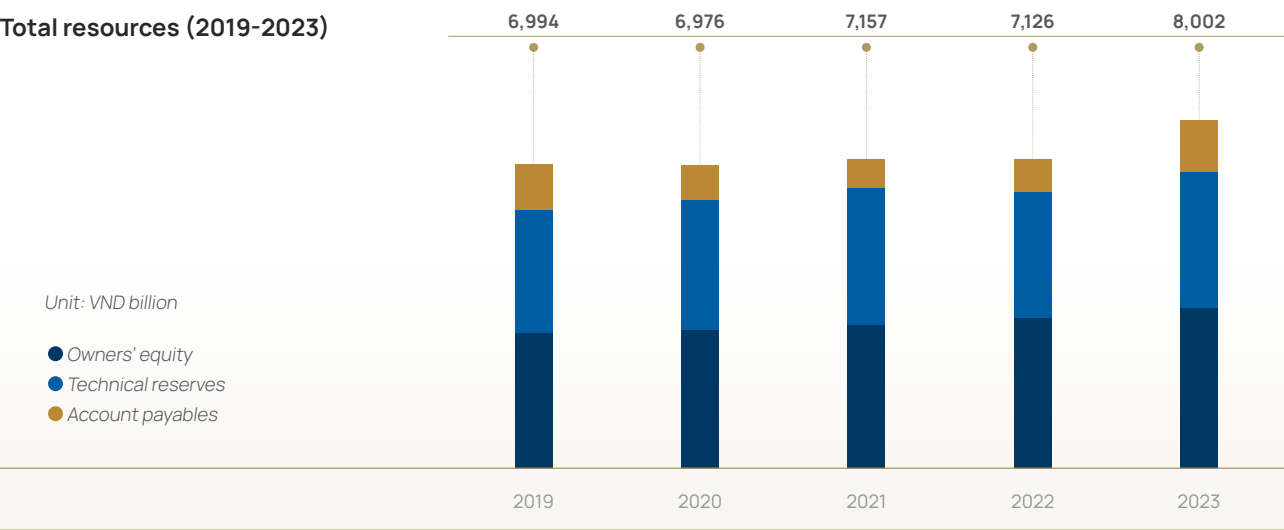
Consolidated liabilities (2019-2023)

Unit: VND billion

	2023		2022		2021		2020		2019	
	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)	Amount	(%)
Owners' equity	3.717	46%	3.457	49%	3.286	46%	3.145	45,1%	3.107	44,4%
Technical reserves	3.117	39%	2.938	41%	3.137	44%	3.006	43,1%	2.825	40,4%
Account payables	1.168	15%	731	10%	734	10%	825	11,8%	1.062	15,2%
Total resources	8.002	100%	7.126	100%	7.157	100%	6.976	100%	6.994	100%

Premium reserves for inward reinsurance increased by VND178.9 billion over the same period, increasing mainly in Engineering and P&I. Other payables increased by VND436.9 billion, of which insurance payables increased by VND381.6 billion, mainly due to new liabilities incurred before the payment period. Besides, VINARE also did a good job of collecting receivables; unearned commission income increased by VND35.3 billion; Other payables increased by VND20 billion.

Total resources (2019-2023)



SOLVENCY MARGIN

The method of calculation of the solvency margin of VINARE is based on Article 63, 64, 65 of Decree 73/2016/ND-CP and Article 20 of Circular 50/2017/TT-BTC (effective up to 31 December 2027) as follows:

- A company's Minimum Solvency Margin is the larger figure of the followings:**
 - 25% of net written premium at the time of calculation;
 - 12.5% of gross inward reinsurance premium at the time of calculation.
- A company's Solvency Margin**

Is the balance of the total value of assets (after certain deductions based on types of assets) and the total value of liabilities at the time of calculation.

		Unit: VND billion	
No.	Indicator	2023	2022
1	Balance of total assets value and liabilities	3,446	3,212
2	Asset values deducted upon solvency calculation	949	930
3	Solvency Margin of VINARE	2,497	2,282
4	Minimum Solvency Margin required	345	318
5	Comparison between (3) and (4)		
	- Absolute value	2,152	1,964
	- Percentage	725%	716%

The solvency margin of VINARE has consistently remained at a high level, ensuring the timely fulfillment of short-term debt obligations and fully meeting financial commitments to customers.

As of December 31, 2023, VINARE's solvency margin was at a safe level, 7.3 times higher than the minimum solvency margin, and compliant with the regulations of the Ministry of Finance (the solvency margin of VINARE in 2022 was 7.2 times).

EVALUATION OF THE BOARD OF MANAGEMENT ON VINARE'S PERFORMANCE

Key activities in 2023

Regulation development

- Issuance of risk management policy and internal regulations on risk management in accordance with Circular No. 70/2022/TT-BTC
- Regulations on documentation and archives (draft)
- Regulations on the management and use of information technology systems (draft)

Human resource management

- Appointment of 2 new Deputy Chief Executive Officer
- Appointment 1 Manager and 2 Deputy Managers
- Re-appointment of due management positions

Other activities

- Rating: maintaining FSR B++ và ICR bbb+ (AM Best)
- Completed Risk Management report 2022
- Completed the Internal Audit Plan
- Published 2 issues of Insurance – Reinsurance Newsletters in 2022
- Completed the acceptance of Vicore Project
- Managing investment portfolios: VINARE Invest actively pursued the recovery of certain outstanding receivables.

Environmental objectives

Please refer to Chapter VI – Environmental Standards

Evaluation on employees

Please refer to Chapter VI – Social criteria

Social responsibility

Please refer to Chapter VI – Analysis of impacts of VINARE related to sustainable development – Impacts on the development of society

BUSINESS PLAN 2024

Economic Outlook 2024

Please refer to Chapter III – Business environment – Macroeconomic Outlook for Vietnam in 2024

Insurance - Reinsurance Market Outlook in 2024

Please refer to Chapter III – Business environment – Non-life Insurance Market in Vietnam in 2024

Overall policy in 2024

GENERAL DIRECTION

Continuously enhance risk management and improve profitability of reinsurance business; Gradually expand market share and strengthen capacity to provide value-added services to the market (risk management, training, products, insurance programs, sustainable development solutions).

SOME SPECIFIC AREAS:



Reinsurance business

- Focus on researching and deploying new products
- Find solutions to increase revenues of Engineering and other profitable traditional business lines.
- Focus on risk management of Cargo, Property
- Enhance capability of providing insurance products of Liability
- Participate in a strictly controlled manner in Motor based on ensuring the principles of safety, efficiency and ensuring solvency margin.



Corporate governance & Organization

- Continue to strengthen the organization structure and policies on human resource development, corporate governance.



Investment

- Enhance risk management capability, capital preservation
- Monitor the entrusted investments
- Re-allocate investment assets in compliance with Ministry of Finance's decisions and VINARE's Investment Guidelines. Assess risk and allocate investment assets and provide solutions to ensure efficiency and sustainability.
- Speed up the debt collection process and projects of VINARE Invest
- Review private equity portfolio.

EVALUATION OF THE BOARD OF MANAGEMENT
ON VINARE'S PERFORMANCE



Business plan 2024

Business plan 2024		Unit: VND million	
Indicators	2024 Plan	2023 Performance	Growth
Gross written premium	2,918,000	2,677,422	9.0%
- Core lines of business	2,778,000	2,540,491	9.3%
- Personal Accident	140,000	136,932	
Profit before tax	505,000	473,642	6.6%
Projected dividend payment	10% in cash	10% in cash	
	10% by shares	10% by shares	

Projected allocation of investment assets 2024		Unit: VND million			
No.	Investment portfolio	31/12/2024	31/12/2023	+/-	Weighted
1	Deposits	2,750,000	2,854,000	-104,000	54.7%
2	Bonds	1,414,000	1,129,000	285,000	28.1%
3	Equities	494,296	494,296	-	9.8%
4	Fund certificates & entrusted investment	350,000	320,000	30,000	7.0%
5	Office leasing	1,000	2,773	-1,773	0.02%
6	Real estates	10,969	10,969	-	0.2%
7	Current deposits	3,745	3,745	-	0.1%
Total		5,026,192	4,814,783	211,409	100.0%

EVALUATION OF
THE BOARD OF DIRECTORS
on VINARE's performance



Under the leadership of the Board of Directors, the direction of the Chief Executive Officer as well as the Board of Management, VINARE made every effort to exceed the 2023 business plan. VINARE continued to affirm its position as the No.1 brand in the Vietnamese reinsurance market, while strictly adhering to legal regulations during its business operations as stipulated by the Charter, internal management regulations and current legal regulations.

According to Mr. Nguyen Anh Tuan Chairman of the Board, these impressive results of 2023 are clear evidence of the practical efforts made by the Board of Directors throughout the past year. VINARE is confident in its

role as a national reinsurer, in addition to corporate benefits, VINARE also actively contributes to the development of the local insurance market. During recent years, VINARE has still played the role of an important bridge in relations with international organizations and a focal point providing neutral information for the entire insurance market. A business cannot "develop sustainably" without steady growth, shareholders' supports and employees' long-term commitment.

Evaluation of the Board of Directors on VINARE's performance

Assessments

The Board of Directors highly appreciated and acknowledged the Corporation's efforts in surpassing the 2023 targets, which helped improve and enhance our competitiveness in the local and regional market.

The Corporation strictly followed all the State regulations, the Corporation's Charter of Organization and Operations and decisions of the Board of Directors and the General Meeting of Shareholders in business activities.

EVALUATION OF THE BOARD OF DIRECTORS ON VINARE'S PERFORMANCE

Evaluation on the performance of the Board of Management

The Board of Management has strictly followed all resolutions of Annual General Meeting of Shareholders and the Board of Directors and has coordinated closely with the Board of Directors, the Board of Control and the Board Committees.

The Board of Management has been present at every Board meeting and provided inputs and insights to the matters in the agenda. All proposals by the Board of Management to the Board of Directors have been throughly studied and discussed and the Board of Directors has provided timely guidance.

The Chief Executive Officer has directed the Corporation and the management team to fully and promptly comply with all decisions of the Board of Directors, the Annual General Meeting of Shareholders, regulatory requirements, and the Charter.

The Board of Management has made significant efforts to enhance the Corporation's competitiveness and implement adaptive and effective solutions in business operations, including:

- Connecting with primary insurance and reinsurance companies on the principle of mutual benefits to increase inward business, optimize reinsurance capacity, and focus on core business for sustainable and effective growth;
- Coordinating with domestic and foreign partners to implement the signed MoUs with Swiss Re, ABIC, Thai Re, ect. to effectively develop new products, and create immediate and long-term revenue;
- Continuing to enhance the position of VINARE both nationally and regionally by periodically issuing the Insurance - Reinsurance Newsletter (in English and Vietnamese); and organizing overseas training courses for partners who are primary insurers;
- Channeling investment in assets with higher returns amid decreasing deposit interest rates, thereby improving investment efficiency; focusing on monitoring and improving management efficiency of private equity portfolio;
- Maintaining and strengthening financial capacity; carrying out internal audit as planned; focusing on

compliance control and risk management through updating the ERM risk management framework, reviewing and consulting legal advice on arising issues;

- Developing mechanism, procedures and regulations. This includes promulgating risk management policies and internal rules on risk management according to Circular 70/2022/TT-BTC; drafting Archives Rules; Rule on management and usage of information technology system;
- Strengthening the Corporation's senior leadership personnel by appointing 02 additional Deputy CEO, 01 Chief Accounting Officer and dismissing the position of Chief Accountant; enhancing human resources at all levels to meet the job requirements;
- Completing the acceptance of Vicore project and put it into operation safely and effectively;
- Renovating the facilities and information technology infrastructure and implementing fire prevention equipment as required.

Plans and orientations of the Board of Directors

The Board of Directors has approved and instructed the Corporation to implement the business plan and key tasks in 2024 as follows:

- 1 Strive to fulfill and exceed the 2024 business plan. Achieve the strategic business goals for the period 2020 - 2024.
- 2 Organize activities to commemorate the 30th anniversary of the establishment of VINARE.
- 3 Develop and promote research/proposals on new products and services; providing solutions/reinsurance capacity for the market.
- 4 Strengthen the value-added supply chain for customers, gradually develop and expand the market.
- 5 Apply suitable corporate governance practices according to national and international standards; finalize human resource development policies.
- 6 Evaluate and improve human resource development policies.
- 7 Strengthen risk management (Internal management activities & provide added value on risk management to the market).
- 8 Maintain/upgrade financial rating.
- 9 Focus on effective cost management.
- 10 Improve investment capacity, closely monitor portfolios, conduct periodic reviews.





5

CORPORATE GOVERNANCE

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Corporate Governance Overview

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Activities of the Board of Directors and Committees

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Board of Control

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Shareholders' relation, share ownership of internal persons, share transactions of internal persons, remuneration and other interests

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Environment of Control

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Asean corporate governance scorecard

CORPORATE GOVERNANCE

Overview



Corporate governance is identified as a core factor to ensure efficient growth, sustainable long-term development, and is crucial for VINARE to enhance its image and brand value amid the increasingly deep and robust international economic integration over the past nearly 30 years.

PRINCIPLES AND CORE VALUES OF CORPORATE GOVERNANCE IN VINARE

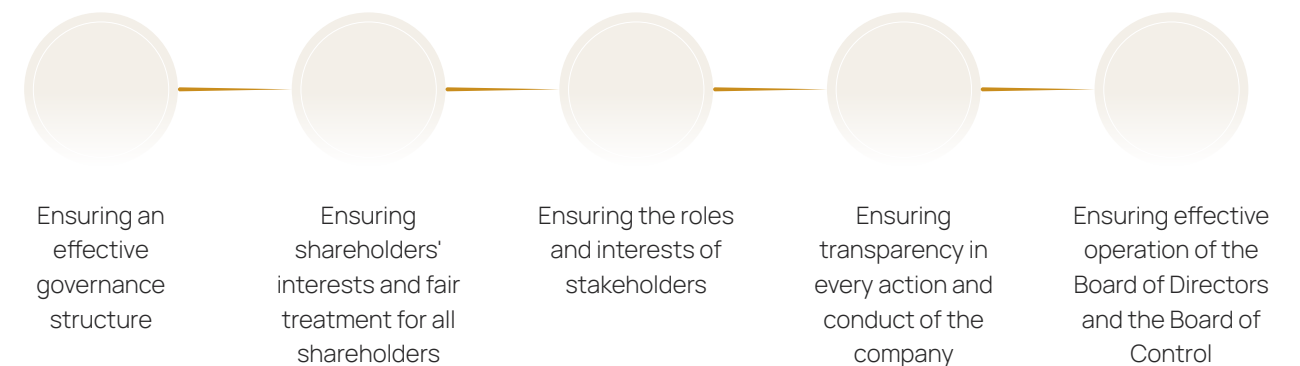
In recent years, under the guidance and direction of the Board of Directors, VINARE has implemented good practices in corporate governance, including Vietnam Corporate Governance Best Practices, the Corporate Governance Principles of the Organization for Economic Cooperation and Development (OECD) and the ASEAN Corporate Governance Scorecard.

The corporate governance principles related to:

- (i) Shareholders' rights
- (ii) Equal treatment of shareholders
- (iii) Roles of stakeholders with relevant interests
- (iv) Disclosure and transparency
- (v) Responsibilities of the Board of Directors

have been actively referenced by VINARE in developing an effective corporate governance system within the company. The aim is to enhance the quality of corporate governance, create a foundation for business development, and achieve broader objectives such as building trust with shareholders and investors, accessing capital markets, and expanding operation in regional and international markets.

Principles of Corporate Governance in VINARE



VINARE strictly abides by corporate governance regulation imposed by Vietnamese authorities, in particular Decree 155/2020/ND-CP governing corporate governance of public companies.

VINARE has developed a system of internal regulatory documents in order to control and supervise the entire operation of the company in a professional, transparent and effective manner, with the purpose of ensuring the interests of shareholders and the harmonisation of interests of all stakeholders, including our clients, our employees and the community.

10 Actions taken in applying Corporate Governance Principles

Responsibilities of the Board of Directors

1. Clearly define the roles, responsibilities, and commitments of the Board of Directors
2. Establish a highly capable and professional Board of Directors
3. Ensure the independence of the Board of Directors
4. Establish Committees under the Board of Directors
5. Ensure the effective operation of the Board of Directors
6. Establish and maintain the ethical culture of VINARE

Control Framework

7. Establish Enterprise Risk Management (ERM) framework, internal control system, and internal audit function

Transparency and Disclosure

8. Ensure full, timely, and transparent disclosure of information

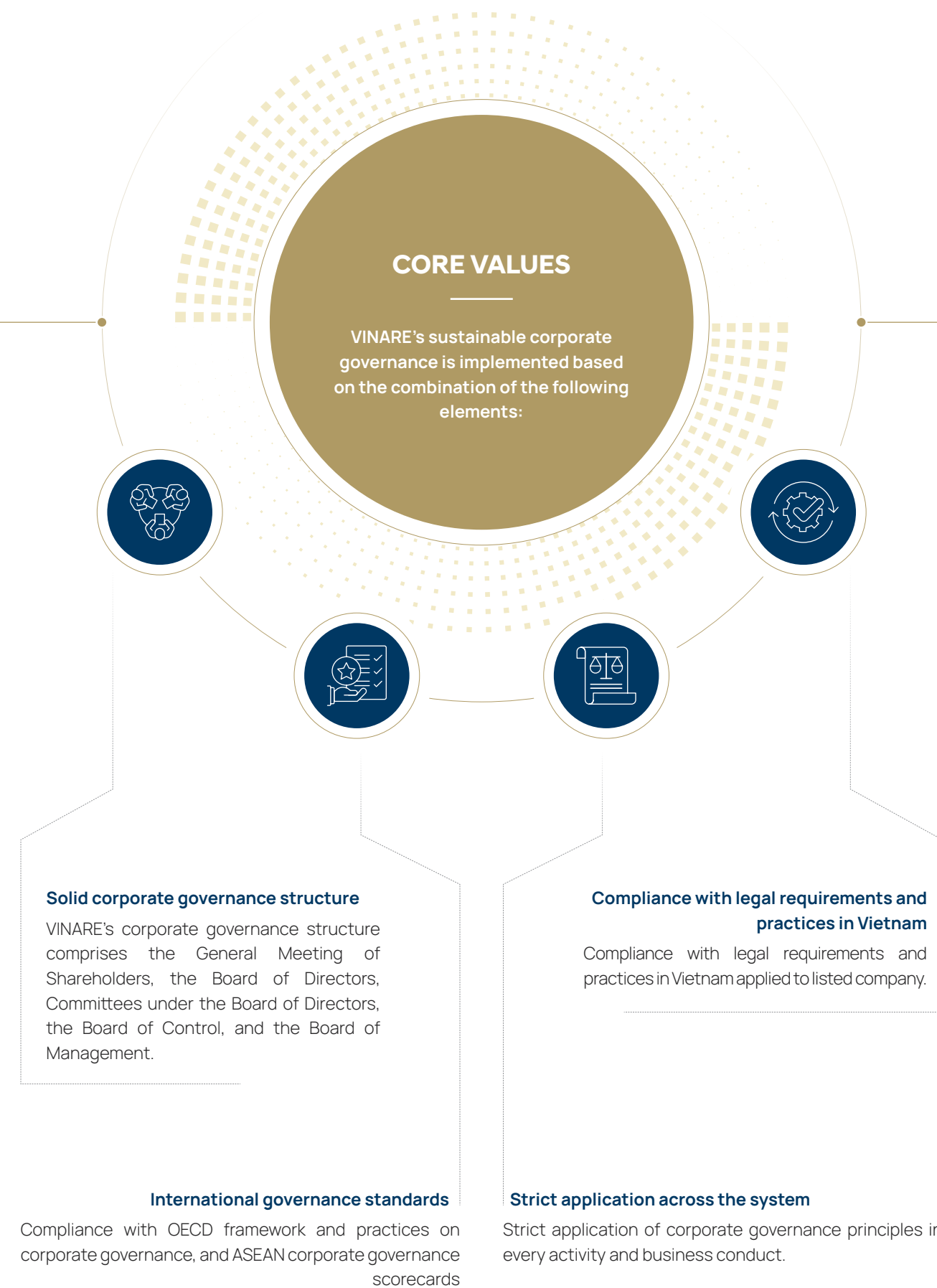
Shareholder Rights

9. Establishing a framework to effectively exercise shareholders' rights

Relationships with stakeholders

10. Enhancing the effective participation of stakeholders

CORPORATE GOVERNANCE OVERVIEW



VINARE CORPORATE GOVERNANCE FRAMEWORK

VINARE corporate governance framework comprises the following components:



TRAINING AND EDUCATION ON CORPORATE GOVERNANCE

Training and updating regulation and knowledge relating to corporate governance are organized on a regular basis.

The following officers attended "Director Certificate Programme" (DCP) by Vietnam Institute of Directors (VIOD) in 2023:

- Ms. **Nguyen Thi Quynh Huong** - Director
- Ms. **Nguyen Thi Huong Giang** - Director
- Mr. **Nguyen Manh Linh** - Deputy Chief Executive Officer
- Ms. **Nguyen Thi Minh Chau** - Corporate Secretary
- Mr. **Nguyen Anh Duc** - Head of Investment

Workshops on corporate governance attended in 2023:

- Risks and Challenges to Board of Directors in listed companies**
(VIOD - February 2023)
- Corporate governance practice - Beyond Compliance**
(VIOD - March 2023)
- Directors' Talk #8: Global corporate governance trend - how to get ready for ESG integration**
(VIOD - March 2023)
- Female Directors and Officers Forum**
(VIOD - October 2023)

ACTIVITIES

of General Meeting of Shareholders

GENERAL MEETING OF SHAREHOLDERS



The Annual General Meeting of Shareholders: 20 April 2023

- 1 — Approval of 2022 financial statements and profit allocation;
- 2 — Approval of 2023 business plan;
- 3 — Approval of Board of Directors, Board of Control Report;
- 4 — Approval of independent auditors list;
- 5 — Discharge and election of Board of Directors and Board of Control members.

THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS: 8 AUGUST 2023



Approval of the share issuance plan for the purpose of dividend payment

ACTIVITIES

of the Board of Directors and Commitees



Members of the Board of Directors (BOD):

Please refer to "Board of
Directors" from page 20 to 23

The Board of Directors has fulfilled its role, responsibilities and commitments towards the operation of VINARE, demonstrating the professionalism, competency and independence in making strategic and operational decisions.

VINARE's Board has been recognised as having diversity in expertise, skills, viewpoints and gender.

On 22 November 2023 at the 6th Annual Forum of VIOD, VINARE was presented with the Board Diversity Award 2022.

ACTIVITIES OF THE BOARD OF DIRECTORS AND COMMITTEES



VINARE was also awarded the Certificate of

TOP 12

Boards Committed to Best Corporate Governance Practices.

“VIOD acknowledges and honours the boards with good corporate governance practices according to a set of strict criteria. VINARE’s Board, together with 11 other prestigious enterprises, has been selected out of more than 500 listed companies in the Vietnam stock market. All the boards were evaluated for their role in supervising and protecting the interests of shareholders, creating values for stakeholders, complying with effective corporate governance principles and contributing to sustainable development and climate change reduction. This Award reflects the ongoing efforts of VINARE’s Board in improving its governance and committing to transparency and sustainability.”



ACTIVITIES OF THE BOARD OF DIRECTORS AND COMMITTEES



VINARE Board of Directors has developed a clear vision of sustainable development and ESG strategy as well as an adaptation plan against climate change.

The responsibility of overseeing the implementation of the ESG roadmap, which has been approved by the Board of Directors early 2023, has been assigned to the Chairman. Our ESG implementation is guided by the following principles:



Environment

Promoting risk transfer solutions which can support environment-friendly industries and business, restraining and gradually winding up the provision of reinsurance capacity to the most environment-damaging industries and business.



Social

Ensuring fair treatment, equal career opportunity and welfare benefits for the employees; Proactively engaging in community development projects.



Governance

Securing a governance structure which conforms to the best principles and practices of Vietnam, ASEAN and OECD.

REPORT OF THE INDEPENDENT DIRECTORS

Eligibility of the Independent Directors

Mr. Pham Phan Dzung and Ms. Anna Lee are two eligible Independent Directors who has met the conditions required by the Law on Enterprises and legal regulations on stock market.

- (i) They are not working as an employee at VINARE or its subsidiary company;
- (ii) They are not receiving a salary from VINARE, except the remuneration to which members of the Board of Directors are entitled to;
- (iii) Their spouses, biological parents, adoptive parents, biological children, adopted children and siblings are not major shareholders of VINARE nor executives of the company or its subsidiary companies;
- (iv) They are not directly or indirectly holding 01% of VINARE's voting shares or more;
- (v) They did not hold the position of member of the Board of Directors or the Board of Control at VINARE prior to being elected in this term.

Supervision of the financial statements, performance and financial strength

Financial statements

The 2023 Financial Statements, comprising of the Separate and Consolidated Financial Statements, have been audited and approved by PriceWaterhouse Coopers Vietnam Ltd., to give a true and fair view of the financial positions of VINARE.

Business performance

VINARE has outperformed the business plan of 2023

	Business plan	Actual performance	Comparison
Gross written premium	2,468,000	2,677,422	108.5%
Combined Ratio (%)		99.2%	
Profix after tax	460,000	473,642	103.0%
ROE		11.5%	
Dividend payment (FY 2022 paid in 2023)		10% in cash 10% in shares	

VINARE has mindfully complied with regulatory financial management regulations as well as internal regulations and processes.

Financial strength

- VINARE has maintained financial strength rating at B++ (Very Good) (by AM Best), reflecting its strong financial position.
- Dividends are paid regularly every year at high ratios.
- VINARE has strong equity capital level to support its business development.

BOARD OF DIRECTORS' SUPERVISION OF THE BOARD OF MANAGEMENT

Referring to the content of Chapter IV of the Annual Report

COMMITTEES' ACTIVITIES



Strategic Development Committee

- Direct and supervise the implementation of business plan 2023 and 5-year plan for 2020 – 2024 period.
- Direct and supervise the implementation of ESG roadmap.



Remuneration and Compensation Committee

- Maintain the compensation policy applied in 2022.
- Disclosure of remuneration for the BOD, BOC, BOM according to the legal regulations.
- Propose remuneration regime for the BOD, BOC, Board Committees and Secretariat, applicable in 2024.



Human Resource Committee

- Provide consultation to the BOD in planning human resource development strategies, especially the Corporation's talent development strategy
- Provide consultation to the BOD on strengthening the Corporation's senior leadership personnel (appointing 02 additional Deputy CEO, 01 Chief Accounting Officer and dismissing the position of Chief Accountant).

ACTIVITIES OF THE BOARD OF DIRECTORS AND COMMITTEES

Transactions between VINARE, its subsidiary and members of the Board of Directors, Chief Executive Officer, other executive officers and related parties of internal persons

VINARE and its subsidiary, VINARE Invest, do not have transactions with members of the Board of Directors, Chief Executive Officer or other executive officers of the Corporation.

Transactions between VINARE and related parties of members of the Board of Directors, Chief Executive Officer and other executive officers, transactions between VINARE and companies in which members of the Board of Directors, Chief Executive Officer and other executive officers of the enterprise are founding members or executive officers in the most recent three years before the transaction (hereinafter referred to as transactions with related parties) in 2023, VINARE Board of Directors issued Decision No. 18/2022/QĐ-HĐQT dated 5/12/2022, as follows:






The Board of Directors authorise the Chief Executive Officer to decide on related party transactions as per Clause 1, Article 167 of the Enterprise Law:

- Each individual related party transaction shall not exceed 20% of the total asset value as per the latest financial reports.
- Each transaction with a related party shall be conducted and entered into on an arm's length basis.
- The CEO shall report back at the end of the financial year on all related party transactions with a summary and confirming that all of the above conditions are being satisfied and complied with.


Evaluate the implementation of transactions with related parties in 2023

- Transactions with related parties of internal persons are reported in detail and fully manner in annual and half-year Corporate Governance reports and publicly disclosed in accordance with legal regulations.
- The value of each transaction does not exceed 20% of total asset recorded in VINARE's latest financial report.
- Transactions have been concluded and conducted in accordance with legal regulations and market mechanisms.

Evaluation on the internal control and risk management system

-  VINARE's internal control and risk management system has been established and operated in accordance with legal regulations.
-  VINARE's risk management report is updated every year, fully and specifically reflecting risks which may materialize in business activities and responding solutions.
-  The internal control system is monitored by Internal Audit to prevent, detect and handle risks of the Corporation.
-  Internal audit activities are carried out in accordance with Decree No. 05/2019/ND-CP dated 22/01/2019 on the implementation of internal audit and relevant provisions of the Law on Insurance Business, Internal Audit Regulations and Internal Audit Manual.
-  The Internal Audit reports directly to the Board of Directors on the results of internal audit, recommendations and implementation of recommendations.

Supervision over Board of Directos, Chief Executive Officer and other executive officers

-  The Board of Directors has properly performed its role in strategic direction and supervising the implementation of the resolutions of the General Meeting of Shareholders and the Board of Directors.
-  The Board of Directors has complied with rules on corporate governance, convention of regular meetings and collection of written opinions on arising issues for prompt direction and decision making.
-  There have been no conclusions of material violations or errors from regulatory authorities regarding the management activities of the Board of Management
-  Representatives from Board Committees have attended regular and extraordinary meetings of the Board of Management, and provided consultancy to the Board of Management for optimal solutions for the Corporation's benefits.

Resolutions and/or Decisions by the Board of Directors in 2023











No.	Resolution/ Decision	Date	Content
1	Decision 01/2023/QĐ- HĐQT	19/01/2023	Temporary assignment of 2023 business plan and key tasks to the BOM.
2	Decision 02/2023/QĐ- HĐQT	27/01/2023	Appointment of Deputy CEO
3	Decision 03/2023/QĐ-HĐQT	27/01/2023	Approval of the sustainable development plan
4	Decision 04/2023/QĐ-HĐQT	15/02/2023	Approval of the time, venue and agenda of the 2023 Annual General Meeting of Shareholders.
5	Decision 05/2023/QĐ-HĐQT	09/03/2023	Approval of internal audit plan 2023
6	Resolution 06/2023/NQ-HĐQT	28/03/2023	Resolution of the 10 th BOD Meeting, 4 th term
7	Decision 07/2023/QĐ-HĐQT	28/03/2023	Preparation for the General Meeting of Shareholder 2023
8	Decision 09/2023/QĐ-HĐQT	19/06/2023	Selection of the independent auditing company in 2023
9	Decision 10/2023/QĐ-HĐQT	21/06/2023	Approval of the plan on share issuance to pay dividends of 2022
10	Decision 11/2023/QĐ-HĐQT	21/06/2023	Approval of the time, venue and agenda of the 2023 Extraordinary General Meeting of Shareholders.
11	Decision 12/2023/QĐ-HĐQT	17/07/2023	Preparation for the Extraordinary Meeting of Shareholder 2023
12	Decision 14/2023/QĐ-HĐQT	09/08/2023	Implementation of share issuance to pay dividends of 2022
13	Resolution 15/2023/NQ-HĐQT	11/09/2023	Resolution of the 11th BOD Meeting, 4th term
14	Decision 17/2023/QĐ-HĐQT	06/10/2023	Closing the list of shareholders for shares issuance to pay dividends in 2022
15	Decision 18/2023/QĐ-HĐQT	16/11/2023	Approval of assets allocation to bond portfolio
16	Decision 19/2023/QĐ-HĐQT	22/11/2023	Approval of Risk Management Policy and Internal Rules
17	Resolution 20/2023/NQ-HĐQT	30/11/2023	Resolution of the 12 th BOD Meeting, 4 th term
18	Decision 21/2023/QĐ-HĐQT	30/11/2023	Approval of the reinsurance programme 2024
19	Decision 23/2023/QĐ-HĐQT	04/12/2023	Salary level of the CEO
20	Resolution 24/2023/NQ-HĐQT	06/12/2023	Resolution on BOM composition
21	Resolution 25/2023/NQ-HĐQT	07/12/2023	Resolution on additional salary adjustment of the full-time executive officer
22	Decision 26/2023/QĐ-HĐQT	29/12/2023	Appointment of Deputy CEO and dismissal of Chief Accountant

BOARD OF CONTROL



Members of Board of Control (BOC)

Supervision/co-ordination of the Board of Control with the Board of Directors, the Board of Management and other executive officers

-  Please refer to "Board of Control" on page 24
-  The BOC participated in every meeting of the BOD;
-  The BOC carried out periodical meetings in accordance with the Law on Enterprise and the Corporation's Charter;
-  The BOC provided inputs on the strategic directions of the Corporation's business operations;
-  The BOC carried out supervision over the Board of Directors and the Board of Management in the management and administration of the Corporation and verified the reasonability, legality, honesty and precaution in the management and administration of business activities as well as in accounting, statistics and preparation of financial statements;
-  The BOC carried out periodical appraisal of the business reports, year-end and half-year financial statements of the Corporation;
-  The BOC submitted its own report on the financial statements and business results to the Annual General Meeting of Shareholders;
-  The BOC reviewed the management letter from the auditing entity;
-  The BOC reviewed the plans and reports on: investment, business cooperation development plans, structural organization, human resources, compensation, bonus, and policies related to employees;
-  The BOC closely coordinated with the Board of Directors, Board of Management and other departments of the Corporation.

SHAREHOLDERS' RELATION

share ownership of insiders, share transactions of insiders, remuneration and other interests



SHARE OWNERSHIP

Board of Directors

No.	Member	Share ownership (as at 20/10/2023)		Share ownership (as at 29/6/2022)	
		Representing	Individual	Representing	Individual
1	Nguyen Anh Tuan	15.26%	0.012%	15.26%	0%
2	Mai Xuan Dung	12.13%	0.029%	12.13%	0.029%
3	Nguyen Thi Quynh Huong	12.97%	0%	12.97%	0%
4	Nguyen Xuan Viet	9.18%	0%	9.18%	0%
5	Nguyen Thi Huong Giang	2.50%	0%	2.50%	0%
6	Nguyen Dinh An	8.01%	0%	8.01%	0%
7	Vu Anh Tuan (Resigned from 20/4/2023)			6.43%	0%
8	Nguyen Hong Hoang Nam (Elected from 20/4/2023)	6.43%	0%		
9	Pham Phan Dung	0%	0%	0%	0%
10	Anna Lee On Wah	0%	0%	0%	0%

SHAREHOLDERS' RELATION, SHARE OWNERSHIP OF INSIDERS, SHARE TRANSACTIONS OF INSIDERS, REMUNERATION AND OTHER INTERESTS

Board of Control

No.	Representing Representing	Share ownership (as at 20/10/2023)		Share ownership (as at 29/6/2022)	
		Individual	Representing	Individual	Representing
1	Tran Trung Tinh (Resigned from 20/4/2023)			0.82%	0%
2	Tran Thi Minh Phuong (Elected from 20/4/2023)	0.82%	0%		
3	Le Thi Thanh Hien	0%	0%	0%	0%
4	Vu Ngoc Vuong	0%	0%	0%	0%
5	Dao Manh Duong	0%	0.044%	0%	0.044%
6	Tushar Chatterjee	0%	0%	0%	0%



Remuneration and other interests

Board of Directors

Unit: VND

No.	Name	Position	Income
Executive members:			
1	Nguyen Anh Tuan	Executive Chairman	3,058,948,494
2	Mai Xuan Dung	Member, Chief Executive Officer	2,772,401,071
Non-executive members			
1	Nguyen Xuan Viet	Deputy Chairman	239,920,439
2	Lee On Wah Anna	Deputy Chairman	213,262,613
3	Nguyễn Thị Quỳnh Hương	Member	226,687,630
4	Nguyen Dinh An	Member	204,018,867
5	Nguyen Thi Huong Giang	Member	204,018,867
6	Pham Phan Dung	Member, Head of Compensation Committee	258,018,867
7	Vu Anh Tuan	Member (resigned from 20/04/2023)	61,504,143
8	Nguyen Hong Hoang Nam	Member (elected from 20/04/2023)	142,514,724

Board of Control

Unit: VND

No.	Name	Position	Income
1	Tran Trung Tinh	Head (resigned from 20/4/2023)	44,139,787
2	Le Thi Thanh Hien	Head (appointed from 17/5/2023)	152,314,366
3	Tushar Chatterjee	Member	107,925,086
4	Vu Ngoc Vuong	Member	121,415,722
5	Dao Manh Duong	Member, Marketing Manager	1,093,266,038
6	Tran Thi Minh Phuong	Member (elected from 20/04/2023)	84,849,082

Board of Management


Unit: VND


No.	Name	Position	Income
1	Mai Xuan Dung	Chief Executive Officer	2,772,401,071
2	Nguyen Manh Linh	Deputy Chief Executive Officer	2,172,636,285
3	Do Anh Duc	Deputy Chief Executive Officer (appointed from 01/02/2023)	1,880,907,045
4	Luu Thi Viet Hoa	Deputy Chief Executive Officer (appointed from 30/12/2023) Chief Accountant until 29/12/2023	2,481,255,991

SHAREHOLDERS' RELATION, SHARE OWNERSHIP OF INSIDERS, SHARE TRANSACTIONS OF INSIDERS, REMUNERATION AND OTHER INTERESTS


Transactions between the Corporation and its related parties; or between the Corporation and its major shareholders, insiders and related parties


Identifying related parties of insiders


- 


Bao Viet Insurance Corporation: Mr. Nguyen Xuan Viet, Deputy Chairman of VINARE is also member of the Board of Directors, Chief Executive Officer of Bao Viet Insurance Corporation.
- 


Baoviet Fund - BVF:


 - Mr. Nguyen Xuan Viet, VINARE Deputy Chairman is also a Board member of BVF.
 - Mr. Nguyen Dinh An, VINARE Board member is also a Board member and Chief Executive Officer of BVF. Mr. Nguyen Dinh An concurrently holds the position of Member of the Board of Directors, Acting Chief Executive Officer of Bao Viet Holdings and holds the position of member of the Board of Directors of Bao Viet Joint Stock Commercial Bank.
 - Mr. Do Anh Duc, Deputy Chief Executive Officer of VINARE is also Chairman of the Board of Representatives of 02 open funds managed by BVF (Bao Viet Bond Fund - BVBF and Bao Viet Prospect Equity Open-ended Fund - BVPF).
- 


Petrolimex Insurance Joint Stock Corporation (PJICO): Ms. Nguyen Thi Huong Giang, member of the Board of Directors of VINARE is also a member of the Board of Directors, Chief Executive Officer of PJICO; Mr. Nguyen Manh Linh, Deputy Chief Executive Officer of VINARE is also a member of PJICO Board of Directors.
- 

Post - Telecommunication Joint - Stock Insurance Corporation (PTI): Mr. Mai Xuan Dung, VINARE's Board member and Chief Executive Officer is also a member of the Board of Directors of PTI.
- 

Swiss Reinsurance Company (Swiss Re): Ms. Lee On Wah Anna, VINARE Deputy Chairman is also Head of New Business Development, P&C SID as well as the Head of P&C, Hong Kong & Taiwan, Swiss Re.
- 

Global Insurance Joint Stock Corporation (GIC): Ms. Luu Thi Viet Hoa, Deputy Chief Executive Officer of VINARE is also member of GIC Board of Control.
- 

Samsung Vina Insurance Co., Ltd (SVI): Mr. Nguyen Anh Tuan, Chairman of the Board of VINARE is also Deputy Chairman of the Board of SVI.
- 

Hung Vuong Insurance Joint Stock Company (BHV): Mr. Do Anh Duc, Deputy Chief Executive Officer of VINARE is also a member of BHV Board of Control.
- 

VINARE Investment Joint Stock Company (VINARE Invest):

 - Mr Do Anh Duc, Deputy Chief Executive Officer of VINARE is also a Chairman of the Board of Directors of VINARE Invest.
 - Mr. Nguyen Thanh Cong, VINARE Chief Accounting Officer is also Head of VINARE Invest's Board of Control.

Transactions of insiders and affiliated persons with shares of the Corporation

No.	Transaction executor	Status of relation	Share ownership at the beginning of the period		Share ownership at the end of the period		Reasons for increasing, decreasing (buying, selling, converting, rewarding, etc.)
			Number of shares	%	Number of shares	%	
1	Mr. Nguyen Anh Tuan	Executive Chairman	0	0%	18.000	0.012%	Buying

Transactions between the Corporation and its related parties; or between the Corporation and its major shareholders, insiders and related parties

No.	Entities	Status of relation	Transaction period	Nature, quantity, total value of transaction		
				Nature	Total value of transactions (VND)	Number of transactions
1	Bao Viet Insurance Corporation	Major shareholder	2023	Inward reinsurance premium	303,845,847,276	318
				Inward reinsurance commission	74,955,024,299	
				Claim settlement of inward reinsurance	167,780,920,434	
				Outward reinsurance premium	41,533,345,318	146
				Outward reinsurance commission	5,003,929,400	
				Receipt from outward reinsurance claims	37,997,858,950	
2	Petrolimex Insurance Joint Stock Corporation (PJICO)	Related party	2023	Inward reinsurance premium	300,069,219,685	200
				Inward reinsurance commission	67,872,150,376	
				Claim settlement of inward reinsurance	77,496,657,311	
				Outward reinsurance premium	108,057,015,219	264
				Outward reinsurance commission	24,646,539,226	
				Receipt from outward reinsurance claims	45,346,274,895	
3	Post - Telecommunication Joint - Stock Insurance Corporation (PTI)	Related party	2023	Dividends payable	3,768,969,000	148
				Inward reinsurance premium	276,024,907,791	
				Inward reinsurance commission	151,151,658,430	
				Claim settlement of inward reinsurance	60,250,617,628	243
				Outward reinsurance premium	41,240,709,653	
				Outward reinsurance commission	8,293,657,374	
4	Global Insurance Joint Stock Corporation (GIC)	Related party	2023	Receipt from outward reinsurance claims	17,690,322,658	72
				Inward reinsurance premium	30,775,952,495	
				Inward reinsurance commission	8,996,578,774	
				Claim settlement of inward reinsurance	20,180,791,362	85
				Outward reinsurance premium	3,343,876,940	
				Outward reinsurance commission	1,073,525,182	
5	Hung Vuong Insurance Joint Stock Company (BHV)	Related party	2023	Receipt from outward reinsurance claims	878,720,810	75
				Rental income	1,259,643,925	
				Inward reinsurance premium	81,216,251,517	
				Inward reinsurance commission	57,921,853,336	213
				Claim settlement of inward reinsurance	7,008,440,416	
				Outward reinsurance premium	39,606,092,564	
6	Samsung Vina Insurance Co., Ltd (SVI)	Associate	2023	Outward reinsurance commission	8,981,978,990	15
				Receipt from outward reinsurance claims	23,909,157,495	
				Rental income	387,332,232	
				Inward reinsurance premium	126,097,173,079	190
				Inward reinsurance commission	26,014,499,235	
				Claim settlement of inward reinsurance	29,523,053,023	
7	Swiss Reinsurance Company (Swiss Re)	Major shareholder	2023	Outward reinsurance premium	179,742,268	77
				Outward reinsurance commission	30,504,289	
				Receipt from outward reinsurance claims	49,406,399	
				Dividends received	15,041,503,966	1
				Outward reinsurance premium	349,949,217,775	
				Outward reinsurance commission	117,209,550,868	
8	VINARE Investment JS Company (VINARE Invest)	Subsidiary	2023	Receipt from outward reinsurance claims	98,962,711,534	1
				Dividends payable	37,684,337,000	
9	Baoviet Fund (BVF)	Major shareholder	2023	Entrusted investment contract	30,000,000,000	1
10	Bao Viet Holdings	Major shareholder	2023	Dividends payable	12,069,940,000	

ENVIRONMENT OF CONTROL

RISK MANAGEMENT FRAMEWORK

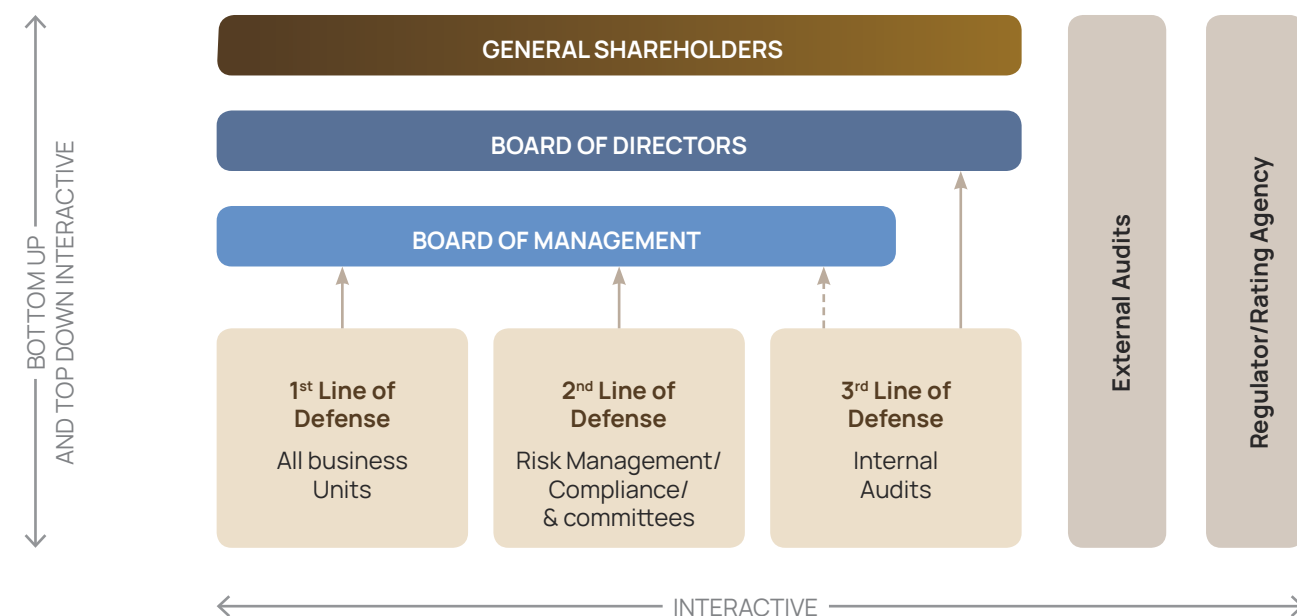
As a risk carrier in the insurance industry, it is essential that VINARE establish a controlled and error-proof process of risk assessment and underwriting in order to safeguard the capital base and increase benefit for shareholders. Our risk management activities have been carried out systematically across all the functions with the purpose of identifying each and every potential risk and the responding solution.

The key principle is the participation of all the functions to ensure that all the risks are identified, controlled and minimised.

The role of the Board of Directors in the Risk Management Framework

- The Board of Directors has officially released the Risk Management Policy and approved the Internal Rules on Risk Management which include the risk appetite announcement, key risk limits, stress test scenarios and contingency plan.
- The Board of Directors has reviewed the Risk Management Framework and and oversaw the efficiency of the Enterprise Risk Management System.

Enterprise Risk Management Framework (ERM)



Evaluation of the appropriateness of Risk Management Framework

Following Circular No. 70/2022/TT-BTC (Circular 70) of the Ministry of Finance issued on November 16, 2022, VINARE has strengthened risk management activities by developing and promulgating policies and internal regulations on risk management in compliance with Circular 70. Accordingly, VINARE organizes the risk management framework along three lines of defense working in coordination to identify, assess, monitor and

report the risks to the Board of Management and the Board of Directors.

On account of the nature of our business, VINARE has identified inherent risks, defined risk appetite, limits of key risks and mitigation actions when key risks' indicators reach or approach the stated limits.

Furthermore, as required by Circular No. 70, VINARE has presumed a stress test scenario to evaluate its impact on solvency margin and capital surplus.

The risk management process is conducted periodically. Risk Management and Compliance Department conducts surveys/

reviews and exchanges information with underwriting departments through the Risk Control Self Assessment (RCSA) report template to identify/update risks that may arise.

Committees and councils also participate in the risk identification process by providing support to the Board of Management. Once identified, risks are discussed extensively (between Underwriting Departments, Risk Management & Compliance Department, and the Board of Management) regarding the ongoing solutions and the impact of those risks.

INTERNAL AUDIT

The Internal Audit was established according to Decision No. 05/2021/QĐ-VNR dated March 30, 2021, by the Chairman of the Board of Directors

The Internal Audit operates under the direct supervision of the Board of Directors and is directly accountable to the Chairman of the Board of Directors.

The Internal Audit operates in accordance with the Internal Audit regulations and the Internal Audit handbook.

Internal audit activities in 2023

The functions of Internal Audit are to provide independent, objective, and advisory assurances through examination, evaluation, and recommendations on the following:

- The internal control system has been established and operated appropriately to prevent, detect, and address risks within VINARE.
- The governance and risk management processes ensure effectiveness and high performance.
- The objectives of operations, strategic goals, plans, and assigned tasks are achieved.

In 2023, the Internal Audit conducted 4 audits as per the plan approved by the Board of Directors:

- Special Lines Department:** Underwriting process
- Investment Department:** Investment process
- Hochiminh City Branch**
- Risk Management and Compliance Department:** technical reserve calculations, solvency, other functions of Actuary

Internal audit plan in 2024

- Business and Claims Administration Department:**
 - Claims handling process
 - Offsetting and settlement of debts
 - Rolling-out of statements of account
- Property Department:** Underwriting process
- Marketing Department:** Underwriting of overseas business
- Investment Department:** Co-investment transactions with VINARE Invest

ASEAN

Corporate Governance Scorecard

☒ Fully implemented best practices
 ☒ Partially implemented best practices
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Code	Scorecard Item	2022	2023	Explanation and Reference
LEVEL 1				
A. RIGHTS OF SHAREHOLDERS				
A.1	Basic Shareholder Rights			
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (i) declared for interim dividends and (ii) approved by shareholders at general meetings for final dividends? In case the company has offered Scrip dividend, did the company paid the dividend within 60 days	☑	☑	After the General Meeting of Shareholders passes a resolution regarding dividend distribution, VINARE proceeds to finalize the list of shareholders entitled to receive dividends. This list is compiled by the Securities Depository Center. The dividend amount is transferred to the Securities Depository Center and disbursed into the securities accounts for deposited shares. In the case of non-deposited shares, shareholders will receive their dividends in cash at the company's headquarters
A.2	Right to participate in decisions concerning fundamental corporate changes.			
	Do shareholders have the right to participate in:	☑	☑	
A.2.1	Amendments to the company's constitution?	☑	☑	Article 13, Charter on Organization and Operations
A.2.2	The authorisation of additional shares?	☑	☑	
A.2.3	The transfer of all or substantially all assets, which in effect results in the sale of the company?	☑	☑	
A.3	The right to effectively participate and vote at the General Meeting of Shareholders, and must be informed about the regulations of the General Meeting of Shareholders, including voting procedures.			
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration (fees, allowances, benefit-in-kind and other emoluments) or any increases in remuneration for the non-executive Directors/Commissioners?	☑	☑	Article 13, Charter on Organization and Operations
A.3.2	Does the company provide non- controlling shareholders a right to nominate candidates for Board of Directors/Commissioners?	☑	☑	
A.3.3	Does the company allow shareholders to elect Directors/ Commissioners individually?	☑	☑	
A.3.4	Does the company disclose the voting procedures used before the start of meeting?			
A.3.5	Do the minutes of the most recent AGM record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?	☑	☑	Reflected in the Minutes of the Annual General Meeting of Shareholders
A.3.6	Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/ each agenda item for the most recent AGM?	☑	☑	https://vinare.com.vn/wp-content/uploads/2023/04/Minutes-of-2023-AGM.pdf
A.3.7	Does the company disclose the list of Board members who attended the most recent AGM?	☑	☑	

Code	Scorecard Item	2022	2023	Explanation and Reference
A.3.8	Does the company disclose that all Board members and the CEO (if he is not a Board member) attended the most recent AGM?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Reflected in the Minutes of the Annual General Meeting of Shareholders
A.3.9	Does the company allow voting in absentia?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
A.3.10	Did the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent AGM?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
A.3.11	Does the company disclose that it has appointed an independent party (scrutineers/inspectors) to count and/or validate the votes at the AGM?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Reflected in the Minutes of the Annual General Meeting of Shareholders https://vinare.com.vn/wp-content/uploads/2023/04/Minutes-of-2023-AGM.pdf
A.3.12	Does the company make publicly available by the next working day the result of the votes taken during the most recent AGM/ EGM for all resolutions?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
A.3.13	Does the company provide at least 21 days notice for all AGMs and EGMs?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Adhere to the guideliness on information disclosure for listed companies
A.3.14	Does the company provide the rationale and explanation for each agenda item which require shareholders' approval in the notice of AGM/circulars and/or the accompanying statement?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Reflected in the Minutes of the Annual General Meeting of Shareholders
A.3.15	Does the company give the opportunity for shareholder to place item/s on the agenda of AGM?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	https://vinare.com.vn/wp-content/uploads/2023/04/Minutes-of-2023-AGM.pdf
A.4 Markets for corporate control should be allowed to function in an efficient and transparent manner				
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the Board of Directors/ Commissioners of the company appoint an independent party to evaluate the fairness of the transaction price?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	VINARE has not engaged in any merger, acquisition, and/or takeover transactions. Should such transactions occur, they will be conducted in compliance with legal regulations.
A.5 The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.				
A.5.1	Does the company disclose its practices to encourage shareholders to engage with the company beyond AGM?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B. EQUITABLE TREATMENT OF SHAREHOLDERS				
B.1 Shares and voting rights				
B.1.1	Does the company's ordinary or common shares have one vote for one share?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Article 7, Article 14 and Article 15, Charter on Organization and Operations
B.1.2	Where the company has more than one class of shares, does the company publicise the voting rights attached to each class of shares (e.g. through the company website / reports/ the stock exchange/ the regulator's website)?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	VINARE has only one class of shares with voting rights
B.2 Notice of AGM				
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Resolution on the AGM https://vinare.com.vn/wp-content/uploads/2023/04/Resolution-AGM-2023.pdf

ASEAN CORPORATE GOVERNANCE SCORECARD

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Code	Scorecard Item	2022	2023	Explanation and Reference
B.2.2	Are the company's notice of the most recent AGM/circulars fully translated into English and published on the same date as the local-language version?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	On website http://vinare.com.vn/wp-content/uploads/2023/06/20230622_VNR_AR2022-EN.pdf
	Does the notice of AGM/circulars have the following details: Reference principles ICGN			
B.2.3	Are the profiles of Directors/Commissioners (at least age, academic qualification, date of appointment, experience, and Directorships in other listed companies) in seeking election/re- election included?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Stated in the shareholders' meeting documents
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	https://vinare.com.vn/2023/03/30/announcement-on-the-organization-of-annual-general-meeting-of-shareholders-2023/
B.2.5	Were the proxy documents made easily available?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B.3	Insider trading and abusive self-dealing should be prohibited.			
B.3.1	Does the company have policies and/or rules prohibiting Directors/Commissioners and employees to benefit from knowledge which is not generally available to the market?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Article 38, Charter on Organization and Operations
B.3.2	Are the Directors/Commissioners required to report their dealings in company shares within 3 business days?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Compliance with the Information disclosure guidelines VNR stocks are listed on the Stock Exchange. Company employees may engage in free trading
B.4	Related party transactions by Directors and key executives.			
B.4.1	Does the company have a policy requiring Directors/Commissioners to disclose their interest in transactions and any other conflicts of interest?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B.4.2	Does the company have a policy requiring a committee of independent Directors/Commissioners to review material RPTs to determine whether they are in the best interests of the company and shareholders?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B.4.3	Does the company have a policy requiring Board members (Directors/Commissioners) to abstain from participating in the Board discussion on a particular agenda when they are conflicted?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Refer to Article 38, Charter on Organization and Operations
B.4.4	Does the company have policies on loans to Directors and Commissioners either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
B.5	Protecting minority shareholders from abusive actions			
B.5.1	Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Transactions with related parties are approved in accordance with the Company's Charter and decisions of the Board of Directors, ensuring transparent disclosure to meet transparency requirements
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Code	Scorecard Item	2022	2023	Explanation and Reference
C. ROLE OF SHAREHOLDERS				
C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.			
	Does the company disclose a policy and practices that address:			
C.1.1	The existence and scope of the company's efforts to address customers' welfare?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	VINARE does not serve individual customers, only corporate clients. Contracts are based on mutual agreement.
C.1.2	Supplier/contractor selection procedures?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	VINARE consistently adheres to relevant legal regulations.
C.1.3	The company's efforts to ensure that its value chain is environmentally friendly or is consistent with promoting sustainable development?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	As a financial services enterprise, VINARE's value chain has no environmental impact
C.1.4	The company's efforts to interact with the communities in which they operate?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	In the annual report, the section on Sustainable development is included https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf
C.1.5	The company's anti-corruption programmes and procedures?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
C.1.6	How creditors' rights are safeguarded?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	VINARE has no borrowings or creditors. Accounts receivable from customers are fully settled as committed
C.1.7	Does the company have a separate report/section that discusses its efforts on environment/economy and social issues?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	In the annual report, the section on Sustainable development is included https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf
C.2	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.			
C.2.1	Does the company provide contact details via the company's website or Annual Report which stakeholders (e.g. customers, suppliers, general)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully implemented https://vinare.com.vn/en/
C.3	Mechanisms for employee participation should be permitted to develop.			
C.3.1	Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	VINARE has comprehensive regulations regarding the following contents:
C.3.2	Does the company explicitly disclose the policies and practices on training and development programmes for its employees?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	1. Regulations on commendations, rewards, and benefits.
C.3.3	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	2. Recruitment and training regulations. 3. Regulations on emulation and rewards; Evaluation of work effectiveness.
C.4	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices to the Board and their rights should not be compromised for doing this.			
C.4.1	Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behaviour and provide contact details via the company's website or annual report?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Codes of Conduct and Professional Ethics https://vinare.com.vn/2024/02/23/codes-of-conduct-and-professional-ethics/
C.4.2	Does the company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethical behaviour from retaliation?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

ASEAN CORPORATE GOVERNANCE SCORECARD

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Code	Scorecard Item	2022	2023	Explanation and Reference
D. DISCLOSURE AND TRANSPARENCY				
D.1	Transparent ownership structure			
D.1.1	Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Published on the Annual Report https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.1.3	Does the company disclose the direct and indirect (deemed) shareholdings of Directors (Commissioners)?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.1.4	Does the company disclose the direct and indirect (deemed) shareholdings of senior management?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.1.5	Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Quality of Annual Report				
D.2.1	Corporate objectives	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Published on the Annual Report https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf
D.2.2	Financial performance indicators	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.2.3	Non-financial performance indicators	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.2.4	Dividend policy	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.2.5	Biographical details (at least age, academic qualifications,date of first appointment, relevant experience, and any other Directorships of listed companies) of all Directors/ Commissioners	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.2.6	Attendance details of each Director/Commissioner in all Directors/Commissioners meetings held during the year	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.2.7	Total remuneration of each member of the Board of Directors/ Commissioners	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Corporate Governance Confirmation Statement				
D.2.8	Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non- compliance, identify and explain reasons for each such issue?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Published on the Annual Report, Refer to the content of Corporate Governance Chapter https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf
D.3.1	Does the company disclose its policy covering the review and approval of material RPTs?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully implemented
D.3.2	Does the company disclose the name, relationship, nature and value for each material RPTs?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.4	Directors and Commissioners dealings in shares of the company			
D.4.1	Does the company disclose trading in the company's shares by insiders?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Published on the Annual Report https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf

Code	Scorecard Item	2022	2023	Explanation and Reference
D.5	External auditor and Auditor Report			
	Where the same audit firm is engaged for both audit and non-audit services			
D.5.1	Are the audit and non-audit fees disclosed?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Audit and non-audit services are conducted by different companies
D.5.2	Does the non-audit fee exceed the audit fees?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.6	Medium of communications			
	Does the company use the following modes of communication?			
D.6.1	Quarterly reporting	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully executed in accordance with the information disclosure guidelines https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf
D.6.2	Company website	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.6.3	Analyst's briefing	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.6.4	Media briefings /press conferences	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.7.1	Are the audited annual financial report/statement released within 120 days from the financial year end?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.7.2	Is the annual report released within 120 days from the financial year end?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.7.3	Is the true and fairness/fair representation of the annual financial statement/reports affirmed by the Board of Directors/ Commissioners and/or the relevant officers of the company?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.8	Company website			
	Does the company have a website disclosing up-to-date information on the following:			
D.8.1	Financial statements/reports (latest quarterly)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Published on: https://vinare.com.vn/en/
D.8.2	Materials provided in briefings to analysts and media	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.8.3	Downloadable annual report	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.8.4	Notice of AGM and/or EGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.8.5	Minutes of AGM and/or EGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.8.6	Company's constitution (company's by-laws, memorandum and articles of association)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
D.9	Investor relations			
D.9.1	Does the company disclose the contact details (e.g. telephone, fax, and email) of the officer/office responsible for investor relations?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Published on: https://vinare.com.vn/en/
E. RESPONSIBILITIES OF THE BOARD				
E.1	Board Duties and Responsibilities			
	Clearly defined Board responsibilities and corporate governance policy			
E.1.1	Does the company disclose its corporate governance policy / Board charter?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	https://vinare.com.vn/wp-content/uploads/2021/05/Internal-Rules-on-Corporate-Governance-amended-2021-2.pdf

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Code	Scorecard Item	2022	2023	Explanation and Reference
E.1.2	Are the types of decisions requiring Board of Directors/ Commissioners' approval disclosed?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Refer to Article 28, Charter on Organization and Operations
E.1.3	Are the roles and responsibilities of the Board of Directors/ Commissioners clearly stated?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	The assignment of responsibilities among the members of the Board of Directors
Corporate Vision/Mission				
E.1.4	Does the company have an updated vision and mission statement?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Published on website https://vinare.com.vn/2020/12/18/strategic-direction/
E.1.5	Does the Board of Directors play a leading role in the process of developing and reviewing the company's strategy at least annually?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Implementing the Company Charter and Corporate Governance Regulations
E.1.6	Does the Board of Directors have a process to review, monitor and oversee the implementation of the corporate strategy?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Board structure				
E.2.1	Are the details of the code of ethics or conduct disclosed?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	VINARE has issued its Code of Conduct and Professional Ethics
E.2.2	Are all Directors/commissioners, senior management and employees required to comply with the code/s?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Board Structure & Composition				
E.2.4	Do independent Directors/Commissioners make up at least 50% of the Board of Directors/Commissioners?	<input type="checkbox"/>	<input type="checkbox"/>	Currently, there is only 2 out of 9 independent members. We are researching the implementation plan
E.2.5	Does the company have a term limit of nine years or less or 2 terms of five years each for its independent Directors/ Commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	According to Article 27 of the Charter: Composition and term of office of the Board of Directors.
E.2.6	Has the company set a limit of five Board seats that an Individual independent/non-executive Director/Commissioner may hold simultaneously?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	According to Article 26 of the Charter on Organization and Operations
E.2.7	Does the company have any executive Directors who serve on more than two Boards of listed companies outside of the group?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	VINARE has 01 Board member managing and serving on the Board of Directors of the listed company
Nominating Committee				
E.2.8	Does the company have a Nominating Committee?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Regulations on the Personnel and Remuneration Subcommittee are fully detailed in the Corporate Governance Regulations. https://vinare.com.vn/wp-content/uploads/2021/05/Internal-Rules-on-Corporate-Governance-amended-2021-2.pdf
E.2.9	Is the Nominating Committee comprised of a majority of independent Directors/Commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	There is 01 independent member
E.2.10	Is the chairman of the Nominating Committee an independent Director/Commissioner?	<input type="checkbox"/>	<input type="checkbox"/>	
E.2.11	Does the company disclose the terms of reference/ governance structure/charter of the Nominating Committee?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully detailed in the Corporate Governance Regulations
E.2.12	Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Meetings are held periodically in accordance with the Board of Directors' meetings

Code	Scorecard Item	2022	2023	Explanation and Reference
Remuneration Committee/ Compensation Committee				
E.2.13	Does the company have a Remuneration Committee?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully detailed in the Corporate Governance Regulations https://vinare.com.vn/wp-content/uploads/2021/05/Internal-Rules-on-Corporate-Governance-amended-2021-2.pdf
E.2.14	Is the Remuneration Committee comprised of a majority of independent Directors/commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.15	Is the Chairman of the Remuneration Committee an independent Director/Commissioner?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.16	Does the company disclose the terms of reference/governance structure/charter of the Remuneration Committee?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.17	Is the meeting attendance of the Remuneration Committee disclosed and, if so, did the Remuneration Committee meet at least twice during the year?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Audit Committee				
E.2.18	Does the company have an Audit Committee?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.19	Is the Audit Committee comprised entirely of non-executive Directors/Commissioners with a majority of independent Directors/Commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.20	Is the chairman of the Audit Committee an independent Director/Commissioner?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.21	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.22	Does at least one of the independent Directors/Commissioners of the committee have accounting expertise (accounting qualification or experience)?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.23	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.2.24	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.3	Board Processes			
Board meetings and attendance				
E.3.1	Are the Board of Directors meeting scheduled before the start of financial year?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	https://vinare.com.vn/wp-content/uploads/2024/03/Report-on-Corporate-Governance-2023.pdf
E.3.2	Does the Board of Directors/Commissioners meet at least six times during the year?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.3.3	Has each of the Directors/Commissioners attended at least 75% of all the Board meetings held during the year?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.3.4	Does the company require a minimum quorum of at least 2/3 for Board decisions?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.3.5	Did the non-executive Directors/Commissioners of the company meet separately at least once during the year without any executives present?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

ASEAN CORPORATE GOVERNANCE SCORECARD

☒ Fully implemented best practices
 ☒ Partially implemented best practices
 ☒ Not implemented best practices

Code	Scorecard Item	2022	2023	Explanation and Reference
Access to information				
E.3.6	Are Board papers for Board of Directors/Commissioners meetings provided to the Board at least five business days in advance of the Board meeting?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully implemented
E.3.7	Does the company secretary play a significant role in supporting the Board in discharging its responsibilities?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Board Appointments and Re-Election				
E.3.9	Does the company disclose the criteria used in selecting new Directors/Commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Refer to Article 26 of the Charter on Organization and Operations
E.3.10	Did the company describe the process followed in appointing new Directors/Commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.3.11	Are all Directors/Commissioners subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years2 each?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Refer to Article 27 of the Charter on Organization and Operations
Remuneration Matters				
E.3.12	Does the company disclose its remuneration (fees, allowances, benefit- in-kind and other emoluments) policy/practices (i.e. the use of short term and long term incentives and performance measures) for its executive Directors and CEO?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.3.13	Is there disclosure of the fee structure for non-executive Directors/Commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully detailed in the Annual Report https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf
E.3.14	Do the shareholders or the Board of Directors approve the remuneration of the executive Directors and/or the senior executives?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	https://vinare.com.vn/wp-content/uploads/2023/06/20230622_VNR_AR2022-VN.pdf
E.3.15	Does the company have measurable standards to align the performance- based remuneration of the executive Directors and senior executives with long- term interests of the company, such as claw back provision and deferred bonuses?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Internal Audit				
E.3.16	Does the company have a separate internal audit function?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	The Internal Audit Department has been established and operational since April 2021
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	The Internal Audit Department has dedicated personnel specialized and independent from other functions
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Code	Scorecard Item	2022	2023	Explanation and Reference
Risk Oversight				
E.3.19	Does the company establish a sound internal control procedures/ risk management framework and periodically review the effectiveness of that framework?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully detailed in the Annual Report https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf
E.3.20	Does the Annual Report/Annual CG Report disclose that the Board of Directors/Commissioners has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.3.21	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.3.22	Does the Annual Report/Annual CG Report contain a statement from the Board of Directors/commissioners or Audit Committee commenting on the adequacy of the company's internal controls/ risk management systems?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Chairman of the Board				
E.4.1	Do different persons assume the roles of Chairman and CEO?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Refer to Article 29 of the Charter on Organization and Operations
E.4.2	Is the chairman an independent Director/Commissioner?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.4.3	Is any of the Directors a former CEO of the company in the past 2 years?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
E.4.4	Are the roles and responsibilities of the chairman disclosed?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Refer to Article 29 of the Charter on Organization and Operations
Lead Independent Director				
E.4.5	If the Chairman is not independent, has the Board appointed a Lead/Senior Independent Director and has his/her role been defined?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Skills and Competencies				
E.4.6	Does at least one non-executive Director/Commissioner have prior working experience in the major sector that the company is operating in?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	There are 3 non-executive Board members with insurance/reinsurance experience and expertise https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf
Board Performance				
E.5.1	Does the company have orientation programmes for new Directors/Commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully implemented
E.5.2	Does the company have a policy that encourages Directors/ commissioners to attend on- going or continuous professional education programmes?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

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Code	Scorecard Item	2022	2023	Explanation and Reference
CEO/Executive Management Appointments and Performance				
E.5.3	Does the company disclose the process on how the Board of Directors/commissioners plans for the succession of the CEO/ Managing Director/President and key management?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	There are regulations on planning, appointment, and evaluation
E.5.4	Does the Board of Directors/Commissioners conduct an annual performance assessment of the CEO/Managing Director/ President?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Board Appraisal				
E.5.5	Did the company conduct an annual performance assessment of the Board of Directors/Commissioners and disclose the criteria and process followed for the assessment?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Director Appraisal				
E.5.6	Did the company conduct an annual performance assessment of the individual Directors/Commissioners and disclose the criteria and process followed for the assessment?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Committee Appraisal				
E.5.7	Did the company conduct an annual performance assessment of the Board committees and disclose the criteria and process followed for the assessment?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Level 2				
BONUS ITEMS				
(B)A. Rights of shareholders				
(B)A.1.1	Does the company practice secure electronic voting in absentia at the general meetings of shareholders?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Allows representatives to vote by proxy or electronically (if applicable)
(B)B. Equitable treatment of shareholders				
(B)B.1 Notice of AGM				
(B)B.1.1	Does the company release its notice of AGM (with detailed agendas and explanatory circulars), as announced to the Exchange, at least 28 days before the date of the meeting?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	https://vinare.com.vn/2023/03/30/announcement-on-the-organization-of-annual-general-meeting-of-shareholders-2023/
(B)C. Roles of Stakeholders				
(B)C.1 The rights of stakeholders that are established by law or through mutual agreements are to be respected				
(B)C.1.1	Does the company adopt an internationally recognized reporting framework for sustainability (i.e. GRI, Integrated Reporting, SASB)?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully implemented
(B)D. Disclosure and transparency				
(B)D.1 Quality of Annual Report				
(B)D.1.1	Are the audited annual financial report/statement released within 60 days from the financial year end?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	The disclosure of financial statements is carried out in accordance with the information disclosure guidelines https://vinare.com.vn/category/investor-relations/financial-information/yearly-audited-financial-statement/
(B)D.1.2	Does the company disclose details of remuneration of the CEO?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	https://vinare.com.vn/wp-content/uploads/2023/04/VNR_AR2022-EN.pdf

Code	Scorecard Item	2022	2023	Explanation and Reference
(B)E.1 Board Competencies and Diversity				
(B)E.1.1	Does the company have at least one female independent Director/Commissioner?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(B)E.1.2	Does the company have a policy and disclose measurable objectives for implementing its Board diversity and report on progress in achieving its objectives?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(B)E.2 Board Structure				
(B)E.2.1	Is the Nominating Committee comprise entirely of independent Directors/Commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(B)E.2.2	Does the Nominating Committee undertake the process of identifying the quality of Directors aligned with the company's strategic directions?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(B)E.3 Board Appointments and Re-Election				
(B)E.3.1	Does the company use professional search firms or other external sources of candidates (such as director databases set up by director or shareholder bodies) when searching for candidates to the Board of Directors/Commissioners?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	In coordination with VIOD
(B)E.4 Board Structure & Composition				
(B)E.4.1	Do independent non-executive Directors/Commissioners make up more than 50% of the Board of Directors/Commissioners for a company with independent chairman?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(B)E.5 Risk Oversight				
(B)E.5.1	Does the Board describe its governance process around IT issues including disruption, cyber security, disaster recovery, to ensure that all key risks are identified, managed and reported to the Board?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	In a risk managment report
(B)E.6 Board Performance				
(B)E.6.1	Does the company have a separate Board level Risk Committee?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
PENALTY				
(P)A. Rights of shareholders				
(P)A.1 Basic shareholder rights				
(P)A.1.1	Did the company fail or neglect to offer equal treatment for share repurchases to all shareholders?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)A.2 Shareholders, including institutional shareholders, should be allowed to consult with each other on issues concerning their basic shareholder rights as defined in the Principles, subject to exceptions to prevent abuse.				
(P)A.2.1	Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)A.3 Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.				
(P)A.3.1	Did the company include any additional and unannounced agenda item into the notice of AGM/EGM?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)A.3.2	Did the Chairman of the Board, Audit Committee Chairman and CEO attend the most recent AGM?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Fully implemented

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Code	Scorecard Item	2022	2023	Explanation and Reference
(P)A.4	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.			
	Did the company fail to disclose the existence of:			
(P)A.4.1	Shareholders agreement?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)A.4.2	Voting cap?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)A.4.3	Multiple voting rights?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)A.5	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.			
(P)A.5.1	Is a pyramid ownership structure and/ or cross holding structure apparent?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)B.	Equitable treatment of shareholders			
(P)B.1	Insider trading and abusive self-dealing should be prohibited.			
(P)B.2	Protecting minority shareholders from abusive action			
(P)B.2.1	Has there been any cases of non compliance with the laws, rules and regulations pertaining to material related party transactions in the past three years?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)B.2.2	Were there any RPTs that can be classified as financial assistance (i.e not conducted at arms length) to entities other than wholly-owned subsidiary companies?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)C.	Role of stakeholders			
(P)C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected.			
(P)C.2	Where stakeholders participate in the corporate governance process, they should have access to relevant, sufficient and reliable information on a timely and regular basis.			
(P)C.2.1	Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)D.	Disclosure and transparency			
(P)D.1	Sanctions from regulator on financial reports			
(P)D.1.1	Did the company receive a "qualified opinion" in its external audit report?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)D.1.2	Did the company receive an "adverse opinion" in its external audit report?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)D.1.3	Did the company receive a "disclaimer opinion" in its external audit report?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)D.1.4	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)E.	Responsibilities of the Board			
(P)E.1	Compliance with listing rules, regulations and applicable laws			
(P)E.1.1	Is there any evidence that the company has not complied with any listing rules and regulations over the past year apart from disclosure rules?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Code	Scorecard Item	2022	2023	Explanation and Reference
(P)E.2	Board structure			
(P)E.2.1	Does the Company have any independent Directors/ Commissioners who have served for more than nine years or two terms of five years each (which ever is higher) in the same capacity? ¹ The five years term must be required by legislation which pre- existed before the introduction of the ASEAN Corporate Governance Scorecard in 2011	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)E.2.2	Did the company fail to identify who are the independent Director(s)/Commissioner(s)?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)E.2.3	Does the company have any independent Directors/ non- executive/Commissioners who serve on a total of more than five Boards of publicly-listed companies?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)E.3	External Audit			
(P)E.3.1	Is any of the Directors or senior management a former employee or partner of the current external auditor (in the past 2 years)?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)E.4	Board structure and composition			
(P)E.4.1	Has the chairman been the company CEO in the last three years?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
(P)E.4.2	Do independent non-executive Directors/Commissioners receive options, performance shares or bonuses?	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	





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SUSTAINABLE DEVELOPMENT

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Specific standard disclosures on Economy, Environment and Social Economy objectives

OVERVIEW OF Sustainable development



General information

This report documents the key activities related to sustainable development in 2023. VINARE's approach to sustainable development originates from the company's long-term development goals combined with the goals of social development and environmental protection, thus contributing to the development of the entire community. VINARE collaborates with regulatory agencies and other stakeholders to promote ESG-minded actions while demonstrating accountability and transparency by regularly disclosing comprehensive information in this report.



Scope of the Report

The report demonstrates performance indicators of Vietnam National Reinsurance Corporation.

Period

1/1/2023 - 31/12/2023

Applicable standard

This report has been developed in accordance with the latest version of the Guidelines for Sustainability Reporting Standards by the Global Reporting Initiative (GRI). The report includes indicators for the financial sector under GRI G4 (FS) and disclosure indicators according to the general standard (GRI 100). Additionally, the report includes detailed disclosure regarding three standards: Economic (GRI 200), Environmental (GRI 300), and Social (GRI 400).

Codes of Conduct and Professional Ethics

At VINARE, we consistently uphold a transparent mechanism related to anti-corruption measures as well as reporting misconduct, as specifically outlined in the Code of Conduct and Professional Ethics on the Corporation's official website via the link below:



<https://vinare.com.vn/2024/02/23/cong-bo-bo-quy-tac-ung-xu-va-dao-duc-nghe-nghiep-2022/>

Contact

To send any questions, recommendations related to VINARE's sustainable development activities as well as the content of the report, please contact us by the following information:

Ms. **Nguyen Thi Minh Chau**
Chief Corporate Governance Officer

Tel: +024-3942-2354

Email: chauntm@vinare.com.vn

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Your feedback will assist VINARE in formulating appropriate policies to realize its sustainable development mission.



SUSTAINABLE DEVELOPMENT ACTIVITIES at VINARE



With a strategy to become a leading reinsurer in Vietnam and the region as well as a professional investor, through 30 years, VINARE has not only provided customers with value-added services, focused on profitability and optimized returns to meet shareholder expectations, but also actively participated in environmental protection and community development.

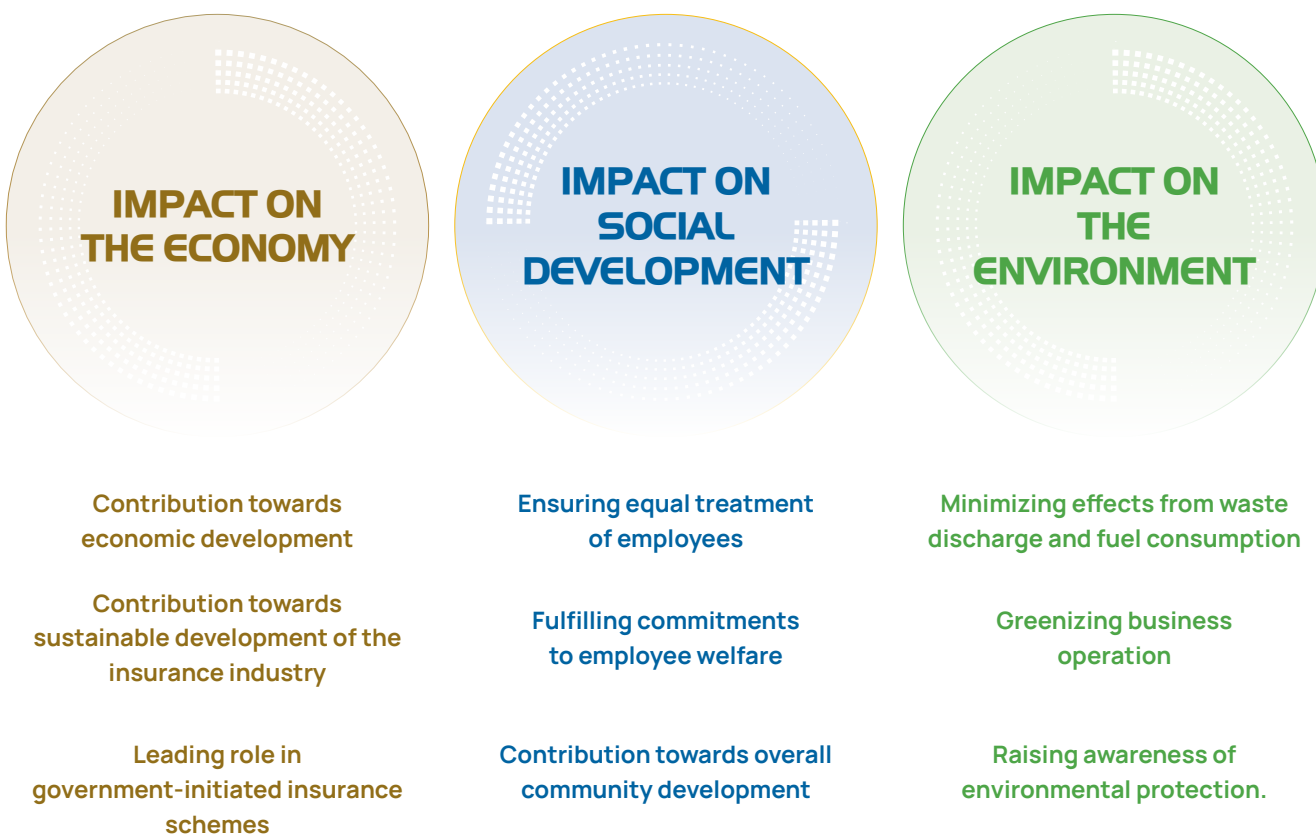
The combination of business goals with social and environmental objectives ensures a balance of interests between stakeholders, thereby fulfilling the mission of ensuring safety, prosperity, and long-term benefits for customers, investors, employees as well as the community.

We recognize that along with ensuring business growth, social and community benefits, and environmental protection, Corporate Governance and Human Resource Development are two key factors that ensure VINARE's sustainable development. Therefore, VINARE prioritizes integrating these two factors into a sustainable development model for the medium and long term. VINARE

actively communicates with stakeholders regarding sustainable development to identify issues of concern. These issues will continue to be considered in relation to our current activities and sustainable development strategy, from which critical issues are determined for review, improvement, and presentation in the 2023 Sustainability Development Report of the Annual Report.

In the Annual Report 2023, VINARE integrates the sustainable development goals throughout the overall development strategy until 2023 and the vision until 2025 into our daily business activities.

Analysis of impacts on sustainable development



IMPACT ON THE ECONOMY

Contribution towards economic development and insurance market

- As a pioneering enterprise in the reinsurance market, VINARE has become the leading reinsurer in Vietnam and a professional investor. For 30 years, VINARE has played a pivotal role in supporting the insurance market, serving as a focal point for business exchange, providing value-added services to our clients, and making positive contributions towards the development of Vietnam insurance industry.
- In providing reinsurance protection for the insurance industry, VINARE also contributes to job creation, investment of idle capital back into the economy, contributing to the rapid recovery and stabilization of economic activities in times of need.

Leading role in government-initiated insurance schemes

- Holding an important position in implementing key state policies regarding insurance market, VINARE always takes the leading role in supporting government-initiated insurance schemes such as agricultural insurance, aquaculture insurance, natural disaster insurance, etc.

IMPACT ON SOCIAL DEVELOPMENT

Ensuring equal treatment and welfare commitments

- Employees working at VINARE are treated equally regardless of gender, religion, or region. Salary scheme and welfare benefits are ensured according to internal regulations.

Joining hands for the community

- Collaborating to care for the lives of members facing difficult circumstances is an annual activity of the company, showcasing the proactive spirit of the youth and fulfilling the responsibility towards the community's welfare and social security.
- With the aim of enhancing community life, VINARE allocates a significant budget each year for community activities. Acting on behalf of shareholders, VINARE implements community development projects to bring benefits to both the community and VINARE itself by maximizing the value of these projects for local residents and enhancing VINARE's impact in the area.

IMPACT ON THE ENVIRONMENT

- VINARE actively takes actions aimed at minimizing the environmental impact of the insurance industry, such as discontinuing reinsurance support for coal risks both domestically and internationally.
- With 90% of its equity investment portfolio focused on insurance and financial industry, which are environmentally friendly, VINARE's environmental impact primarily stems from waste disposition and energy consumption at its headquarters and its environmental protection awareness.
- To reduce this impact, VINARE has developed an environmental protection plan for its office headquarters. This plan includes analyzing sources of hazardous wastes at VINARE's office building and proposing solutions to reduce pollution.

SUSTAINABLE DEVELOPMENT

Orientation and Strategy



We insure, invest, operate and share our knowledge in a way that tackles sustainability challenges and creates long-term value

SUSTAINABILITY AMBITION

SUSTAINABILITY MISSION

VINARE VISION

- 1 Sustainable economic growth
- 2 Building Sustainable Society
- 3 Sustainable Environmental Protection

We make the insurance market more sustainable

SUSTAINABILITY STRATEGY
2024 - 2025

SUSTAINABLE ECONOMIC GROWTH

- Facultative coal thermal power (overseas)
2023: Limit | 2025: Full exit
- Newly-built coal thermal power (Vietnam)
2023-2025: Limit | 2035: Full exit
- Coal shipment
2023-2025: Limit | 2035: Full exit
- Facultative worker compensation, Employee Liability, Professional Indemnity for Architect & Engineers for coal thermal power plants
2023: Limit | 2025: Full exit
- Investment in bonds issued for coal exploitation and/or coal power projects
2023-2025: No new disbursement | 2035: Full exit
- Entrusted investment
2023, 2025 & 2035: ESG-related considerations included in Entrusted investment agreements.

BUILDING SUSTAINABLE SOCIETY

- Develop a plan for a chain of charity activities associated with VINARE's image.
- Invest in training and developing human resources, improving the evaluation mechanism and salary payment based on performance, and promoting corporate culture to engage employees.
- Actively participate in raising public awareness of the role and benefits of insurance in coping with natural disasters and climate change.

SUSTAINABLE ENVIRONMENTAL PROTECTION

- Reduce greenhouse gas emissions by decreasing energy consumption in office buildings.
- Save office supplies and reduce waste in the workplace.
- Implement projects to plant trees and increase green coverage.



SUSTAINABILITY TARGETS AND PROGRESS IN 2023

Governance

Sustainability targets	Target year	Progress in 2023
Monitoring the progress in managing ESG issues and regularly disclosing the information publicly	Every year	Ensuring timely, comprehensive, and objective disclosure of information
Identifying and assessing the key ESG risks and their impacts on business activities	Every year	Regularly convening meetings to identify and assess the key ESG risks and their impact on business activities
Female representation on the Board of Directors	Term of Board of Directors	Currently, there are 3 out of 9 female representatives in the Board of Directors, equivalent to 33%

Underwriting

Sustainability targets	Target year	Progress in 2023
Fully exit from providing capacity for overseas fueled thermal power plants/projects	2025	No new facultative contracts for oversea coal-fired thermal power treaties Fully exit from providing capacity for overseas fueled thermal power plants/projects
Having a roadmap to limit, then full exit from providing capacity for fossil fueled thermal power plants/projects	2025: Limit 2035: Fully exit	No new facultative contracts for coal-fired thermal power treaties Continued to engage with clients on current thermal coal treaties
Having a roadmap to limit, then full exit in providing capacity for coal shipment	2025: Limit 2035: Fully exit	Fully exit in providing capacity for coal shipment
Facultative worker compensation, Employee Liability, Professional Indemnity for Architect & Engineers for coal thermal power plants	2025	Fully exit in providing reinsurance for Facultative worker compensation, Employee Liability, Professional Indemnity for Architect & Engineers for coal thermal power plants

Investment

Sustainability targets	Target year	Progress in 2023
Investment in bonds issued for coal exploitation and/or coal power projects	2025: No new disbursement 2035: Fully exit	No new investment in bonds issued for coal exploitation and/or coal power projects
Entrusted investment		ESG content has been added to two contracts, including the renewal contract with MBC, BVF, VCBF and SSI
Investment in green and sustainability bonds		Prioritizing investments in green bonds when this bond type is issued

Operation

Sustainability targets	Target year	Progress in 2023
Prioritizing the digital transformation in office operation to reduce the consumption of paper	Every year	Partially digitize, progressing towards fully digitizing the management and circulation of documents.
Prioritizing consumption of recyclable products	Every year	Using reusable glass bottles instead of single-use plastic bottles
Minimizing wastes and consumption of water and electricity	Every year	Adding waste bins for organic and inorganic waste separation (to facilitate annual waste volume calculation)
Allocate proper budget for charity causes and other community activities	Every year	VINARE supports funding (valued at 150,000,000 Vietnamese dong) to purchase cinnamon seedlings for poor households in Chau Que Ha commune, Yen Bai province.

Our people

Sustainability targets	Target year	Progress in 2023
Labor ratio	Every year	In 2023, the male labor force accounted for 46% compared to 54% for the female labor force

2024 SUSTAINABLE DEVELOPMENT PLAN

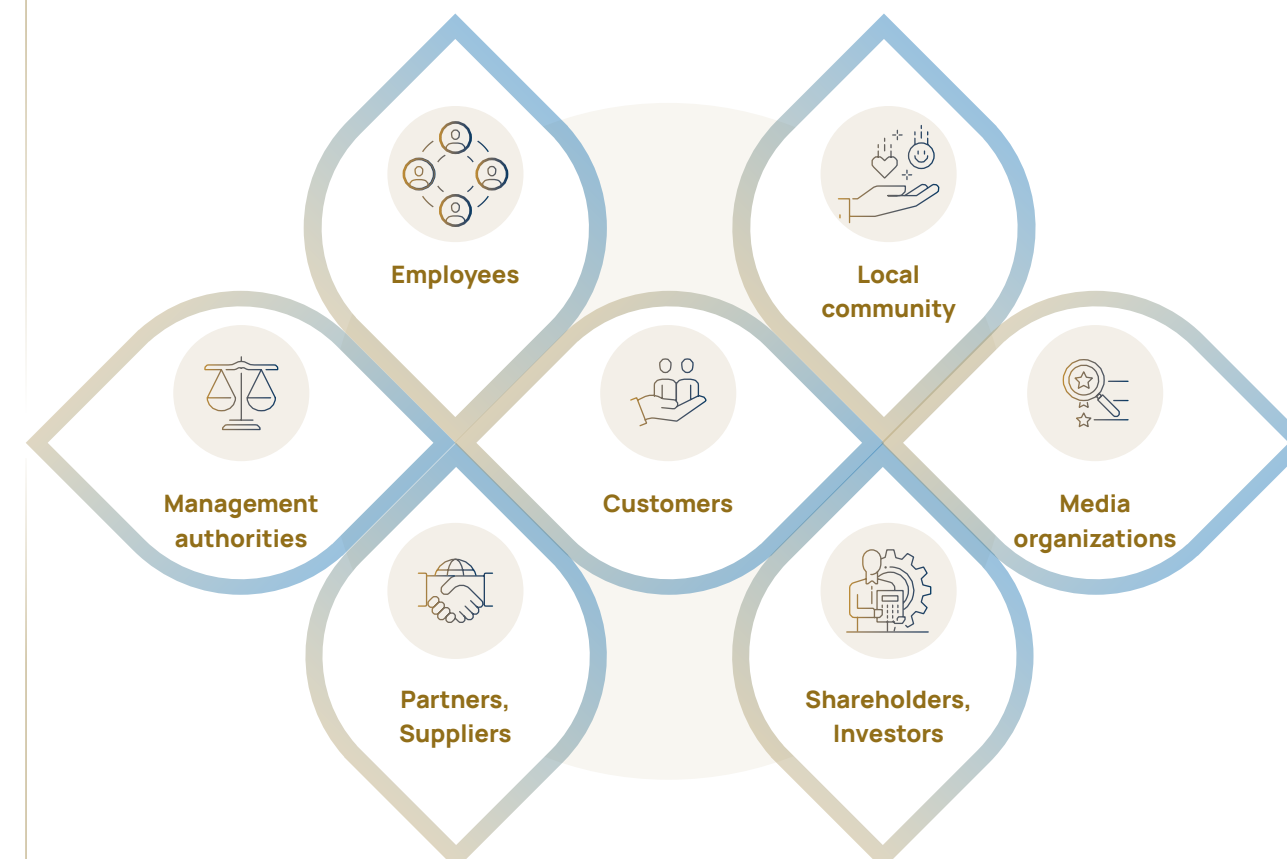


VINARE aims to enhance the effectiveness of its enterprise risk management system via the following key solutions:

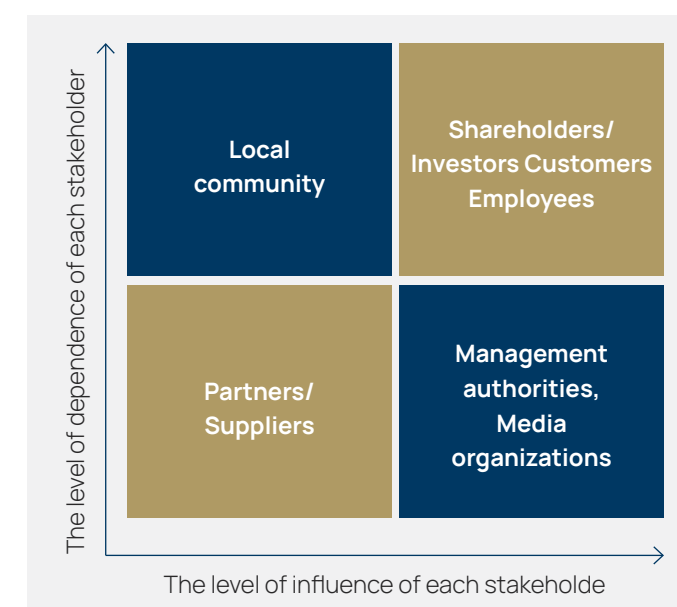
- Improving the integrity of the organizational structure and internal audit function to oversee the management of critical risks within the company.
- Continuing to adhere to the principles of investment asset allocation: safety, efficiency, sustainable development, and liquidity.
- Safely and efficiently operating the business management system (Vicore) and document management system (Vidoc), while advancing towards digitalizing office operations.
- Collaborating internally and with partners to strengthen the capacity for product development; pricing tools; risk-based capital evaluation; and risk management.
- Strengthening the provision of value-added services to the Vietnamese market comprehensively and efficiently in areas such as product and distribution channels, training services, risk assessment, pricing, information supply, reinsurance solutions, and sustainable market development.

INVOLVEMENT of Stakeholders

Key stakeholders involved in VINARE's operation



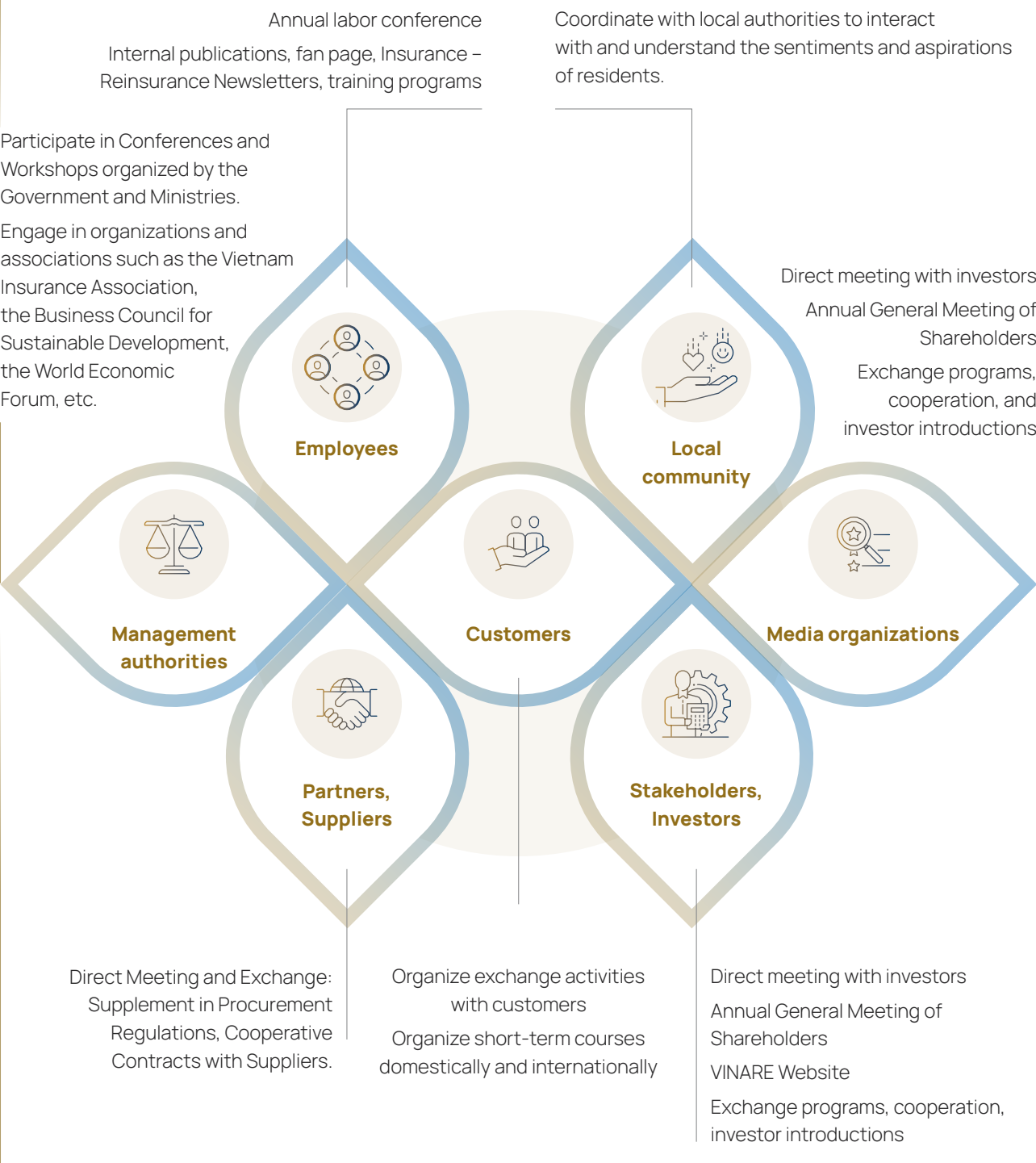
We engage with stakeholders through various appropriate channels to listen to their opinions and concerns regarding VINARE's operations, particularly on issues of corporate governance, human resource development, economic growth, and contributions to society and the environment. This dialogue also helps VINARE proactively identify emerging and topical issues, as well as provides an objective view of the policies, reports, and external disclosures we implement. VINARE identifies stakeholders based on their roles and the extent of their influence on VINARE.



INVOLVEMENT OF STAKEHOLDERS



VINARE's collaborative activities with stakeholders are as follow



In 2023, VINARE continued to strengthen connections with stakeholders through multi-dimensional channels of information, where sustainable development issues will be addressed more deeply by VINARE to listen to the opinions of stakeholders regarding the company's activities related to the Economic-Social-Environmental factors.



Shareholders/Investors

Protecting and fully exercising shareholders' rights through sustainable business practices, providing long-term and increasingly growing benefits for shareholders; ensuring transparent information disclosure and equitable treatment of all shareholders and investors.

Discussion Points	VINARE's activities in 2023
Ensuring investor rights: Transparency and Information	<ul style="list-style-type: none">Advising and responding to shareholders' inquiries directly to swiftly address their concerns.Implementing policies that ensure equal information access for both major and minor shareholders, facilitating their right to vote.The 2023 Annual General Meeting of Shareholders saw the participation of 25 shareholders, representing 94.03% of VINARE's voting shares.The Extraordinary General Meeting of Shareholders in 2023 had the participation of 13 shareholders, representing 92.47% of VINARE's voting shares.
Effective and sustainable growth	<ul style="list-style-type: none">Reinsurance premium revenue in 2023 grew by 13% year-on-year; pre-tax profit increased by 7.8% compared to 2022.The solvency margin of VINARE is seven times higher than the requirement set by the Ministry of Finance.
Ensuring dividend payments to investors	<ul style="list-style-type: none">The projected dividend payment is 10% in cash and 10% by shares.Additional value provided to investors beyond dividends includes insurance-reinsurance bulletins and website upgrades.Maintaining dialogue with investors through direct and online meetings, email, and phone calls to promptly address investor concerns.



Customers

Developing protective solutions to meet the diverse needs of customers; safeguarding customers from risks, providing opportunities to realize their dreams, and ensuring peace and prosperity for customers.

Discussion Points	VINARE's activities in 2023
Diversifying added value for customers	<ul style="list-style-type: none">Organizing professional training for customers upon request.Providing information and advisory support as needed.Hosting seminars on market issues and topics of interest to customers.Regularly receiving feedback and suggestions from customers via the Chief Corporate Governance Officer's email and phone number.

INVOLVEMENT OF STAKEHOLDERS



Employees

Developing a highly skilled workforce with a positive work attitude and motivation, capable of adopting modern and advanced management methods and skills, to fulfill VINARE's mission and values.

Discussion Points	VINARE's activities in 2023
Ensuring employee benefits	<ul style="list-style-type: none">• Maintaining welfare programs for employees.• Successfully organizing the 2023 Annual Employee Conference.• Regularly organizing internal activities and events for employees.
Building a strong corporate culture; engaging employees in internal activities	<ul style="list-style-type: none">• Encouraging 100% participation of employees in community projects and charitable programs.



Management Authorities

Leading the implementation of the Government's development orientations and strategies; building sustainable relationships with regulatory agencies, contributing to the overall economic development and to VINARE's growth.

Discussion Points	VINARE's activities in 2023
Corporate Governance towards sustainable development	<ul style="list-style-type: none">• Incorporating environmental and social assessments and reviews in investment proposals.• Maintaining regular dialogue mechanisms and diligently implementing the Government's orientations and strategies.
Environmental impact assessment; Reducing energy consumption and greenhouse gas emissions	<ul style="list-style-type: none">• Continuing to monitor energy consumption and develop conservation plans at the headquarters and offices.• Conducting internal communications to raise staff awareness about environmental protection.• -Tracking waste generation from VINARE buildings.



Media organizations

Establishing strong connections with media agencies to ensure that VINARE's activities are promptly and accurately reported to stakeholders.

Discussion Points	VINARE's activities in 2023
Enhancing engagement with journalists on sustainable development	<ul style="list-style-type: none">• Increasing the amount of information sent to the media through press releases, short news updates, and in-depth internal analyses sent to target media outlets.• Enhancing information exchange and sharing with journalists by inviting them to participate in events organized or attended by VINARE.



Partners/Suppliers

Treating suppliers equitably, prioritizing those who meet management requirements, comply with legal standards, and operate in a manner that does not harm the environment or society.

Discussion Points	VINARE's activities in 2023
Establishing specific criteria for environmental and social assessments of contractors	<ul style="list-style-type: none">• Including environmental and social responsibility requirements in the contractual terms negotiated with main contractors.• Adding environmental, social, and governance (ESG) criteria to the evaluations in investment plans and other activities of VINARE.

By assessing the significance of various issues, we invest and allocate resources appropriately to best meet the expectations of stakeholders and ensure the sustainable development of VINARE.



SPECIFIC STANDARD

disclosures on Economy, Environment and Social



Economic

OBJECTIVE



Economic Performance

In 2023, the global economy continued to face numerous difficulties and challenges. Strategic competition among major countries intensified, exacerbating geopolitical tensions; conflicts such as the Russia-Ukraine confrontation and unrest in the Middle East adversely affected the global economic recovery process following the Covid-19 pandemic. Many countries experienced slower growth, leading to a decrease in global demand, directly impacting Vietnam.

Nevertheless, with the determination of the Board of Directors, the Board of Management, and the entire staff, VINARE’s business activities yielded remarkably positive results. The total revenue reached VND 3,319 billion, with the gross written premium amounted to VND2,677 billion, reflecting a 13% rise year-on-year and achieving 108.5% of the target. Investment revenue amounted to VND491.7 billion. Notably, premium volume from core business posted a growth rate of 28.9% year-on-year, surpassing the initial forecasts for the year. This remarkable performance can be attributed to the successful writing of new business in overseas markets which increased by 41% y-o-y, mainly in Property line. Besides, revenue from treaties, particularly within the Engineering, Hull and Motor lines also witnessed decent growth rates.

In addition, profits from financial investment activities also saw considerable growth thanks to an increase in investment assets, taking advantage of a short period of interest rate hike as well as increased investment in tier II bond issuance from banks with higher yields than those of the corresponding deposit interest rates. As a result, pre-tax profit grew 7.8% year-on-year to VND473.6 billion.

Actively participating in government insurance initiatives

Agriculture insurance according to Decree 58/2018/ND-CP and Decision 13/2022/QĐ-TTg

Decision No. 13/2022/QĐ-TTg by the Prime Minister on the implementation of agriculture insurance support policies is effective from June 24, 2022, until December 31, 2025. Vietnam National Reinsurance Corporation (VINARE), along with strategic partner Swiss Re and domestic insurance companies Bao Viet and Bao Minh, have collaborated to develop insurance products in accordance with this Decision. By the end of July 2023, Livestock Insurance (cattle/ buffalo) and Aquaculture Insurance (shrimp/crab) products were approved by the Ministry of Finance. Until now, over 500 initial livestock insurance policies have been issued to farmers. VINARE and related parties have also completed the development of rice crop insurance products, with domestic insurance companies currently in the process of submitting these products for approval by the Ministry of Finance.

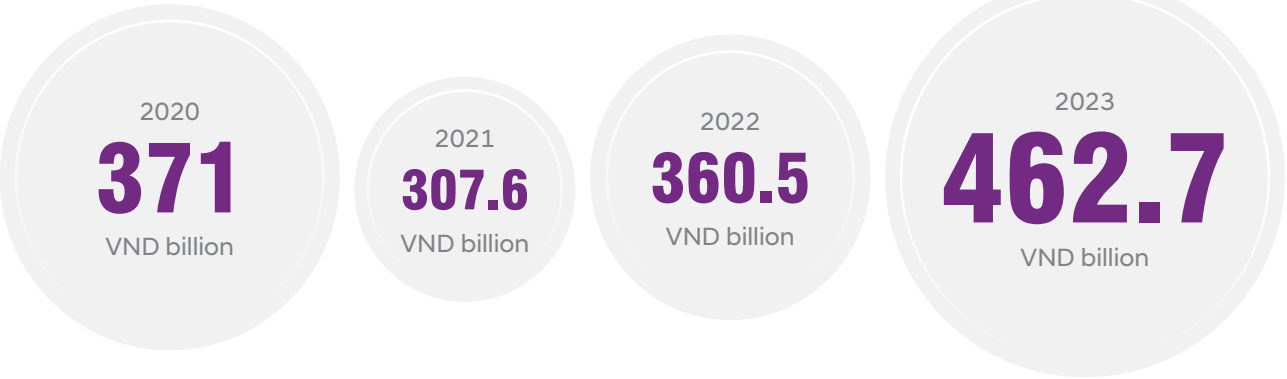
Indirect economic impact

VINARE has closely collaborated with domestic and international insurance and reinsurance companies and played a leading role in implementing government insurance schemes. Our contribution to stable economic

growth also includes providing new products and sustainable development solutions for the market and promoting the sustainable growth of the Vietnam insurance market.

As a leading reinsurance company in Vietnam, VINARE provides reinsurance solutions for Vietnamese insurance companies and makes sure claims, whenever arising, are handled quickly and accurately.

Claim payment for inward reinsurance



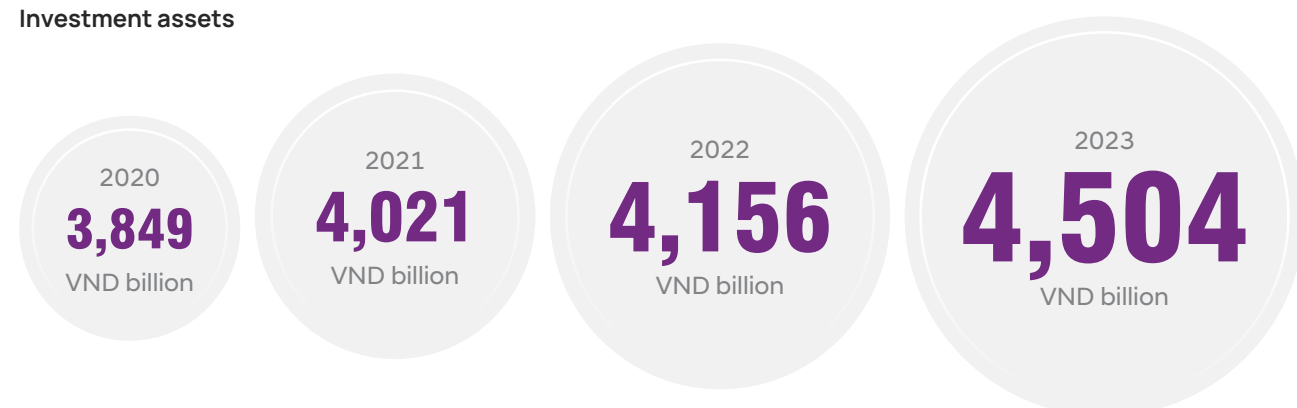
SPECIFIC STANDARD DISCLOSURES ON ECONOMY, ENVIRONMENT AND SOCIAL



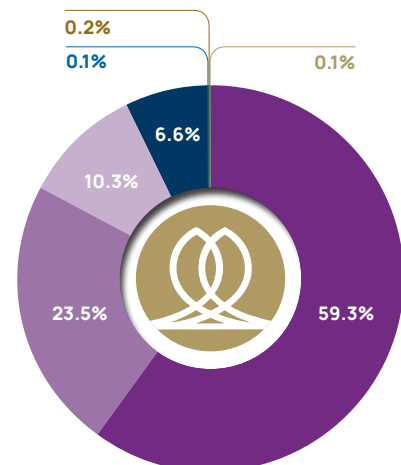
Indirect investment in the economy

VINARE is a business engaged in the investment of idle capital back into the economy, contributing to the development of the socio-economic landscape. The total value of investment assets in 2023 was 4,504 billion VND. Our investment assets has steadily increased over the years.

Investment assets



Incorporating environmental, social, and governance (ESG) criteria into VINARE's investment activities



Our top priority in investment strategy is to invest safely and efficiently while ensuring sustainable development of the company, thereby guaranteeing the interests of shareholders, customers, and employees. Throughout the investment process, VINARE always focuses on optimizing the values that investment activities may contribute to the community.

Our investment assets were allocated as per the following portfolio structure. ESG factors have been taken into account in each and every investment decision, selecting only businesses and stocks in environmentally friendly industries. Going forward, we will continue to prioritize the selection of sustainable business in order to reduce harmful impacts on the environment.

Investment portfolio

No.	Portfolio	31/12/2023	01/01/2023	+/-	Weight
1	Term deposits	2,854,000	2,765,300	88,700	59.3%
2	Bonds	1,129,000	680,000	449,000	23.5%
3	Private equities	494,296	494,296	0	10.3%
4	Entrusted investment and fund certificates	320,000	315,000	5,000	6.6%
5	Office leasing	2,773	4,591	(1,818)	0.1%
6	Real estates	10,969	11,206	(238)	0.2%
7	Current deposits	3,745	47,048	(47,255)	0.1%
	Total	4,814,783	4,317,441	493,389	100%

Indirect contributions to the economy

CONTRIBUTIONS TO THE STATE BUDGET

In 2023, the total tax payment was approximately VND 110.4 billion, which is the highest level in recent years, primarily due to the contribution of value-added tax (VAT), corporate income tax, and personal income tax. The good business performance and improved income of employees were two main factors that led to the increase in corporate income tax and personal income tax payment. The amount of VINARE's tax payment has steadily increased over the years in line with the improvement in business performance.

Contributions to the state budget



DIVIDEND PAYMENT TO SHAREHOLDERS

Dividend for financial year 2022 was executed in 2023 at the rate of 10%.

The dividend payment for 2023 has been decided to be 10% in cash and 10% in shares.

VINARE's strategy is to maintain a stable annual dividend payment policy in order to ensure sufficient resources for long-term development and to create long-term value for shareholders.

Dividend payment to shareholders (Unit: VND billion)

	2023	2022	2021	2020
Dividend amount	165.8	150	196	196.5
Dividend payment ratio in cash	10%	10%	13%	15%
Dividend payment ratio in shares	10%	10%		15%

Anti-corruption

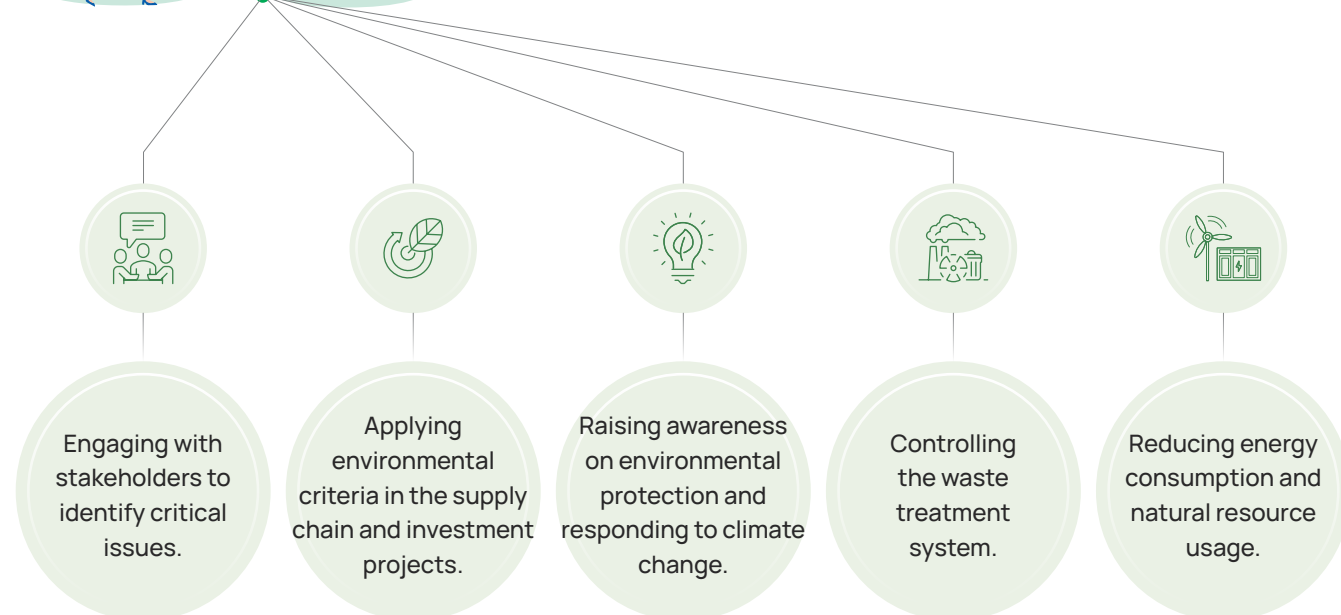
In 2023, VINARE had no confirmed cases of corruption.



Environmental

OBJECTIVES

As a financial service provider, VINARE's activities have a negligible impact on the environment. Therefore, for internal operation, we prioritize enhancing the environmental awareness of our employees and their ability to respond to climate change. We focus on implementing a waste management system in VINARE's head office building to ensure compliance with environmental standards. Additionally, we aim to minimize the use of energy and natural resources, thus contributing to reducing greenhouse gas emissions.



Monitoring and controlling energy consumption data

To better control energy consumption during operations, VINARE regularly monitors electricity and fuel consumption every month.

Fuel consumption statistics for VINARE in 2023

	2023	2022	2021
Total gasoline consumption	7,416 liters	8,934 liters	6,780 liters
Total electricity consumption	589,920 Kwh	536,682 Kwh	514,417 Kwh

Emission, Wastewater, and Waste

In 2023, VINARE continued to assess the environmental impacts of its office building operation. These assessments will include:

- Analyzing energy use, including electricity and fuel consumption, throughout the year.

- Reporting on the environmental protection measures implemented by the facility, including air pollution control, water pollution, solid waste management, hazardous waste management, and on-site firefighting capabilities.

2023 statistical data

	2023	2022	2021
Wastewater	4,947 m³	5,000 m³	5,021 m³
Waste	168 m³	168 m³	168.41 m³

Summary of measures for handling environmentally harmful waste sources in the VINARE project:

No.	Sources of potentially harmful waste to the environment	Handling measures	Environmental solutions
1	Solid waste sources: <ul style="list-style-type: none"> Solid waste mainly originates from the office activities of employees in the building. The composition of solid waste includes damaged paper, depleted ink pens, cardboard folders, and fruit peels. 	<ul style="list-style-type: none"> On each floor of the building, VINARE provides 01 large composite bin and 01 small waste bin at the end of the staircase for waste collection. Daily, building cleaning staff tidy up each room of the rented company and sweep the corridors and surrounding areas of the building. At the end of the working day, building cleaning staff will collect all waste from the bins on each floor to the waste collection point in front of the building. Signing a household waste collection contract with the Environmental Company of Hoan Kiem District for disposal. 	<ul style="list-style-type: none"> Communication to raise awareness among employees regarding document printing to minimize paper usage. Reusing office supplies including various plastic pens and office equipment.
2	Gas waste sources <p>Emissions from transportation vehicles:</p> <ul style="list-style-type: none"> Emissions from vehicles entering and exiting the building (using gasoline and diesel). Emissions from guest vehicles entering and exiting the building. Emissions from vehicles traveling on Le Duan street. Dust and emissions from transportation vehicles within the project contribute to increasing the level of air pollution in the area if not mitigated. The increase in the level of air pollution will have subsequent impacts on the health of urban residents and surrounding areas. 	<ul style="list-style-type: none"> Placing decorative plant pots to mitigate dust dispersal into the air. Requiring transportation vehicles entering the building to turn off their engines before reaching the building gate. Organizing and providing guidance on parking spaces for visitors coming to work at the building. Daily cleaning of the building area. Installing ventilation fans in the basement parking lot of the building to ensure adequate airflow 	<ul style="list-style-type: none"> Initiating the Green Office program to encourage decorating workspaces with greenery. Continuing to strengthen the program for building a green, clean, and scientifically oriented work environment.

SPECIFIC STANDARD DISCLOSURES ON ECONOMY, ENVIRONMENT AND SOCIAL



VINARE recognizes that its human resource are essential to the sustainable development of the enterprise. Therefore, in our human resource management strategy, solutions are focused on building, training, and developing a workforce with expertise in key areas; creating an attractive, professional, and friendly working environment; implementing an effective performance evaluation system... all closely linked together based on the vision, ethical principles, professional ethics, and cultural characteristics of VINARE.

Employees at VINARE are treated equally without discrimination based on gender, religion, or region. Salary, rewards, and welfare policies are ensured in accordance with internal regulations.



GRI 400

Social OBJECTIVES

The total number of employees
at VINARE in 2023

104

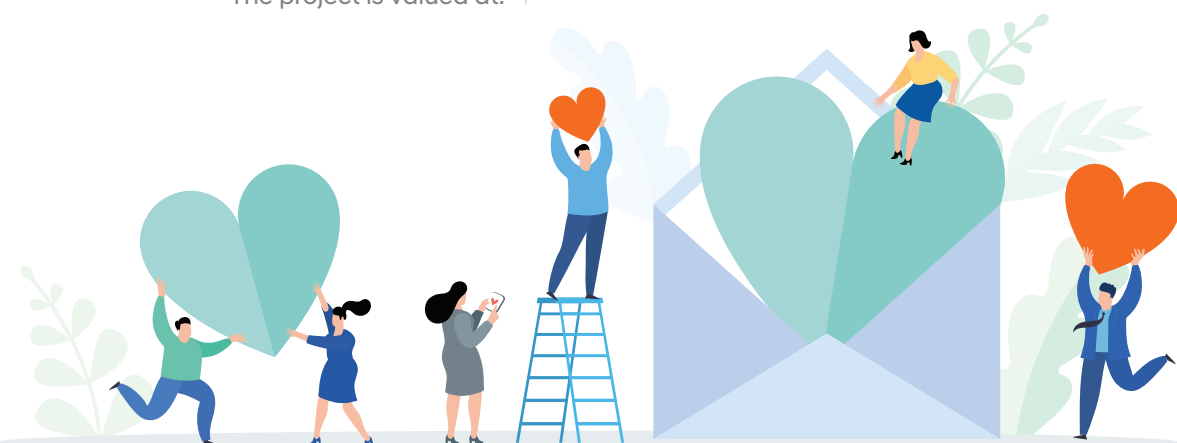
(one more than in 2022)

Responding to the call from the Trade Union of the Ministry of Finance and the Department of Finance of Yen Bai province, the VINARE Trade Union supported social welfare funds to construct auxiliary facilities for daily activities for students at the boarding ethnic minority elementary school in Chau Que Ha commune, Van Yen district, Yen Bai province. The project is valued at:

111

million VND

aiming to ensure material facilities, improve living conditions, and help the students study with peace of mind and step confidently towards school.

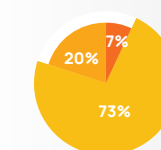
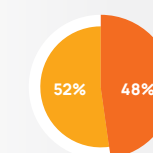


Labor structure

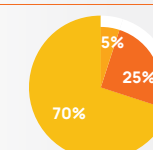
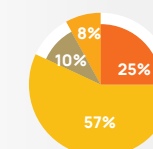
In 2023, the total number of employees at VINARE was 104 (one more than in 2022), positioned in 14 departments and one branch, with male employees accounting for 48% and female employees 52%. VINARE maintains the ratio of young employees in recent years, with employees under 30 accounting for 7% in 2023, middle-aged employees (from 30 to under 50 years old) accounting for 73%, and employees aged 50 and above, who have been with VINARE for a long time, accounting for 20%.

Regarding the employees' qualification, with the goal of building and maintaining a team of high-quality practitioners, VINARE continued to maintain a high proportion of employees with graduate and post-graduate qualification, accounting for over 80% of the total. 25% of the entire staff have post-graduate qualification, while the proportion of employees with lower qualifications decreased compared to the previous year to 18% (including 10% of employees with vocational training).

Labor structure	Number of employees	Percentage (%)
Gender		
Male	50	48%
Female	54	52%
Age		
Under 30	7	7%
Middle-aged	76	73%
Above 50	21	20%
Educational level		
Postgraduate	26	25%
University	59	57%
Vocational training	10	10%
Other	9	8%
Management level		
Senior level	5	5%
Middle level	26	25%
Staff level	73	70%



In 2023, the turnover rate at VINARE was 0%, with only 1 employee retiring according to regulations.



SPECIFIC STANDARD DISCLOSURES ON ECONOMY, ENVIRONMENT AND SOCIAL



Labor and Management Relations

Regarding the structure of management personnel, VINARE continues to maintain a reasonable ratio between management personnel and employees. In 2022, the total number of VINARE's management personnel is 31, accounting for 30% of the total labor force; among them, 5 are in high-level management and 26 in mid-level.

Occupational Health and Safety

VINARE recognizes that the success of an organization depends on a committed and united workforce working towards a common goal. Therefore, VINARE highly values the contribution and dedication of its employees towards the overall success of the company. This is reflected in VINARE's compensation and benefits system, which ensures material well-being, and also acknowledges the employees' commitment to their work.

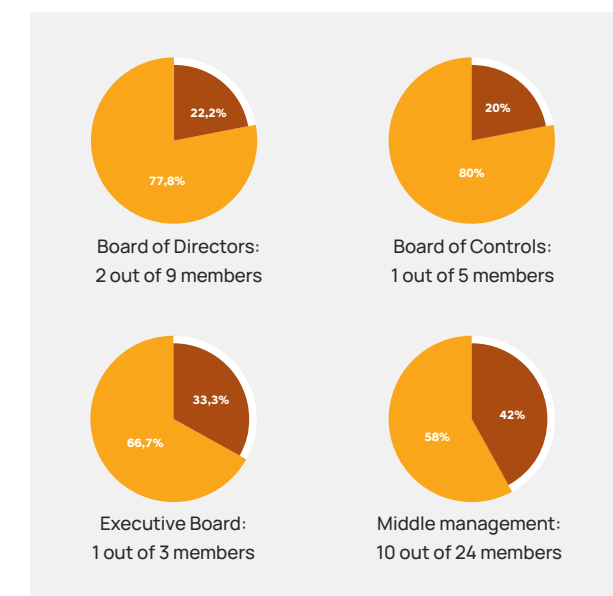
Education and Training

In the context of deep integration into the global economy, VINARE recognizes that this is both an opportunity and a challenge to maintain and develop the achievements it has made. Understanding clearly that improving the quality of human resources is a common trend, VINARE has invested in building a high-quality workforce to gain a competitive advantage through annual activities.

Diversity and Equal Opportunity

VINARE consistently emphasizes recruiting talented individuals and attracting skilled personnel, as well as treating workers fairly.

In VINARE's management and operational structure, female employees are present in all levels. The gender breakdown is as follows:



Equal treatment

VINARE ensures non-discriminatory treatment in the workplace through criteria including efficient management and remuneration systems, performance-based pay policies, and performance evaluation policies. These policies aim to enhance the competitive advantage in human resources, attract talent, retain high-quality labor, motivate employees, and improve labor productivity.

The rights to participate in trade union and collective bargaining

At VINARE, we consistently foster a culture of solidarity and harmonious behavior in the workplace, building a distinctive corporate culture where each employee serves as a brand ambassador not only in business activities but also in environmental initiatives for the common goals of the enterprise.

SPECIFIC STANDARD DISCLOSURES ON ECONOMY, ENVIRONMENT AND SOCIAL



In addition to the goal of steady economic growth, VINARE's sustainable development strategy aims to balance the benefits for the community and the environment. Therefore, fulfilling social responsibility is the focus of VINARE's efforts.

COMMUNITY
PRODUCT
DEVELOPMENT

IMPLEMENTING
SOCIAL
RESPONSIBILITY

CONTRIBUTION
TO THE
COMMUNITY

With the desire to bring a better life to the community, VINARE also invests in community projects. For VINARE, carrying out community activities is a long-term investment for the company. We act on behalf of our shareholders to implement community development projects that bring benefits to both the community and VINARE itself, by maximizing the value of community projects for residents and the level of VINARE's influence in that locality.

In 2023, as part of the preparations for commemorating the 30th anniversary of the establishment of the National Reinsurance Corporation of Vietnam (VINARE), continuing the volunteer movement that VINARE has implemented and received enthusiastic responses from all employees in recent years, VINARE organized a visit for nearly 40 members to visit teachers and students at Muong Tuong kindergarten and Muong Tuong Elementary School - Secondary School, located in Muong Chieng commune, Da Bac district, Hoa Binh province. We proudly brought along gifts worth nearly 60 million VND, including TVs, water purifiers, school supplies, sports equipment, as well as milk and snacks. Contributing to caring for disadvantaged students is an annual activity of the corporation, demonstrating the youthful enthusiasm and commitment to community responsibility and social welfare.

Also in 2023, the Youth Union of VINARE, together with the Youth Union of Bao Viet Insurance Corporation, visited the Ngam Vang Kindergarten, part of the Nhan Mon Kindergarten

School located in Nhan Mon commune, Pac Nam district, Bac Kan province. Being one of the most difficult communes in Pac Nam district, the road to the school is 400 meters away from the inter-village road, which is a steep and slippery dirt road during the rainy season, posing many dangers to the children. Upon learning about this situation, the Vietnam National Reinsurance Corporation and Bao Viet Insurance Corporation decided to sponsor the entire cost of building a 400-meter concrete road leading to the school, along with providing TVs, gas stoves, and essential supplies to support the teaching and learning process of the children, with a total value of over 70 million VND, of which VINARE contributed more than 30 million VND.

Responding to the call from the Trade Union of the Ministry of Finance and the Department of Finance of Yen Bai province, the VINARE Trade Union supported social welfare funds to construct auxiliary facilities for daily activities for students at the boarding ethnic minority elementary school in Chau Que Ha commune, Van Yen district, Yen Bai province. The project is valued at 111 million VND, aiming to ensure material facilities, improve living conditions, and help the students study with peace of mind and step confidently towards school. In addition, the VINARE Trade Union also provided social welfare funds to support 15 poor households in Chau Que Ha commune, Van Yen district, Yen Bai province, to purchase seedlings of cinnamon trees - a sustainable poverty alleviation measure to help ethnic minority communities lift themselves out of poverty.



VINARE also allocates a significant budget for other charitable activities, such as supporting Veterans and Martyrs' Day, contributing to retirement funds, and other charitable initiatives.



Hanoi - April 17, 2024
Confirmation of the Legal Representative
on the 2023 Annual Report



MAI XUAN DZUNG
Chief Executive Officer

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VIETNAM NATIONAL REINSURANCE CORPORATION

CORPORATE INFORMATION

Establishment and Operation Licence	No. 28/GP/KDBH dated 15 November 2004 issued by the Ministry of Finance. The Establishment and Operation Licence has been amended several times and the latest amendment No. 28/GPDC6/KDBH was issued on 19 February 2024.	
Board of Directors	Mr. Nguyen Anh Tuan	Chairman
	Mr. Nguyen Xuan Viet	Deputy Chairman
	Ms. Anna Lee Oh Wah	Deputy Chairman
	Ms. Nguyen Thi Huong Giang	Member
	Mr. Pham Phan Dung	Member
	Mr. Mai Xuan Dung	Member
	Mr. Nguyen Dinh An	Member
	Mr. Vu Anh Tuan	Member
		(to 20 April 2023)
	Ms. Nguyen Thi Quynh Huong	Member
Board of Supervision	Mr. Nguyen Hong Hoang Nam	Member
		(from 20 April 2023)
	Ms. Le Thi Thanh Hien	Chief Supervisor
		(from 17 May 2023)
		Member
		(to 16 May 2023)
	Mr. Tran Trung Tinh	Chief Supervisor
		(to 20 April 2023)
	Mr. Vu Ngoc Vuong	Member
	Mr. Tushar Chatterjee	Member
Board of Management	Mr. Dao Manh Duong	Member
	Ms. Tran Thi Minh Phuong	Member
		(from on 20 April 2023)
	Mr. Mai Xuan Dung	Chief Executive Officer
	Mr. Nguyen Manh Linh	Deputy Chief Executive Officer
	Mr. Do Anh Duc	Deputy Chief Executive Officer
		(from 1 February 2023)
	Ms. Luu Thi Viet Hoa	Deputy Chief Executive Officer
		(from 30 December 2023)
Legal Representative	Mr. Mai Xuan Dung	Chief Executive Officer
Registered Office	7 th Floor, 141 Le Duan, Hoan Kiem District, Hanoi, Vietnam	
Auditor	Branch of PwC (Viet Nam) Limited in Hanoi	

STATEMENT OF THE BOARD OF MANAGEMENT

Statement of Responsibility of the Board of Management of the Corporation in respect of the Consolidated Financial Statements

The Board of Management of Vietnam National Reinsurance Corporation (“the Corporation”) is responsible for preparing the consolidated financial statements which give a true and fair view of the financial position of the Corporation and its subsidiary as at 31 December 2023, and the results of its operations and its cash flows for the year then ended. In preparing these consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Corporation will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Corporation and its subsidiary and enable consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Corporation and hence for taking reasonable steps for the prevention and detection of fraud or errors.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby, approve the accompanying consolidated financial statements as set out on pages 5 to 69 which give a true and fair view of the consolidated financial position of the Corporation and its subsidiary as at 31 December 2023 and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements of reinsurance companies established and operating in compliance with the laws of Vietnam.

On behalf of the Board of Management



MAI XUAN DUNG
General Director

Hanoi, SR Vietnam
20 March 2024



TO SHAREHOLDERS OF VIETNAM NATIONAL REINSURANCE CORPORATION

We have audited the accompanying consolidated financial statements of Vietnam National Reinsurance Corporation (“the Corporation”) and its subsidiary which were prepared on 31 December 2023 and approved by the Board of Management of the Corporation on 20 March 2024. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement and the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 148 to 201.

Responsibility of the Board of Management

The Board of Management of the Corporation is responsible for the preparation and the true and fair presentation of these consolidated financial statements of the Corporation and its subsidiary in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements of reinsurance companies established and operating in compliance with the laws of Vietnam, and for such internal control which the Board of Management determines is necessary to enable the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 standards and requirements and plan and perform the audit to obtain reasonable assurance as to 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 auditor's judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation and its subsidiary's preparation and true and fair presentation of the consolidated financial statements to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation and its subsidiary's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Auditor's Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation and its subsidiary as at 31 December 2023, the consolidated financial performance and the consolidated cash flows of the Corporation and its subsidiary for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements of reinsurance companies established and operating in compliance with the laws of Vietnam.

Other matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of Branch of PwC (Vietnam) Limited in Hanoi



TRAN HONG KIEN
Audit Practising Licence
No. 0298-2023-006-1
Authorised signatory

Report reference number: HAN 3602
Hanoi, 20 March 2024



DANG THAI SON
Audit Practising Licence
No. 4668-2023-006-1

Branch of PwC (Vietnam) Limited in Hanoi
16th floor, Keangnam Hanoi Landmark Tower, Lot E6, Cau Giay Urban Area, Me Tri Commune,
Nam Tu Liem District, Hanoi, Vietnam
T: +84 24 3946 2246, www.pwc.com/vn

Code	ASSETS	Note	As at	
			31/12/2023 VND	31/12/2022 VND
100	CURRENT ASSETS (100=110+120+130+140+150+190)		5,646,385,571,351	5,110,927,838,927
110	Cash and cash equivalents	3	67,490,368,460	62,299,850,107
111	Cash		7,490,368,460	50,999,850,107
112	Cash equivalents		60,000,000,000	11,300,000,000
120	Short-term investments		2,655,222,070,188	2,448,421,841,342
121	Trading securities	4(a)	173,907,022	173,907,022
122	Provision for diminution in value of trading securities	4(a)	(173,907,022)	(173,907,022)
123	Investments held-to-maturity	4(b)	2,660,714,828,212	2,449,930,445,739
124	Provision for impairment of short-term financial investments	4(b)	(5,492,758,024)	(1,508,604,397)
130	Short-term receivables		1,040,807,394,087	734,437,899,128
131	Short-term trade accounts receivable	5	723,178,236,711	574,051,278,975
131.1	- Insurance receivables		723,154,039,411	574,020,303,681
131.2	- Other trade accounts receivable		24,197,300	30,975,294
132	Short-term prepayments to suppliers		426,622,326	210,900,000
136	Other short-term receivables	6(a)	354,492,495,480	199,397,155,234
137	Provision for doubtful debts – short-term	7	(37,289,960,430)	(39,221,435,081)
140	Inventories	8	3,772,034,000	3,733,935,360
141	Inventories		4,016,665,455	3,978,566,815
149	Provision for devaluation of inventories		(244,631,455)	(244,631,455)
150	Other current assets		375,323,327,011	421,137,138,034
151	Short-term prepaid expenses	9(a)	373,921,240,607	419,833,617,004
151.1	- Deferred commission expenses		373,728,468,432	419,575,164,824
151.2	- Other Short-term prepaid expenses		192,772,175	258,452,180
152	Value added tax ("VAT") to be reclaimed		1,402,086,404	1,298,192,006
153	Tax and other receivables from the State		-	5,329,024
190	Reinsurance assets		1,503,770,377,605	1,440,897,174,956
191	Unearned premium reserve for outward reinsurance	19(a)	640,223,634,985	539,131,785,146
192	Claim reserve for outward reinsurance	19(a)	863,546,742,620	901,765,389,810

Code	ASSETS	Note	As at	
			31/12/2023 VND	31/12/2022 VND
200	LONG-TERM ASSET (200 = 210 + 220 + 230 + 240 + 250 + 260)		2,355,870,577,399	2,015,550,990,215
210	Long-term receivables		30,742,328,766	24,343,353,424
218	Other long-term receivables		30,742,328,766	24,343,353,424
218.1	- Insurance deposits	2.11	28,000,000,000	22,000,000,000
218.2	- Other long-term receivables	6(b)	2,742,328,766	2,343,353,424
220	Fixed assets		25,031,793,841	7,475,165,347
221	Tangible fixed assets	10(a)	11,742,109,000	7,475,165,347
222	Historical cost		37,522,627,771	31,352,944,471
223	Accumulated depreciation		(25,780,518,771)	(23,877,779,124)
227	Intangible fixed assets	10(b)	13,289,684,841	-
228	Historical cost		16,379,185,933	32,434,195,934
229	Accumulated amortisation		(3,089,501,092)	(32,434,195,934)
230	Investment properties	11	2,772,668,242	4,591,264,839
231	Historical cost		34,055,061,893	34,055,061,893
232	Accumulated depreciation		(31,282,393,651)	(29,463,797,054)
240	Long-term assets in progress		6,411,675,248	21,306,605,255
241	Long-term work in progress	12	4,794,985,248	14,036,123,679
242	Construction in progress		1,616,690,000	7,270,481,576
250	Long-term investments		2,279,499,946,895	1,947,745,227,843
252	Investments in associates	4(c)	362,362,621,120	338,240,028,217
253	Investments in other entities	4(c)	309,296,176,180	309,296,176,180
254	Provision for impairment of long-term financial investments	4(c), 4(d)	-	(24,600,686,400)
255	Held-to-maturity investments	4(d)	1,607,841,149,595	1,324,809,709,846
260	Other long-term assets		11,412,164,407	10,089,373,507
261	Long-term prepaid expenses	9(b)	1,123,428,874	1,489,415,725
262	Deferred income tax assets		2,430,402,200	741,624,449
268	Other long-term assets	13	7,858,333,333	7,858,333,333
270	TOTAL ASSETS (270 = 100 + 200)		8,002,256,148,750	7,126,478,829,142

CONSOLIDATED BALANCE SHEET
(CONTINUED)

Form B 01 – DNPNT/HN


		As at	
Code	RESOURCES	Note	
300	LIABILITIES (300 = 310 + 330)		
310	Short-term liabilities		
311	Short-term trade accounts payable	14	
311.1	- Insurance payables		
311.2	- Other trade accounts payable		
312	Short-term advances from customers		
313	Tax and other payables to the State	15	
314	Payables to employees		
315	Short-term accrued expenses		
319	Other short-term payables	16(a)	
319.1	Deferred commission income	16(a)	
321	Provision for short-term liabilities	17	
322	Bonus and welfare fund	18	
329	Technical reserves	19	
329.1	- Unearned premium reserves for inward reinsurance		
329.2	- Claim reserves for inward reinsurance		
329.3	- Catastrophe reserves		
330	Long-term liabilities		
337	Other long-term payables	16(b)	
400	OWNERS' EQUITY (400 = 410)		
410	Capital and reserves		
411	Owners' capital	20,21	
411a	- Ordinary shares with voting rights		
412	Share premium	20,21	
418	Investment and development fund	21	
419	Compulsory reserve	21	
421	Undistributed earnings	21	
421a	- Undistributed post-tax profits of previous years		
421b	- Post-tax profit of current year		
429	Non-controlling interests		
440	TOTAL RESOURCES (440 = 300 + 400)		


		As at	
Code	OFF BALANCE SHEET ITEMS	Currency unit	
1.	Foreign currencies		
	United States Dollar	USD	
	Australian Dollar	AUD	
	Japanese Yen	JPY	
	Singapore Dollar	SGD	
	Great Britain Pound	GBP	
	Euro	EUR	



NGUYEN THANH CONG
Preparer


NGUYEN THANH CONG
Accountant in charge


MAI XUAN DUNG
Chief Executive Officer
20 March 2024


NGUYEN THANH CONG
Preparer


NGUYEN THANH CONG
Accountant in charge



MAI XUAN DUNG
Chief Executive Officer
20 March 2024

PART I – COMPREHENSIVE CONSOLIDATED INCOME STATEMENT

		For year ended 31 December	
Code	Note	2023 VND	2022 VND
10	Net income from insurance business	1,630,052,986,042	1,514,308,357,861
11	Income from investment properties	6,334,444,389	13,822,954,311
12	Financial income	28 474,108,028,979	400,134,424,278
13	Other income	2,192,704,705	985,724,488
20	Total insurance expenses	(1,489,811,820,648)	(1,277,076,254,994)
21	Cost of investment properties	(11,387,377,063)	(9,492,836,244)
22	Financial expenses	29 (23,168,978,009)	(102,322,056,599)
23	General and administrative expenses	30 (126,800,153,314)	(116,490,295,677)
24	Other expenses	(820,650,129)	(725,937,423)
25	Profit having from associates	4(c) 39,164,096,869	39,783,389,736
50	Net accounting profit before tax (50=10+11+12+13+20+21+22+23+24)	499,863,281,821	462,927,469,737
51	Corporate income tax ("CIT") - current	33 (78,112,599,127)	(84,333,563,188)
52	CIT - deferred	33 1,688,777,751	(209,328,546)
60	Net profit after tax (60=50+51+52)	423,439,460,445	378,384,578,003
70	Basic earnings per share	22(a) 2,465	2,228
71	Diluted earnings per share	22(b) 2,465	2,228

PART II – COMPREHENSIVE CONSOLIDATED INCOME STATEMENT BY ACTIVITIES

		For year ended 31 December	
Code	Note	2023 VND	2022 VND
1	Insurance premium income (1=1.2-1.3)	23 2,532,299,552,563	2,316,377,064,685
1.2	- Inward reinsurance premium	2,677,422,217,971	2,368,870,128,678
1.3	- Increase in unearned premium reserves for inward reinsurance	19(a) 145,122,665,408	52,493,063,993
2	Outward reinsurance premium (2=2.1+2.2)	24 (1,197,763,434,817)	(1,035,745,910,966)
2.1	- Outward reinsurance premium	(1,298,855,284,656)	(1,094,025,626,781)
2.2	- Increase in unearned premium reserves for outward reinsurance	19(a) 101,091,849,839	58,279,715,815
3	Net insurance premium income (3=1+2)	1,334,536,117,746	1,280,631,153,719
4	Commission income from outward reinsurance and other insurance income (4=4.1+4.2)	295,516,868,296	233,677,204,142
4.1	- Commission income from outward reinsurance	26(a) 263,949,619,993	214,834,397,860
4.2	- Other insurance income	27(a) 31,567,248,303	18,842,806,282
10	Net income from insurance business (10=3+4)	1,630,052,986,042	1,514,308,357,861
11	Claim expenses	25 (1,025,531,240,115)	(976,933,211,110)
11.1	- Gross claim expenses	25 (1,025,531,240,115)	(976,933,211,110)
12	Recoverable from outward reinsurance	25 562,583,052,592	616,506,062,624
13	Increase/(decrease) in inward claim reserves	25 6,564,557,835	(169,200,647,067)
14	(Decrease)/increase in outward claim reserves	25 (46,565,523,767)	(153,448,695,516)
15	Net claim expenses (15=11+12-13+14)	25 (516,078,269,125)	(344,675,196,935)
16	Increase/(decrease) in catastrophe reserves and equalisation reserves	19(b) 13,555,112,393	12,710,852,649
17	Other insurance expenses (17=17.1+17.2)	(960,178,439,130)	(919,690,205,410)
17.1	- Commission expenses	26(b) (821,560,935,278)	(892,989,696,846)
17.2	- Other insurance expenses	27(b) (138,617,503,852)	(26,700,508,564)
18	Total insurance expenses (18=15-16+17)	(1,489,811,820,648)	(1,277,076,254,994)
19	Gross insurance profit (19=10+18)	140,241,165,394	237,232,102,867
20	Income from investment properties	6,334,444,389	13,822,954,311
21	Cost of investment properties	(11,387,377,063)	(9,492,836,244)
22	(Loss)/profit from investment properties (22=20+21)	(5,052,932,674)	4,330,118,067


NGUYEN THANH CONG
Preparer


NGUYEN THANH CONG
Accountant in charge


MAI XUAN DUNG
Chief Executive Officer
20 March 2024

PHẦN II - COMPREHENSIVE CONSOLIDATED INCOME STATEMENT BY ACTIVITIES (CONTINUED)

			For year ended 31 December	
Code		Note	2023 VND	2022 VND
23	Financial income	28	474,108,028,979	400,134,424,278
24	Financial expenses	29	(23,168,978,009)	(102,322,056,599)
25	Profit from financial activities (25=23+24)		450,939,050,970	297,812,367,679
26	General and administrative expenses	30	(126,800,153,314)	(116,490,295,677)
30	Operating profit (30=19+22+25+26)		459,327,130,376	422,884,292,936
31	Other income		2,192,704,705	985,724,488
32	Other expenses		(820,650,129)	(725,937,423)
40	Net other income (40=31+32)		1,372,054,576	259,787,065
40.1	Profit sharing from joint ventures and associates	4(c)	39,164,096,869	39,783,389,736
50	Net accounting profit before tax (50=30+40+40.1)		499,863,281,821	462,927,469,737
51	Corporate income tax ("CIT") - current	33	(78,112,599,127)	(84,333,563,188)
52	CIT- deferred	33	1,688,777,751	(209,328,546)
60	Net profit after tax (60=50+51+52)		423,439,460,445	378,384,578,003
Attributable to:				
61	Owners of the parent company		421,425,243,742	380,156,634,527
62	Non-controlling interests		2,014,216,703	(1,772,056,524)
70	Basic earnings per share	22(a)	2,465	2,228
71	Diluted earnings per share	22(b)	2,465	2,228


NGUYEN THANH CONG
Preparer


NGUYEN THANH CONG
Accountant in charge


MAI XUAN DUNG
Chief Executive Officer
20 March 2024

		For year ended 31 December		
Code	Note	2023 VND	2022 VND	
CASH FLOWS FROM OPERATING ACTIVITIES				
01	Proceeds from inward and outward reinsurance activities	1,059,810,734,718	968,004,203,788	
02	Cash paid for inward and outward reinsurance activities	(556,479,931,810)	(770,423,212,950)	
03	Cash paid to employees	(59,689,664,756)	(63,201,354,905)	
05	CIT paid	(92,054,424,527)	(73,516,269,944)	
06	Cash received from other operating activities	15,537,639,205	14,590,712,543	
07	Cash paid for other operating activities	(41,607,107,603)	(38,451,453,822)	
20	Net cash inflows from operating activities	325,517,245,227	37,002,624,710	
CASH FLOWS FROM INVESTING ACTIVITIES				
21	Purchases of fixed assets and other long-term assets	(11,185,802,062)	(5,498,472,350)	
23	Purchases of debt instruments of other entities	(2,045,700,000,000)	(1,927,548,482,791)	
24	Proceeds from sales of debt instruments of other entities	1,547,270,365,270	1,712,648,314,110	
26	Proceeds from divestment in other entities	-	28,405,742,794	
27	Dividends and interest received	339,143,961,140	386,455,730,285	
30	Net cash (outflows)/inflows from investing activities	(170,471,475,652)	194,462,832,048	
CASH FLOWS FROM FINANCING ACTIVITIES				
36	Dividends paid, profit distributed to owners	(150,737,130,000)	(195,958,269,000)	
40	Net cash flows from financing activities	(150,737,130,000)	(195,958,269,000)	
50	Net increase in cash and cash equivalents (50=20+30+40)	4,308,639,575	35,507,187,758	
60	Cash and cash equivalents at beginning of year	3	62,299,850,107	25,281,771,911
61	Effect of foreign exchange differences	881,878,778	1,510,890,438	
70	Cash and cash equivalents at end of year (70=50+60+61)	3	67,490,368,460	62,299,850,107


NGUYEN THANH CONG
Preparer


NGUYEN THANH CONG
Accountant in charge


MAI XUAN DUNG
Chief Executive Officer
20 March 2024

1 GENERAL INFORMATION

Vietnam National Reinsurance Corporation (“the Corporation”) is a joint stock company established in SR Vietnam pursuant to the Establishment and Operation Licence No. 28/GP/KDBH dated 15 November 2004 issued by the Ministry of Finance. The Establishment and Operation Licence has been amended several times and the latest amendment No. 28/GPDC6/KDBH was issued on 19 February 2024, which increased the Corporation’s charter capital to VND 1,658,106,170,000.

Shares of the Corporation were officially listed for trading at the Hanoi Stock Exchange on 13 March 2006 with ticker symbol of VNR.

The principal activities of the Corporation are to provide inward/outward reinsurance services and to carry out financial investment activities.

The normal business cycle of the Corporation is 12 months.

The consolidated financial statements are not affected by the seasonality but depend on the fluctuation in the market.

As at 31 December 2023, the Corporation had one subsidiary and one associate. The details are as follows:

	Principal activities	Place of incorporation and operation	% of ownership	% of voting rights
Subsidiary				
Vinare Investment Joint Stock Company	Investment	Hanoi, Vietnam	63.9%	63.9%
Associate				
Samsung Vina Insurance Corporation Limited	Insurance	Hanoi, Vietnam	25%	25%

As at 31 December 2023, the Corporation and its subsidiary had 103 employees (as at 31 December 2022: 101 employees).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of the consolidated financial statements

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements of reinsurance companies established and operating in compliance with the laws of Vietnam. The consolidated financial statements have been prepared under the historical cost convention except for investments in associates and business combinations as presented in Note 2.5.

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

The consolidated financial statements in the Vietnamese language are the official statutory financial statements of the Corporation. The consolidated financial statements in the English language have been translated from the Vietnamese version.

On 16 June 2022, the National Assembly issued the Law on Insurance Business No. 08/2022/QH15 (“Law on Insurance Business 2022”), which come into effect from 1 January 2023. This law regulates the organization and operation of insurance business, the rights and obligations of organizations and individuals participating in insurance, and the state management of insurance business activities.

On 1 July 2023, the Government issued Decree No. 46/2023/NĐ-CP (“Decree 46”) which provides detailed regulations for the implementation of certain articles of the Law on Insurance Business 2022. The Decree takes effect from the date of signing.

On 2 November 2023, the Ministry of Finance issued Circular No. 67/2023/TT-BTC (“Circular 67”) which provides detailed regulations for the implementation of certain articles of the Law on Insurance Business 2022, and provides guidance on certain articles in Decree 46. Circular 67 takes effect from 1 January 2023, and includes provisions regarding finance, accounting, and financial reporting.

The Corporation has reviewed and assessed the impact of these new regulations, including the impact of these documents on the consolidated financial statements. These new regulations do not affect the recognition in the consolidated financial statements for the financial year ended on 31 December 2023.

2.2 Financial year

The Corporation and its subsidiary’s financial year is from 1 January to 31 December.

2.3 Currency

The Corporation and its subsidiary determine Vietnamese Dong (“VND” or “Dong”) as the accounting and reporting currency in the consolidated financial statements.

2.4 Exchange rates

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are respectively translated at the buying and selling exchange rates at the balance sheet date of the commercial banks with which the Corporation regularly transacts. Foreign currencies deposited in banks at the balance sheet date are translated at the buying exchange rate of the commercial banks where the Corporation opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the consolidated income statement.

2.5 Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the Corporation has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Corporation controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Corporation. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Corporation. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Corporation’s share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains and losses on transactions between the group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Corporation.

Non-controlling transactions and interests

The Corporation applies a policy for transactions with non-controlling interests as transactions with external parties to the Corporation.

Non-controlling interests (“NCI”) are measured at their proportionate share of the acquiree’s identifiable net assets at date of acquisition.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.5 Basis of consolidation (Continued)

Associates

Associates are all entities over which the Corporation and its subsidiary have significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associate is accounted for using the equity method of accounting and are initially recognised at cost. The Corporation and its subsidiary's investments in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Corporation's share of its associates' post-acquisition profits or losses is recognised in the consolidated income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Corporation's share of losses in an associate equals or exceeds its interest in the associate, the Corporation does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Corporation.

Unrealised gains and losses on transactions between the Corporation and associates are eliminated to the extent of the Corporation's interest in the associates in accordance with applicable accounting regulations.

2.6 Form of records applied

The Corporation and its subsidiary use general journal to record its transactions.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand, cash at bank, cash in transit, demand deposits and other short-term investments with an original maturity of three months or less.

2.8 Receivables

Receivables represent trade receivables from customers, other trade receivables and other receivables which are classified based on their nature as follows:

- Reinsurance receivables are trade receivables arising from reinsurance transactions including premiums receivable from insurers, claim recoveries from reinsurers, commission receivables from reinsurers at the year end;
- Other trade receivables are receivables arising from sales and providing services other than insurance transactions; and
- Other receivables are non-trade receivables and receivables not relating to providing services.

Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. When making provision for a bad debt of a debtor who has both receivables and payables, based on the record of debt reconciliation sent to customers, the Corporation shall make provision for the remaining amount after offsetting the payables of its debtor. Bad debts are written off when identified as uncollectible.

Receivables are classified into long-term and short-term receivables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2.9 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the purchase price and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

Provision is made, where necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year are recognised as an increase or decrease of operating expenses in the year.

2.10 Investments

(a) Investments held-to-maturity

Investments held-to-maturity are investments which the Board of Management of the Corporation and its subsidiary has positive intention and ability to hold until maturity.

Investments held-to-maturity include term deposits, certificates of deposit, bonds which the issuer is required to buy back in the future, investments in entrustment funds with a pre-determined settlement date agreed with fund management companies in accordance with the entrustment contract and other investments held-to-maturity. Those investments are initially accounted for at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held-to-maturity is made when there is evidence that the investment is uncollectible in whole or in part. Movements in the provision balance during the financial year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Provision for impairment of investments in entrustment funds, is made when the carrying amount of such investment exceeds the value of that investment as stated in the net asset value ("NAV") report at the balance sheet date provided by the entrustment funds. A provision shall be reverted based on the increase of NAV to the maximum, is made only to the extent the investment is restored to its original cost.

Investments held-to-maturity are classified into short-term and long-term investments held-to-maturity on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

(b) Investments in associates

Investments in associates are accounted for using the equity method when preparing the consolidated financial statements.

(c) Investments in other entities

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for investments other entities is made when there is a diminution in value of the investments at the year end. Provision for investments in other entities is calculated based on market value if market value can be determined reliably. If market value cannot be determined reliably, the provision is calculated similarly to provision for investments in subsidiaries, associates and joint ventures.

Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.11 Insurance deposits

The Corporation is obliged to make a deposit equal to 2% of the legal capital, and the deposit shall bear interest in accordance with the agreement with the bank to which it is made and shall be refundable at the end of contract term. The Corporation may only use its insurance deposits to meet its commitment to insurance purchasers in case of liquidity deficit and upon written approval of the Ministry of Finance.

On 1 July 2023, the Government issued Decree No. 46/2023/NĐ-CP ("Decree 46") which provides detailed regulations for the implementation of certain articles of the Law on Insurance Business, in which, revise the requirement for a minimum charter capital for insurance companies. For reinsurance companies engaging in all three types of reinsurance, including life reinsurance, non-life reinsurance, and health reinsurance, the minimum charter capital required is VND 1,400 billion. Therefore, the Corporation has increased its insurance deposits to VND 28 billion in 2023 (2022: VND 22 billion) to meet this requirement.

2.12 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to their suitable condition for their intended use. Expenditure incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, they are charged to the consolidated income statement when incurred in the year.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line basis so as to write-off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the financial statements minus (-) the estimated disposal value of such assets. The principal annual rates of each asset class are as follows:

Plant and buildings	4%/year
Means of transportation	17% – 25%/year
Office equipment	25%/year
Others	20% - 25%/year
Software	20%/year

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the consolidated income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of construction for operation, rental or administrative purposes, or for purposes not yet determined are carried at cost, including necessary cost to newly build, repair, renovate, expand or re-engineering such as construction costs, costs of tools and equipment. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.13 Leased assets

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

2.14 Investment properties

The historical cost of an investment property represents the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire the investment property at the time of its acquisition or completion of construction. Expenditure incurred subsequently which has resulted in an increase in the expected future economic benefits from the use of investment properties can be capitalized as an additional historical cost. Otherwise, such expenditure is charged to the consolidated income statement when incurred in the year.

Depreciation

Investment properties are depreciated on the straight-line basis to write off the depreciable amount of the assets over their estimated useful lives. Depreciable amount equals to the historical cost of assets recorded in the financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of the investment property are 25 years.

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of investment properties and are recognized as income or expense in the consolidated income statement.

2.15 Business cooperation contract

A business cooperation contract ("BCC") is a cooperation contract between the Corporation and other parties to carry out specific business activities without establishing a new legal entity. These activities are jointly controlled by the parties under the BCC or controlled by one of the parties.

The BCC is based on jointly controlled assets or jointly controlled operations. The parties in a BCC may agree to share revenues, products or profits after tax. BCC is accounted for and presented in accordance with the specific regulations and conditions outlined in each contract.

2.16 Prepaid expenses

Prepaid expenses include deferred commission expenses, costs of tools, supplies issued for consumption and other expenses which are expected to provide future economic benefits to the Corporation and its subsidiary. Prepaid expenses are recorded at cost.

Deferred commission expenses are determined by the Corporation as at the balance sheet date in accordance with the method corresponding to the unearned reinsurance premium reserve (Note 2.21(a)) of each line of business, details are as follows:

Type of contract	Term of reinsurance contract	
	1 year or less	Over 1 year
Cargo insurance (road, sea, inland waterways, rail and air)	25%	55%
Health insurance	50% (*)	1/8 method or daily pro-rata method which is more prudent.
Life insurance	50% (*)	(**)
Other lines of business	50%	55%

(*) This includes cases of reinsurance contracts with terms longer than 1 year but with payment terms of 1 year or less.

(**) In the event that the Corporation enters into reinsurance contracts for life insurance with terms longer than 1 year after the effective date of Circular 50/2017/TT-BTC, the Corporation shall calculate mathematical reserves in accordance with the current regulations.

For other prepaid expenses, the prepaid expenses are allocated using a straight-line basis over their estimated useful lives.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.17 Payables

Classifications of payables are based in their natures as follows:

- Insurance payables are payables arising from reinsurance transactions;
- Other trade accounts payable are trade payables arising from purchase of goods and services other than insurance transactions; and
- Other payables are non-trade payables and not relating to purchase of goods and services.

Payables are classified into long-term and short-term payables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2.18 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period but not yet paid due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting year.

2.19 Provision

Provisions is recognised when the Corporation and its subsidiary have a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the level of expenditures expected to be required to settle the obligations. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in operating expenses.

2.20 Provision for severance allowances

In accordance with Vietnamese labour laws, employees of the Corporation and its subsidiary who have worked regularly for full 12 months or longer, are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Corporation less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Corporation.

The severance allowance is accrued at the end of the reporting period on the basis that each employee is entitled to half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the labor contract's average salary for the year to the consolidated balance sheet date. This allowance will be paid as a lump sum when the employees terminate their labour contracts in accordance with current regulations.

The Corporation and its subsidiary do not recognise the provision for severance allowances as the Corporation applies Circular 180/2012/TT-BTC of the Ministry of Finance dated 24 October 2012, in which, the severance allowances is recognized on actual payment.

2.21 Technical reserves

Technical reserves are provided in accordance with the assumptions and methodologies, which are ascertained by the Corporation's appointed actuary, registered with and approved by the Ministry of Finance ("MoF") and other regulations and guidance in:

- Official letter 2713/BTC-QLBH dated 12 March 2018 issued by the Ministry of Finance. The letter is effective from the financial year 2017;
- Official letter 2134/BTC-QLBH dated 22 February 2019 issued by the Ministry of Finance. The letter is effective from the financial year 2019;

On November 2023, the Ministry of Finance issued Circular No. 67/2023/TT-BTC ("Circular 67") providing guidance on certain articles on the Law on Insurance Business No. 08/2022/QH15 and Decree No. 46/2023/NĐ-CP. Circular 67 includes regulations on the method of setting up technical reserves for non-life insurance companies. In accordance with the assessment of the Corporation, the current method and basis for setting up technical reserves following Official Letters 2713 and 2134 are still appropriate and compliant with Circular 67. The Corporation submitted Official Letter No. 276/VNR-2023 dated December 2023, reporting to the Insurance Supervisory Authority - Ministry of Finance, stating that the Corporation shall continue to apply the approved methods of setting up technical reserves as stated in the aforementioned Official Letters 2713 and 2134.

The Corporation's technical reserves include:

Non-life reinsurance

Provision for unearned premium reserves for inward and outward reinsurance is calculated on the total inward/outward reinsurance premium as follows:

(a) Unearned premium reserves

Type of contract	Term of reinsurance contract	
	1 year or less	Over 1 year
Cargo insurance (road, sea, inland waterways, rail and air)	25%	55%
Other lines of business	50%	55%

Life reinsurance

- For reinsurance contract with a term of one year or less, the Corporation applies a prorated method equal to 50% of the total premium in the fiscal year for each life reinsurance contract.
- For reinsurance contract with a term of more than one year with the payment term of less than one year, renewed annually and signed before the effective date of Circular 50/2017/TT-BTC, the Corporation applies the calculation method at the rate of 50% of the total premium in the fiscal year for each life reinsurance contract.
- For reinsurance contract with a term of more than one year and signed after the effective date of Circular 50/2017/TT-BTC, the Corporation calculates mathematical reserves in accordance with applicable regulations.

Health reinsurance

- For reinsurance contracts with terms of 1 year or less, the Corporation applies a method of setting up reserves based on a ratio of 50% of the total insurance premiums earned for each health reinsurance contract.
- For reinsurance contracts with terms longer than 1 year, the Corporation applies a technical reserve setting method as presented in disclosure 2.21(e).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.21 Technical reserves (continued)

(b) Claim reserves

- Claims reserves for the losses which were incurred, notified but not yet settled (“OSLR”) at the end of the financial year are provided for each insurance loss based on the estimated claim payable which has been notified or submitted but not yet settled as at the reporting date.
- Claims reserves for the losses incurred but not notified and/or reported (“IBNR”) are provided for at 5% of the total aggregated inward/outward reinsurance premium for each line of business.

(c) Catastrophe reserves

This reserve is made at a rate of 1% of the retained premium for each insurance line until it reaches 100% of the retained premium in the year.

(d) Equalisation reserves

Equalisation reserves are made for each type of reinsurance as follow:

- Health-care reinsurance: this reserve is made annually at 1% of the retained premium for all transactions until it reaches 100% of retained premium in the year.
- Life reinsurance: this reserve is made annually at 1% of the profit before tax until it reaches 5% of the life inward premium received in the year.

On 28 December 2005, the Ministry of Finance issued Decision 100/2005/QĐ-BTC governing the publication of four (4) new accounting standards, one of which is Vietnamese Accounting Standard (“VAS”) 19 – Insurance Contracts. Following the issuance of this Standard, provision for equalisation reserves is not required since it represents “claims on insurance contracts which do not in exist as at the reporting date”.

However, the Corporation continues to calculate catastrophe and equalization reserves and reserves to compensate for large fluctuations in losses as well as significant fluctuations in risk ratios and technical interest rates, as stated in Official Letters 2713 and 2134, which have been approved by the Ministry of Finance.

(e) Mathematical reserves

For health reinsurance contract with contract term of more than 1 years, the mathematical reserve is made as follows:

- For health reinsurance contract (except health reinsurance contract that cover only death, permanent total disability):
 - For reinsurance contract with contract term of more than 1 year: Apply the calculation method using the 1/8 method;
 - For reinsurance contract with a term of more than 1 year but the payment term of less 1 year, renewed annually: Apply the calculation method at the rate of 50% of the total premium of the fiscal year. In all cases, the Corporation must ensure that the result of the calculation is not lower than the 1/8 method.
- For health reinsurance contracts that cover only death, permanent total disability, the Corporation applies the method of daily pro-rata provision according to the general formula as follows:

Unearned premiums reserves

=

Insurance premium x Number of unexpired days
of insurance policy or reinsurance agreement

Total days of insurance policy or reinsurance agreement

2.22 Deferred commission income

Deferred commission income from ceded reinsurance contracts is deferred and recognized as a liability in accordance with the method corresponding to the unearned reinsurance premium reserve (Note 2.21(a)) as follows:

Type of contract	Term of reinsurance contract	
	1 year or less	Over 1 year
Cargo insurance (road, sea, inland waterways, rail and air)	25%	55%
Health insurance	50% (*)	1/8 method or daily pro-rata method which is more prudent.
Life insurance	50% (*)	(**)
Other lines of business	50%	55%

(*) This includes cases of reinsurance contracts with terms longer than 1 year but with payment terms of 1 year or less.

(**) In the event that the Corporation enters into reinsurance contracts for life insurance with terms longer than 1 year after the effective date of Circular 50/2017/TT-BTC, the Corporation will calculate mathematical reserves in accordance with the current regulations.

2.23 Capital and reserves

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Undistributed earnings record the Corporation's results (profit or loss) after business income tax at the reporting date.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

2.24 Appropriation of profit

Net profit after tax could be distributed to shareholders upon approval at Annual General Meeting of shareholders, and after appropriation to other funds in accordance with the Corporation's charter and Vietnamese regulations.

The Corporation's funds are as below:

(a) Compulsory reserve fund

The Corporation is required to make an annual appropriation to the compulsory reserve at 5% of profit after tax until the reserve reaches 10% of the charter capital.

(b) Investment and development fund

Investment and development fund is appropriated from profit after tax and approved in the Annual General Meeting of shareholders. The fund is used to expand the scale of business or in-depth investment of the Corporation. The appropriation and appropriation rate are approved at the Annual General Meeting of Shareholders.

(c) Bonus and welfare fund

The bonus and welfare fund is appropriated from the Corporation's profit after corporate income tax and subject to shareholders approval at the Annual General Meeting of shareholders. This fund is presented as a liability on the consolidated balance sheet.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.25 Revenue recognition

(a) Inward reinsurance premium

Reinsurance premiums are recognized as revenue at the point of time when both of the following two (2) conditions are met:

- The insurance contract has been entered into by the Corporation and the reinsured; and
- Statement of accounts of reinsurance transactions is confirmed between the Corporation and the reinsured.

For excess of loss reinsurance contract, which has reinstatement provision, the Corporation recognizes reinstatement premium. This is the amount the reinsured must pay to restore the coverage up to the contract's original limit. The basis for recognition of reinstatement premium is the confirmed statement of accounts between the Corporation and the reinsured for the losses which have been compensated for. At the end of the financial year, the Corporation accrues reinstatement premium corresponding to losses that have occurred but have not been compensated for.

(b) Commission income

Commission income represents commissions received or receivable from reinsurers. They are calculated and are recorded corresponding to the retrocession premium recorded.

(c) Interest income

Interest income is recognised on an accruals basis.

(d) Dividends income

Income from dividends is recognised when the Corporation and its subsidiary have established the receiving right from investees.

2.26 Other income from reinsurance activities

Other insurance income represent income related to reinsurance activities which mainly include brokerage fees for inward reinsurance contracts, profit commission and other income. Profit commission is calculated based on the provision in each reinsurance contract, on the profit of such contract at the calculation terms and is recognised as other income regardless of whether the payment has been received or not. The Corporation classifies these incomes as other income from reinsurance activities based on the nature of the income.

2.27 Outward reinsurance premium ceded

Outward reinsurance premium is recorded in the consolidated income statement as a reduction in gross premiums written. Outward reinsurance premiums ceded is recognized at the point of time when the following two (2) conditions are met:

- The insurance contract has been entered into by the Corporation and the re-insurers; and
- Statement of accounts of reinsurance transactions is furnished by the Corporation, outward reinsurance premium is calculated and recorded in the same accounting period of inward premium confirmation.

Outward reinsurance does not relieve the Corporation of its liabilities to its cedants customers if any reinsurer is unable to meet its obligations under reinsurance agreements.

For excess of loss reinsurance contract which has reinstatement provision, the Corporation recognises reinstatement premium payables. This is the amount the reinsured must pay to restore the coverage up to the contract's original limit. The basis for recognition of reinstatement premium is the confirmed statement of accounts between the Corporation and the re-insurers for the losses which have been compensated for. At the end of the financial year, the Corporation accrues reinstatement premium for losses that have occurred but have not been compensated for.

2.28 Commission expenses

Commission expenses represent fee payments to the reinsured. They are calculated and recorded when there is evidence of agreement among the parties (via the statement of account).

2.29 Claim expenses

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

2.30 Claims to be recovered from reinsurers

Claims incurred are recovered from reinsurers according to the terms in the respective reinsurance agreements.

2.31 Other expenses from reinsurance activities

Other insurance expenses represent expense related to reinsurance activities which mainly include brokerage expenses for inward reinsurance contracts, profit commission and other expenses. Profit commission is calculated based on the provision in each reinsurance contract, on the profit of such contract at the calculation terms and is recognised regardless of whether the payment has been made or not. The Corporation classifies these expenses as other expenses from reinsurance activities based on the nature of the expenses.

2.32 Financial expenses

Financial expenses are expenses incurred in the period for financial activities including expenses or losses relating to financial investment activities; provision for diminution in value of investments in other entities; losses incurred on selling foreign currencies; losses from foreign exchange differences.

2.33 General administration expenses

General and administration expenses represent expenses for administrative purposes of the Corporation and its subsidiary.

2.34 Current and deferred income tax

Income taxes includes all income taxes which based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of Income tax payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred Income tax should be recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.35 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Corporation, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Corporation and its subsidiary. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Corporation and its subsidiary that gives them significant influence over the Corporation and its subsidiary, key management personnel, including the Board of Management of the Corporation and its subsidiary and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its related-party relationships, the Corporation and its subsidiary consider the substance of the relationships, not merely the legal form.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.36 Accounting estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements of insurance companies established and are operating in compliance with the laws of Vietnam requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year.

The areas involving significant estimates and assumptions in the consolidated financial statements are as follows:

- Provision for doubtful debts (Note 2.8, Note 6 and Note 7);
- Deferred commissions (Note 2.16 and Note 9(a));
- Technical reserves (Note 2.21 and Note 19);
- Deffered commission revenue (Note 2.22 and Note 16);
- Profit commission (Note 2.26 and Note 2.31); and
- Reinstatement premium receivable and reinstatement premium payables (Note 2.25(a) and Note 2.27).

Such estimates and assumptions are continually evaluated based on historical experiences and other factors, including assumptions on future events that may have significant financial impact on the financial statements of the Corporation and its subsidiary, and that are assessed by the Board of Management to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	31/12/2023 VND	31/12/2022 VND
Cash on hand	1,031,805,363	1,194,197,455
Cash at bank	6,458,563,097	49,805,652,652
Cash equivalents (*)	60,000,000,000	11,300,000,000
	67,490,368,460	62,299,850,107

(*) Cash equivalents as at 31 December 2023 includes deposit at domestic commercial banks with original terms of less than 3 months and an interest rates of 0.5% per annum (31 December 2022: 6% per annum).

4 INVESTMENTS

(a) Trading securities

	31/12/2023			31/12/2022		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Shares of Thang Long Telecommunications Joint Stock Company	173,907,022	-	(173,907,022)	173,907,022	-	(173,907,022)

(b) Short-term investments

	31/12/2023			31/12/2022		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Short-term deposits (i)	2,478,250,000,000	2,478,250,000,000	-	2,343,400,149,589	2,343,400,149,589	-
Entrusted investments (ii)	182,464,828,212	217,310,556,995	(5,492,758,024)	106,530,296,150	120,836,714,967	(1,508,604,397)
	2,660,714,828,212	2,695,560,556,995	(5,492,758,024)	2,449,930,445,739	2,464,236,864,556	(1,508,604,397)

(i) Deposits at domestic commercial banks with original terms of more than 3 months and remaining maturities within 12 months from the consolidated balance sheet date and interest rates ranging from 5.6% to 11.9% per annum (2022: 5.0% to 9.8% per annum).

(ii) Investments under entrustment contracts with Vietcombank Fund Management (“VCBF”) and SSI Asset Management (“SSIAM”), with the predetermined remaining maturities within 12 months from 31/12/2023. The Corporation bears all risks related to the entrusted investments. Details are as follows:

	Historical cost VND	Management fee related to entrusted funds VND	Net book value at 31/12/2023 VND	Net asset value at 31/12/2023 VND	Provision VND
VCBF no 01/2021/HD/VCBF-VNR	50,000,000,000	(2,370,166,441)	47,629,833,559	56,701,258,010	-
VCBF no 01/2020/HD/VCBF-VNR	70,000,000,000	(3,601,297,746)	66,398,702,254	97,665,764,610	-
SSIAM no 35/2015/HD-SSIAM-PC	70,000,000,000	(1,563,707,601)	68,436,292,399	62,943,534,375	(5,492,758,024)
	190,000,000,000	(7,535,171,788)	182,464,828,212	217,310,556,995	(5,492,758,024)

(c) Investments in other entities

	31/12/2023			31/12/2022		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Investments in associates	362,362,621,120	(*)	-	338,240,028,217	(*)	-
Investments in other entities	309,296,176,180	(*)	-	309,296,176,180	(*)	(153,875,823)
	671,658,797,300	(*)	-	647,536,204,397	(*)	(153,875,823)
Movements in investments in associates during the year were as follows:						
	From 1/1/2023 to 31/12/2023 VND			From 1/1/2022 to 31/12/2022 VND		
Beginning of the year				338,240,028,217		312,911,750,370
Profit sharing from associates				39,164,096,869		39,783,389,736
Dividend received (Note 36(a))				(15,041,503,966)		(14,455,111,889)
End of the year				362,362,621,120		338,240,028,217

Investments in other entities include investments in other companies over which the Corporation does not have the right to control or have significant influence. Details of investments are as follows:

	31/12/2023			31/12/2022		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Tien Phong Commercial Joint Stock Bank	181,140,376,180	1,011,334,823,400	-	181,140,376,180	879,001,837,350	-
Post and Telecommunication Joint Stock Insurance Corporation	38,416,000,000	130,513,420,800	-	38,416,000,000	177,455,577,600	-
Agriculture Bank Insurance Joint Stock Company	32,000,000,000	162,725,963,700	-	32,000,000,000	159,782,400,000	-
Hung Vuong Insurance Joint Stock Company	30,000,000,000	(*)	-	30,000,000,000	(*)	-
Global Insurance Joint Stock Company	17,600,000,000	(*)	-	17,600,000,000	(*)	-
Sai Gon – Ha Long Hotel	10,139,800,000	(*)	-	10,139,800,000	(*)	(153,875,823)
	309,296,176,180	(*)	-	309,296,176,180	(*)	(153,875,823)

(*) As of 31 December 2023 and 31 December 2022, the Corporation has not determined the fair value of these investments to disclose on the consolidated financial statements because they do not have quoted prices and Vietnamese Accounting Standards do not provide detailed guidance on the methods to determine fair value. The fair value of such investments may be different from their carrying value.

(d) Long-term held-to-maturity investments

	31/12/2023			31/12/2022		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Long-term deposits (i)	347,000,000,000	347,000,000,000	-	442,000,000,000	442,000,000,000	-
Long-term bonds (ii)	1,133,750,000,000	(*)	-	680,000,000,000	(*)	-
Entrusted investments (iii)	127,091,149,595	169,912,012,139	-	187,809,709,846	177,206,225,720	(22,076,747,027)
Open-ended fund's unit of VCBF Midcap Growth Fund	-	-	-	15,000,000,000	12,629,936,450	(2,370,063,550)
	1,607,841,149,595	(*)	-	1,324,809,709,846	(*)	(24,446,810,577)

(i) Deposits at domestic commercial banks with remaining maturities of more than 12 months from the consolidated balance sheet date and interest rates ranging from 6% to 7.5% per annum (2022: 10.3% to 11.9% per annum).

(ii) Bonds of local commercial banks in Vietnam with remaining maturities of 4 to 10 years from the consolidated balance sheet date and interest rates ranging from 6.25% to 9.6% per annum (2022: 6.3% to 10.5% per annum).

(*) As of 31 December 2023 and 31 December 2022, the Corporation has not determined the fair value of these investments to disclose on the consolidated financial statements because they do not have quoted prices and Vietnamese Accounting Standards do not provide detailed guidance on the methods to determine fair value. The fair value of such investments may be different from their carrying value.

(iii) Investments under entrustment contracts with VCBF, MBCapital and BVF with the predetermined remaining maturities of more than 12 months from the consolidated balance sheet date. The Corporation bears all risks related to the entrusted investments. Details are as follows:

	Historical cost VND	Management fee related to entrusted funds VND	Net book value at 31/12/2023 VND	Net asset value at 31/12/2023 VND	Provision VND
MBCapital no 11032/UTDT/MBCapital-VNR	30,000,000,000	(973,941,967)	29,026,058,033	32,138,180,266	-
VCBF no 01/2022/HD/VCBF-VNR	70,000,000,000	(1,762,863,665)	68,237,136,335	105,200,137,311	-
BVF no 01/2023/QLDT/VNR-BVF	30,000,000,000	(172,044,773)	29,827,955,227	32,573,694,562	-
	130,000,000,000	(2,908,850,405)	127,091,149,595	169,912,012,139	-

5 TRADE ACCOUNTS RECEIVABLE

	31/12/2023 VND	31/12/2022 VND
Receivable from insurance contracts	723,154,039,411	574,020,303,681
- Receivable from inward reinsurance	478,356,694,994	290,411,064,401
- Receivable from outward reinsurance	212,819,741,220	256,904,029,060
- Other receivables from reinsurance activities (*)	31,977,603,197	26,705,210,220
Other trade receivables	24,197,300	30,975,294
	723,178,236,711	574,051,278,975

(*) Other receivables from reinsurance activities mostly include receivables from reinstatement fee.

6 OTHER RECEIVABLES

(a) Short-term

	31/12/2023 VND	31/12/2022 VND
Accrued interest income from deposits	203,975,323,696	91,778,039,260
Accrued interest income from bonds	39,011,938,287	13,717,390,411
Premium withheld by insurance companies	69,418,660,838	37,886,446,377
Investment cooperation contract deposit related to Tincom Plaza Project (i)	41,176,145,672	43,176,145,672
Principal and interest receivable from the investment to Contrexim Complex Project	-	9,877,541,667
Receivables from the investment to Hanoi Paragon Project	-	2,045,742,517
Others	910,426,987	915,849,330
	354,492,495,480	199,397,155,234
Provision for doubtful debts – short-term		
- Tincom Plaza Project (i)	(12,705,658,727)	(8,000,217,099)
- Contrexim Complex Project	-	(9,877,541,667)
- Hanoi Paragon Project	-	(2,045,742,517)
	(12,705,658,727)	(19,923,501,283)
	341,786,836,753	179,473,653,951

(i) Tincom Plaza project

This project in accordance to BCC No. 02/2010/HĐĐC-Tincom Plaza dated 1 July 2010 signed between the subsidiary and Thang Long Trade and Investment Group Joint Stock Company ("Thang Long Company", "Investor"), for the construction of Tincom Plaza project (now Skyview Plaza project) ("Project") located at No. 360 Giai Phong Street, Hanoi.

The total invested amount by the subsidiary in the Project was VND 60,149,250,000 in which VND 7,134,674,895 was contributed by the Corporation, VND 30,641,245,983 was contributed by the subsidiary and VND 22,373,329,122 was contributed by other investors.

As per Decision No. 02/2018/QĐ-HDQT dated 22 June 2018 of the Board of Directors, the Board of Management of the Corporation and its subsidiary decided not to continue to invest in the Project and filed a lawsuit against the Investor. In accordance with Decision No. 14/2019/QĐST-KDTM dated 15 November 2019 issued by the Thanh Xuan District Court ("Decision No. 14"), Thang Long Company must reimburse a total amount of VND 126,376,061,750 (comprising of VND 60,149,250,000 of principal and VND 66,226,811,750 of interest up to 31 October 2019) to the subsidiary either in cash or by handing apartments of the Project to the subsidiary.

In 2020, the subsidiary and Thang Long Company signed apartment purchase contracts for 65 apartments, with total value of VND 117,880,956,550 (in which the value of 7 completed apartments in HH2 building is at VND 17,687,716,550 and the value of 58 unbuilt apartments in HH3 building is at VND 100,193,240,000). If Thang Long Company is not able to fully settle the amount, they shall be charged an interest rate of 13.5% per annum on the late payment amount commencing from 1 January 2020 until the settlement date. The remaining unsettled amount by transferring apartment purchase contracts is VND 8,495,105,200. Besides, the subsidiary will have to pay an additional 30% of the value of the apartments, equivalent to VND 42,939,960,000, to be eligible for apartment hand-over and receipt of the ownership certificate. The Corporation and the subsidiary are willing to sell these apartments to recover the invested amount, therefore the balance is classified as short-term receivables.

As at 31 December 2023, 7 apartment purchase contracts had been sold to third parties, and Thang Long Company paid an additional amount of VND 2 billion to the subsidiary in 2023. Therefore, the amount of this investment was recorded as remaining original cost of VND 41,176,145,672 after deducting actual selling price of 7 contracts and the additional payment mentioned above (in which, the remaining receivables per original investment amount of the Corporation and the subsidiary were VND 4,799,392,958 and VND 20,611,924,496 accordingly).

The handover progress of 58 HH3 apartments are that 27 apartments are due on 25 March 2022 and 31 remaining apartments are due on 25 December 2022. As at the date of this consolidated financial statements, the handover date above has been overdue. Therefore, the Board of Directors estimated the provision for devaluation of receivables of VND 12,705,658,727, equivalent to 50% total value of the receivable balance corresponding to the initial invested amount of the Corporation and its subsidiary.

Besides, the Board of Management has also assessed that the recoverability of the related interest of VND 76,265,330,094 is uncertain, therefore the interest amount is disclosed as contingent assets (Note 39 - Contingent assets) in the consolidated financial statements.

(b) Long-term

	31/12/2023 VND	31/12/2022 VND
Accrued interest income from term deposits	2,742,328,766	2,343,353,424

7 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM

	31/12/2023				
	Overdue trade accounts receivable VND	Trade accounts payable VND	Net overdue trade accounts receivable VND	Provision VND	Recoverable amount VND
Short-term trade receivables					
1) Vien Dong Assurance Corporation	7,608,736,850	(2,413,531,619)	5,195,205,231	(5,144,080,249)	51,124,982
2) Willis (Singapore) Pte Ltd	5,348,788,541	(255,748,218)	5,093,040,323	(5,088,520,195)	4,520,128
3) Sogaz Insurance	29,153,809,152	(8,862,023,617)	20,291,785,535	(9,971,697,814)	10,320,087,721
4) Others	9,303,823,643	(3,253,011,064)	6,050,812,579	(4,380,003,445)	1,670,809,134
	51,415,158,186	(14,784,314,518)	36,630,843,668	(24,584,301,703)	12,046,541,965
Other short-term receivables					
1) Contrexim Complex Project	-	-	-	-	-
2) Hanol Paragon Project	-	-	-	-	-
3) Tincom Plaza Project	41,176,145,672	-	41,176,145,672	(12,705,658,727)	28,470,486,945
	41,176,145,672	-	41,176,145,672	(12,705,658,727)	28,470,486,945
Total provision for doubtful debts – short-term				(37,289,960,430)	

7 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM (CONTINUED)

	31/12/2022				
	Overdue trade accounts receivable VND	Trade accounts payable VND	Net overdue trade accounts receivable VND	Provision VND	Recoverable amount VND
Short-term trade receivables					
1) Vien Dong Assurance Corporation	7,037,127,213	(1,919,344,671)	5,117,782,542	(5,033,070,283)	84,712,259
2) Willis (Singapore) Pte Ltd	5,255,347,654	(479,433,368)	4,775,914,286	(4,545,775,311)	230,138,975
3) J.B Boda & Co Ltd	1,765,607,483	(2,105,542)	1,763,501,941	(1,763,501,941)	-
4) Best Reinsurance	1,890,150,519	(284,892,269)	1,605,258,250	(1,424,420,223)	180,838,027
5) Sai Gon - Ha Noi Insurance Corporation	22,293,566,993	(21,606,463,766)	687,103,227	(233,851,694)	453,251,533
6) UIB Brokers Korea	21,187,292,135	(19,801,127,600)	1,386,164,535	(500,870,192)	885,294,343
7) Sogaz Insurance	11,554,401,597	(8,323,143,255)	3,231,258,342	(1,372,667,823)	1,858,590,519
8) Others	19,390,917,703	(9,772,479,830)	9,618,437,873	(4,423,776,331)	5,194,661,542
	90,374,411,297	(62,188,990,301)	28,185,420,996	(19,297,933,798)	8,887,487,198
Other short-term receivables					
1) Contrexim Complex Project	9,877,541,667	-	9,877,541,667	(9,877,541,667)	-
2) Hanol Paragon Project	2,045,742,517	-	2,045,742,517	(2,045,742,517)	-
3) Tincom Plaza	43,176,145,672	-	43,176,145,672	(8,000,217,099)	35,175,928,573
	55,099,429,856	-	55,099,429,856	(19,923,501,283)	35,175,928,573
Total provision for doubtful debts – short-term				(39,221,435,081)	

8 INVENTORIES

	31/12/2023		31/12/2022	
	Cost VND	Provision VND	Cost VND	Provision VND
Apartment No. B2704	3,915,431,455	(244,631,455)	3,915,431,455	(244,631,455)
Others	101,234,000	-	63,135,360	-
	4,016,665,455	(244,631,455)	3,978,566,815	(244,631,455)
Provision	(244,631,455)		(244,631,455)	
	3,772,034,000		3,733,935,360	

9 PREPAID EXPENSES

(a) Short-term

	31/12/2023 VND	31/12/2022 VND
Deferred commission expenses (*)	373,728,468,432	419,575,164,824
Others short-term prepaid expenses	192,772,175	258,452,180
	373,921,240,607	419,833,617,004

(*) Movements of deferred commission expense during the year were as follows:

	From 1/1/2023 to 31/12/2023 VND	From 1/1/2022 to 31/12/2022 VND
Beginning of year	419,575,164,824	453,183,431,245
Increase during the year	775,714,238,886	859,381,430,425
Allocation during the year (Note 26(b))	(821,560,935,278)	(892,989,696,846)
End of year	373,728,468,432	419,575,164,824

(b) Long-term

	31/12/2023 VND	31/12/2022 VND
Other long-term prepaid expenses	1,123,428,874	1,489,415,725

10 FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Historical cost					
As at 1/1/2023	18,354,529,037	2,576,045,071	9,160,646,064	1,261,724,299	31,352,944,471
New purchases	-	3,383,081,400	2,827,290,900	-	6,210,372,300
Disposals	-	-	(40,689,000)	-	(40,689,000)
As at 31/12/2023	18,354,529,037	5,959,126,471	11,947,247,964	1,261,724,299	37,522,627,771
Accumulated depreciation					
As at 1/1/2023	(13,203,312,103)	(2,559,270,071)	(7,413,714,352)	(701,482,598)	(23,877,779,124)
Charge for the year	(779,398,542)	(247,121,861)	(700,127,720)	(215,932,837)	(1,942,580,960)
Disposals	-	-	39,841,313	-	39,841,313
As at 31/12/2023	(13,982,710,645)	(2,806,391,932)	(8,074,000,759)	(917,415,435)	(25,780,518,771)
Net book value					
As at 1/1/2023	5,151,216,934	16,775,000	1,746,931,712	560,241,701	7,475,165,347
As at 31/12/2023	4,371,818,392	3,152,734,539	3,873,247,205	344,308,864	11,742,109,000

Historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2023 was VND 10,464,480,629 (as at 31 December 2022: VND 9,793,093,603).

10 FIXED ASSETS (CONTINUED)

(b) Intangible fixed assets

	Software VND
Historical cost	
As at 1/1/2023	32,434,195,934
Increase during the year	14,972,968,822
Decrease during the year (*)	(31,027,978,823)
As at 31/12/2023	16,379,185,933
Accumulated amortisation	
As at 1/1/2023	(32,434,195,934)
Charge for the year	(1,683,283,981)
Decrease during the year	31,027,978,823
As at 31/12/2023	(3,089,501,092)
Net book value	
As at 1/1/2023	-
As at 31/12/2023	13,289,684,841

Historical cost of fully amortised intangible fixed assets but still in use as at 31 December 2023 was VND 1,406,217,111 (as at 31 December 2022: VND 32,434,195,934).

(*) The decrease in intangible fixed assets during the year comes from the decrease of the reinsurance business software that had been fully amortised, and the Corporation has ceased using it from 2023.

11 INVESTMENT PROPERTIES

	Investment properties for leasing VND
Historical cost	
As at 1/1/2023	34,055,061,893
As at 31/12/2023	34,055,061,893
Accumulated depreciation	
As at 1/1/2023	(29,463,797,054)
Charge for the year	(1,818,596,597)
As at 31/12/2023	(31,282,393,651)
Net book value	
As at 1/1/2023	4,591,264,839
As at 31/12/2023	2,772,668,242

Investment properties represent the value of building No. 141 Le Duan corresponding to the area for lease.

In accordance with Vietnamese Accounting Standard No. 05 - Investment properties, fair value of investment properties as of 31 December 2023 should be presented. However, the Corporation has not been able to determine the fair value for disclosure purpose in the note to the consolidated financial statements.

12 LONG-TERM WORK IN PROGRESS

	31/12/2023 VND	31/12/2022 VND
142 Dinh Cong Project (*) - net amount	4,794,985,248	14,036,123,679
In which:		
- Cost of long-term work in progress	14,036,123,679	14,036,123,679
- Provision for long-term work in progress	(9,241,138,431)	-

(*) The amount represents the investment for the construction of the residential, service, and commercial building at No. 142 Dinh Cong Street between the Corporation, Vinare Invest and Vietnam Railway Signal - Telecommunication Joint Stock Company in accordance with the Business Co-operation Contract No. 25/2011/HDHTKD dated 25 July 2011 and the Investment Cooperation Agreement dated 28 October 2017.

The project architecture plan has been approved by Hanoi People's Committee as proposed by the Department of Planning and Architecture in the Official Letter No.1369/VP-DT of Hanoi People's Committee dated 23 February 2018.

In accordance with the Notification Letter No. 96/TB-KH&DT dated 18 January 2019 issued by the Hanoi Department of Planning and Investment to Vinare Invest, the project application has basically met conditions for further submission to the Hanoi People's Committee for approval in principle, however the project is currently subject to review for conversion of land use purposes as instructed by the Hanoi People's Committee on 2 January 2019. When the result of such review is available, the Hanoi Department of Planning and Investment will continue to provide guidance to Vinare Invest to complete its project application according to regulations.

In according with the Law on Insurance Business No. 08/2022/QH15, effective from 1 January 2023, insurance enterprises are not allowed to engage in property investment activities starting from 2028. Based on the actual progress of the project until now, the Corporation assessed the recoverability of this investment to be low from now to the effective period as stipulated in the Law. Therefore, the Corporation has made provision for doubtful debts for the balance of this item in the consolidated financial statements for the year ended 31 December 2023 based on percentage of contribution by the Corporation and its subsidiary.

13 OTHER LONG-TERM ASSETS

	31/12/2023 VND	31/12/2022 VND
Land lots in Tincom City Project (*)	7,858,333,333	7,858,333,333

(*) This represents the Vinare Invest's contribution amount related to the cooperation and product sharing of the Tincom Plaza Project with Thang Long Company at No. 360 Giai Phong Street. The subsidiary would receive a land lot of 101.1 m2 after the revised project master plan is approved.

As of 31 December 2023, the legal procedures to ensure the conditions for handover of this land lot have not been completed due to change of the project master plan by the Investor.

In accordance with the Valuation Certificate 2712.02-23/CT-ĐG/VAE dated 27 December 2023 issued by Vietnam Appraisal and Consulting Joint Stock Company, the appraised value of this property was VND 8,758,000,000. The Board of Management has assessed that the recoverable value of this long-term asset is higher than its book value, therefore, no provision is provided for this long-term asset in the consolidated financial statements as at 31 December 2023.

14 TRADE ACCOUNTS PAYABLE

	31/12/2023 VND	31/12/2022 VND
Payables of insurance contracts	826,680,842,178	444,926,702,759
- Payable for inward reinsurance activities	411,925,764,358	125,866,699,853
- Payable for outward reinsurance activities	412,943,434,335	318,486,753,871
- Other payables for reinsurance activities	1,811,643,485	573,249,035
Other trade payables	5,373,286,952	1,412,263,414
	832,054,129,130	446,338,966,173

15 TAX AND OTHER PAYABLES TO THE STATE

Movements in tax and other payables to the State during the year were as follows:

	As at 1/1/2023 VND	Payable during the year VND	Payment during the year VND	As at 31/12/2023 VND
Value added tax	-	785,861,949	(714,243,287)	71,618,662
Personal income tax	2,550,320,819	15,411,764,568	(14,466,380,869)	3,495,704,518
CIT	27,589,543,342	78,112,599,127	(92,054,424,527)	13,647,717,942
Other taxes	103,946,640	3,446,793,418	(3,301,780,334)	248,959,724
	30,243,810,801	97,757,019,062	(110,536,829,017)	17,464,000,846

16 OTHER PAYABLES

	31/12/2023 VND	31/12/2022 VND
(a) Short-term		
Withheld premiums ceded	55,263,842,564	32,957,137,921
Payable to co-investors of Tincom Plaza Project (Note 6(a))	15,050,215,997	15,794,143,115
Payable to co-investors of Hanoi Paragon Project	-	1,486,757,941
Payable to co-investors of 142 Dinh Cong Project (Note 12)	646,765,000	646,765,000
Others	7,298,734,735	3,945,876,957
	78,259,558,296	54,830,680,934
Deferred commission income (*)	147,555,514,424	112,203,575,689
	225,815,072,720	167,034,256,623
(b) Long-term		
Long-term deposits	1,474,286,806	1,052,359,576
	227,289,359,526	168,086,616,199

(*) Movements of deferred commission income during the year were as follows:

	From 1/1/2023 to 31/12/2023 VND	From 1/1/2022 to 31/12/2022 VND
Beginning of year	112,203,575,689	99,311,540,367
Increase during the year	299,301,558,728	227,726,433,182
Allocation during the year (Note 26(a))	(263,949,619,993)	(214,834,397,860)
End of year	147,555,514,424	112,203,575,689

17 PROVISION FOR SHORT-TERM LIABILITIES

	31/12/2023 VND	31/12/2022 VND
Provision for reinstatement premium payable	25,410,877,397	32,662,726,852

18 BONUS AND WELFARE FUND

	From 1/1/2023 to 31/12/2023 VND	From 1/1/2022 to 31/12/2022 VND
Beginning of year	28,436,745,506	26,088,235,092
Increase in the year (Note 21)	12,698,956,221	10,705,948,563
Utilisation in the year	(7,467,339,977)	(8,357,438,149)
End of year	33,668,361,750	28,436,745,506

19 TECHNICAL RESERVES

	31/12/2023 VND	31/12/2022 VND
Unearned inward reinsurance premium reserves	1,293,136,059,212	1,148,013,393,804
Inward reinsurance claim reserves	1,612,677,750,394	1,592,468,265,070
<i>In which:</i>		
- Reserves for losses incurred and reported ("OSLR")	1,478,806,639,495	1,474,024,758,635
- Reserves for losses incurred but not yet reported ("IBNR")	133,871,110,899	118,443,506,435
Catastrophe reserves and equalisation reserves	211,030,237,831	197,475,125,438
	3,116,844,047,437	2,937,956,784,312

19 TECHNICAL RESERVES (CONTINUED)

(a) Claim reserves and unearned premium reserves

	As at 31/12/2023		
	Inward reinsurance VND	Outward reinsurance VND	Net VND
Unearned premium reserves	1,293,136,059,212	640,223,634,985	652,912,424,227
Claim reserves	1,612,677,750,394	863,546,742,620	749,131,007,774
<i>In which:</i>			
- Reserves for losses incurred and reported ("OSLR")	1,478,806,639,495	798,603,978,387	680,202,661,108
- Reserves for losses incurred but not yet reported ("IBNR")	133,871,110,899	64,942,764,233	68,928,346,666
	2,905,813,809,606	1,503,770,377,605	1,402,043,432,001

Details of movement of reserves are as follows:

	Inward reinsurance VND	Outward reinsurance VND	Net VND
Unearned premium reserves			
Beginning of year	1,148,013,393,804	539,131,785,146	608,881,608,658
Movement in year (Notes 23 and 24)	145,122,665,408	101,091,849,839	44,030,815,569
End of year	1,293,136,059,212	640,223,634,985	652,912,424,227
Claim reserves			
Beginning of year	1,592,468,265,070	901,765,389,810	690,702,875,260
Movement in year (Note 25)	20,209,485,324	(38,218,647,190)	58,428,132,514
End of year	1,612,677,750,394	863,546,742,620	749,131,007,774

(b) Catastrophe reserves and equalisation reserves

	From 1/1/2023 to 31/12/2023 VND	From 1/1/2022 to 31/12/2022 VND
I. Main activities		
Beginning of year	188,185,927,430	175,475,074,781
Increase in year	13,555,112,393	12,710,852,649
Utilisation in year	-	-
II. Pilot agricultural insurance activities		
Beginning of year	9,289,198,008	9,289,198,008
Increase in year	-	-
Balance of catastrophe and equalisation reserves at the end of year	211,030,237,831	197,475,125,438

20 OWNERS' CAPITAL

(a) Number of shares

	31/12/2023 Ordinary shares	31/12/2022 Ordinary shares
Number of shares registered	165,810,617	150,737,130
Number of shares issued	165,810,617	150,737,130
Number of outstanding shares	165,810,617	150,737,130

(b) Details of owners' shareholding

	31/12/2023		31/12/2022	
	Ordinary shares	% (*)	Ordinary shares	% (*)
Owners' contributed capital	1,658,106,170,000	100.00	1,507,371,300,000	100.00
State Capital Investment Corporation ("SCIC")	669,261,340,000	40.36	608,419,402,500	40.36
Swiss Re Group	414,527,700,000	25.00	376,843,373,500	25.00
Baoviet Holdings	152,139,270,000	9.18	138,308,430,000	9.18
Bao Viet Value Investment Fund	132,769,340,000	8.01	120,699,400,000	8.01
Bao Minh Insurance Joint Stock Corporation	106,607,990,000	6.43	96,916,355,000	6.43
Other individual shareholders	76,491,390,000	4.61	84,930,525,000	5.63
Other institutional shareholders	106,309,140,000	6.41	81,253,814,000	5.39
Share premium	369,756,607,309		369,756,607,309	
Total	2,027,862,777,309		1,877,127,907,309	

(*) Shows the voting rights and ownership percentage of the shareholders.

(c) Movements of share capital

During the year, the Corporation has issued additional shares to pay dividend. Details are presented in Note 21.

Par value per share: VND 10,000 per share.

21 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Investment and development fund VND	Compulsory reserve fund VND	Undistributed earnings VND	Non-controlling interest VND	Total VND
As at 1/1/2022	1,507,371,300,000	369,756,607,309	206,077,621,278	147,705,447,699	1,021,039,304,742	33,724,466,124	3,285,674,747,152
Net profit for the year	-	-	-	-	380,156,634,527	(1,772,056,524)	378,384,578,003
Appropriation to Compulsory reserve	-	-	-	3,031,682,301	(3,031,682,301)	-	-
Appropriation to Bonus and welfare fund	-	-	-	-	(10,705,948,563)	-	(10,705,948,563)
Dividends distribution	-	-	-	-	(195,958,269,000)	-	(195,958,269,000)
Others	-	-	-	-	(64,565,035)	-	(64,565,035)
As at 1/1/2023	1,507,371,300,000	369,756,607,309	206,077,621,278	150,737,130,000	1,191,435,474,370	31,952,409,600	3,457,330,542,557
Net profit for the year	-	-	-	-	421,425,243,742	2,014,216,703	423,439,460,445
Dividends distribution (i)	-	-	-	-	(150,737,130,000)	-	(150,737,130,000)
Capital increase during the year (ii)	150,734,870,000	-	-	-	(150,734,870,000)	-	-
Appropriation to Compulsory reserve	-	-	-	15,073,487,000	(15,073,487,000)	-	-
Appropriation to Bonus and welfare fund (iii) (Note 18)	-	-	-	-	(12,698,956,221)	-	(12,698,956,221)
As at 31/12/2023	1,658,106,170,000	369,756,607,309	206,077,621,278	165,810,617,000	1,283,616,274,891	33,966,626,303	3,717,333,916,781

(i) In accordance with General Meeting of Shareholders' Resolution No. 08/2023/NQ-DHĐCĐ dated 20 April 2023, the General Meeting of Shareholders approved 2022 dividend distribution in cash to the shareholders at the rate of 10%, which is equivalent to VND 150,737,130,000, and by share at the rate of 10%.

(ii) The Extraordinary Meeting of Shareholders' Resolution No. 13/2023/NQ-DHĐCĐ dated 8 August 2023 approved to issue additional shares to pay dividends for the year 2022 to shareholders with expected number of shares to be issued is 10% of the total number of outstanding shares. In accordance with the Decision No. 1295/QĐ-SGDHN dated 8 December 2023, the Hanoi Stock Exchange approved the Corporation to additionally list 15,073,487 ordinary shares, and increase the total number of listed shares to 165,810,617 shares. The first transaction date of these additional shares was 22 December 2023.

(iii) In accordance with General Meeting of Shareholders' Resolution No. 06/2013/NQ-DHĐCĐ dated 25/4/2013, the General Meeting of Shareholders approved the amendments to profit appropriation policies, accordingly the welfare fund appropriation is equal to 1 month of actual salary and the bonus fund appropriation is equal to maximum of 1.5% of profit after tax but not exceeded 2 months of actual salary. The Corporation has temporarily appropriated an amount of VND 12,698,956,221 from the profit after tax for the year ended 31 December 2023 to the bonus and welfare fund. The final decision for profit distribution of 2023 will be approved in the Annual General Meeting of Shareholders in 2024.

22 BASIC EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare funds by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares repurchased by the Corporation and held as treasury shares. Details are as follows:

	For year ended 31 December	
	2023	2022 (Adjusted)
Net profit attributable to shareholders (VND)	421,425,243,742	380,156,634,527
Less amount allocated to bonus and welfare funds (VND)	(12,698,956,221)	(10,705,948,563)
	408,726,287,521	369,450,685,964
Weighted average number of ordinary shares in issue (shares)	165,810,617	150,737,130
Basic earnings per share (VND) (*)	2,465	2,228

asic earnings per share of the year ended 31 December 2022 was adjusted to reflect the change in the amount of outstanding shares:

	For the year ended 31 December 2022		
	Previous Financial Statement	Adjustment	Adjusted figures
Net profit attribute to shareholders (VND)	380,156,634,527	-	380,156,634,527
Less amount allocated to bonus and welfare funds (VND)	(10,705,948,563)	-	(10,705,948,563)
Profit to calculate basic earnings per shares (VND)	369,450,685,964	-	369,450,685,964
Weighted average number of ordinary share in issue (shares) (i)	150,737,130	15,073,487	165,810,617
Basic earnings per shares (VND)	2,451	(223)	2,228

(i) In accordance with the guidance of Vietnamese Accounting Standard No. 30 – Basic Earnings per Shares, basic earnings per shares and diluted earnings per shares for all reporting periods shall be adjusted retrospectively if the number of outstanding ordinary shares or potential ordinary shares increase due to capitalisation, issuance of bonus shares, stock split, or decrease due to stock merger.

Therefore, the number of shares to calculate basic earnings per share for the financial year of 2022 is determined by the sum of:

- The weighted average number of outstanding ordinary shares during the period;
- The weighted average number of ordinary shares issued to pay dividends for the financial year 2022 in accordance with Extraordinary Meeting of Shareholders' Resolution No. 13/2023/NQ-DHĐCĐ dated 8 August 2023, and approval of share issuance by Hanoi Stock Exchange according to Decision No. 1295/QĐ-SGDHN dated 8 December 2023, with the assumption that these shares were outstanding since 1 January 2022.

22 BASIC EARNINGS PER SHARE (CONTINUED)

(b) Diluted earnings per share

The Corporation did not have any ordinary shares potentially diluted during the year and up to the date of this consolidated financial statements. Therefore, the diluted earnings per share is equal to the basic earnings per share.

23 REINSURANCE PREMIUM INCOME

	For year ended 31 December	
	2023 VND	2022 VND
1. Inward reinsurance premiums	2,757,247,682,764	2,399,055,038,643
Property insurance	1,051,698,831,029	824,192,034,570
Miscellaneous insurance	570,276,664,396	323,035,220,567
Engineering insurance	400,663,981,746	349,141,209,487
Hull and P&I Insurance	362,009,722,553	293,745,087,757
Cargo insurance	183,734,842,309	157,904,642,925
Agriculture insurance	37,369,940,477	33,851,257,961
Aviation insurance	8,750,394,873	6,408,065,916
K-Care insurance	3,714,321,506	6,554,386,016
Energy insurance	1,128,773,033	1,802,169,335
Life insurance	968,550,911	914,274,206
Fishing boat insurance	-	3,970,735,885
Personal accident insurance	136,931,659,931	397,535,954,018
2. Deductions in inward reinsurance premium	(79,825,464,793)	(30,184,909,965)
3. Increase in unearned inward reinsurance premium reserves (Note 19(a))	145,122,665,408	52,493,063,993
Total reinsurance premium income ((1)+(2)-(3))	2,532,299,552,563	2,316,377,064,685

24 OUTWARD REINSURANCE PREMIUMS

	For year ended 31 December	
	2023 VND	2022 VND
1. Total outward reinsurance premium	1,318,049,137,019	1,101,362,599,956
Property insurance	587,924,539,166	491,920,288,438
Hull and P&I Insurance	234,348,451,113	198,684,975,009
Engineering insurance	210,303,061,134	166,854,117,958
Miscellaneous insurance	209,175,247,518	175,253,170,875
Cargo insurance	39,025,934,840	34,876,255,824
Agriculture insurance	29,554,509,830	25,660,586,365
Aviation insurance	4,911,288,592	3,815,796,150
Energy insurance	2,190,882,739	1,579,285,490
Fishing boat insurance	615,222,087	1,425,332,297
K-Care insurance	-	1,292,791,550
2. Deductions in outward reinsurance premium	(19,193,852,363)	(7,336,973,175)
3. Increase in unearned outward reinsurance premium reserves (Note 19(a))	101,091,849,839	58,279,715,815
Total outward reinsurance premiums ((1)+(2)-(3))	1,197,763,434,817	1,035,745,910,966

25 TOTAL INSURANCE CLAIM SETTLEMENT EXPENSES

	For year ended 31 December	
	2023 VND	2022 VND
1. Claim settlement expenses	1,025,531,240,115	976,933,211,110
Property insurance	368,407,684,324	476,535,160,995
Miscellaneous insurance	281,344,094,245	190,072,954,405
Hull and P&I Insurance	162,870,432,474	152,347,944,365
Cargo insurance	90,948,511,448	49,517,824,771
Engineering insurance	83,425,416,689	82,512,965,329
Agriculture insurance	26,663,092,429	7,083,582,417
Fishing boat insurance	4,905,868,180	14,429,432,325
Aviation insurance	3,913,409,665	576,788,128
K-Care insurance	370,080,000	2,134,385,000
Others	54,872,827	736,397,332
Personal accident insurance	2,627,777,834	985,776,043
2. Claim receipts from ceded policies	562,583,052,592	616,506,062,624
3.1. Increase/(decrease) in inward reinsurance claim reserves (Note 19(a))	20,209,485,324	(264,594,439,372)
3.2. (Decrease)/increase other increase in inward reinsurance claim reserves (*)	(13,644,927,489)	95,393,792,305
4.1. Decrease in outward reinsurance claim reserves (Note 19(a))	(38,218,647,190)	(235,038,261,828)
4.2. (Decrease)/increase other increase in outward reinsurance claim reserves (*)	(8,346,876,577)	81,589,566,312
Total insurance claim settlement expenses ((1)-(2)+(3.1)+(3.2)-(4.1)-(4.2))	516,078,269,125	344,675,196,935

(*) These items reflect the claim reserves for inward/outward reinsurance for losses which had been reported, recognised and settled of the Sirius contracts for the property insurance activities.

26 COMMISSION INCOME, EXPENSES

(a) (a) Commission income

	For year ended 31 December	
	2023 VND	2022 VND
Property insurance	126,962,245,198	104,857,927,013
Miscellaneous insurance	38,883,309,471	32,102,600,806
Engineering insurance	61,906,408,459	48,498,069,999
Cargo insurance	8,350,744,102	7,166,390,944
Hull and P&I Insurance	22,247,309,575	19,047,475,435
Agriculture insurance	4,498,507,470	2,087,763,323
Aviation insurance	743,969,756	687,952,178
Fishing boat insurance	277,298,111	252,503,838
Energy insurance	79,827,851	133,714,324
Total	263,949,619,993	214,834,397,860

26 COMMISSION INCOME, EXPENSES (CONTINUED)

(b) Commission expenses

	For year ended 31 December	
	2023 VND	2022 VND
Property insurance	214,692,400,166	183,024,616,121
Miscellaneous insurance	143,749,718,573	61,511,442,113
Engineering insurance	109,599,417,063	100,131,462,663
Cargo insurance	49,418,839,326	44,048,177,868
Hull and P&I Insurance	35,347,908,796	30,550,541,905
Agriculture insurance	5,748,256,238	111,174,699
Aviation insurance	1,160,685,704	1,020,902,568
K-Care insurance	492,710,165	1,404,434,067
Fishing boat insurance	473,970,469	680,791,411
Energy insurance	41,606,753	3,527,940,545
Life insurance	28,730,135	30,981,605
Personal accident insurance	260,806,691,890	466,947,231,281
	821,560,935,278	892,989,696,846

27 OTHER INCOME/EXPENSES FROM INSURANCE ACTIVITIES

(a) Other income

	For year ended 31 December	
	2023 VND	2022 VND
Other receipts from inward reinsurance activities	6,983,633,020	3,708,223,447
Other receipts from outward reinsurance activities	24,583,615,283	15,134,582,835
<i>In which:</i>		
- Brokerage income	11,928,049,794	9,523,211,532
- Other income	12,655,565,489	5,611,371,303
	31,567,248,303	18,842,806,282

(b) Other expenses

	For year ended 31 December	
	2023 VND	2022 VND
Other payments for inward reinsurance activities	132,107,927,138	26,186,910,496
<i>In which:</i>		
- Brokerage fee	9,492,057,944	7,975,708,404
- Estimated profit commission (*)	107,037,956,209	-
- Others	15,577,912,985	18,211,202,092
Other payments for outward reinsurance activities	6,509,576,714	513,598,068
	138,617,503,852	26,700,508,564

(*) These are the outstanding liabilities related to the reinsurance contracts of the Corporation, which are estimated and recognised by the Corporation based on the terms in the signed reinsurance contracts, the estimated contract results until the end of 2023, as well as discussions and new information from reinsurance counterparties in 2023. These liabilities would be settled when the reinsured provides the details of the contract profits to the Corporation and the statement of account is confirmed.

28 FINANCIAL INCOME

	For year ended 31 December	
	2023 VND	2022 VND
Interest income from term deposits	277,324,435,227	149,401,752,174
Profit from sales of investments	-	117,059,807,206
Dividends and profits (*)	108,772,117,500	-
Realized foreign exchange gains	19,012,670,504	54,475,020,096
Interest income from bonds	62,004,547,876	46,781,825,970
Profits from due entrusted investments	5,489,416,213	27,616,617,399
Others	1,504,841,659	4,799,401,433
	474,108,028,979	400,134,424,278

(*) Details of dividends that the Corporation received during the period were as follows:

	For year ended 31 December	
	2023 VND	2022 VND
Agriculture Bank Insurance Joint Stock Company	4,377,600,000	-
TienPhong Commercial Joint Stock Bank	104,394,517,500	-
	108,772,117,500	-

29 FINANCIAL EXPENSES

	For year ended 31 December	
	2023 VND	2022 VND
Realized foreign exchange losses	34,322,547,264	59,261,490,422
(Reversal)/additional provision for impairment of entrusted investments	(18,092,593,400)	23,584,475,212
(Reversal)/additional provision for impairment of investment in other entities	(153,875,823)	(320,124,468)
(Reversal)/additional provision for impairment of investment in open-ended fund	(2,370,063,550)	2,370,063,550
Expenses related to entrustment funds	6,174,431,213	5,569,096,880
Other financial expenses	3,288,532,305	11,857,055,003
	23,168,978,009	102,322,056,599

30 GENERAL AND ADMINISTRATION EXPENSES

	For year ended 31 December	
	2023 VND	2022 VND
Staff and expert expenses	92,633,923,579	78,646,447,823
Outside service expenses	6,679,905,825	6,769,247,373
Guest and advertisement expenses	8,495,468,973	9,822,332,365
Tax and fee expenses	3,200,911,516	2,985,512,090
Addition of provision for doubtful debts	9,991,809,533	13,439,702,853
Depreciation and amortisation expenses	3,625,864,941	1,388,489,803
Office supplies expenses	987,534,274	1,134,338,806
Others	1,184,734,673	2,304,224,564
	126,800,153,314	116,490,295,677

31 COST OF OPERATION BY FACTOR

	For year ended 31 December	
	2023 VND	2022 VND
Insurance activities expenses	1,489,811,820,648	1,277,076,254,994
Staff and expert expenses	92,633,923,579	78,646,447,823
Outside service expenses	6,679,905,825	6,769,247,373
Addition of provision for doubtful debts	9,991,809,533	13,439,702,853
Depreciation and amortization expenses	3,625,864,941	1,388,489,803
Others	13,868,649,436	16,246,407,825
	1,616,611,973,962	1,393,566,550,671

32 PILOT AGRICULTURAL INSURANCE ACTIVITIES

On 1 March 2011, the Prime Minister issued Decision 315/QD-TTg on the pilot provision of agricultural insurance during the 2011 - 2013 period with objectives to help agricultural producers take the initiative in remedying and recovering from financial losses caused by natural disasters or epidemics, contributing to assuring social welfare in rural areas and promoting agricultural production. According to the Decision, the Corporation has responsibilities to undertake agricultural reinsurance under the guidance of the Ministry of Finance.

On 17 August 2011, the Ministry of Finance issued Circular 121/2011/TT-BTC providing guidance on certain clauses of Decision 315/QD-TTg dated 1 March 2011 issued by the Prime Minister. Accordingly, the principle of the pilot implementation is that insurance enterprises and the Corporation shall provide pilot agricultural insurance for non-profit purposes. Insurance enterprises have responsibilities to account for revenue and costs incurred from pilot agricultural insurance activities together with other activities and any existing agricultural insurance activities that insurance enterprises are implementing. The retained insurance premium for the year, after deducting valid expenses, is supplemented to the catastrophe reserves.

On 20 June 2012, the Ministry of Finance issued Circular 101/2012/TT-BTC stipulating a number of financial matters for insurance enterprises and reinsurance enterprises who provide pilot agricultural insurance under Decision 315/QD-TTg dated 1 March 2011 issued by the Prime Minister. Accordingly, insurance enterprises and reinsurance enterprises have responsibilities to separately record the annual losses on their pilot agricultural insurance activities.

Insurance enterprises and reinsurance enterprises shall account for losses from pilot agricultural insurance activities for the financial year in their income statement. In case of losses incurred due to loss on pilot agricultural insurance activities, such losses will be carried forward to the following year as regulated by law.

From 2012, the Corporation started undertaking inward reinsurance for pilot agricultural insurance activities. Accumulated loss as at 31 December 2013 of the pilot agricultural insurance activities is VND 42,015,277,691. According to Decision 315/QD-TTg, pilot agricultural insurance activities ended on 31 December 2013. From this time to 31 December 2023, the Corporation did not incur any activities in relation to pilot agricultural insurance. The result of the Corporation's pilot provision of agricultural insurance will be subject to the Ministry of Finance's approval.

33 CIT

Tax on the Corporation's accounting profit before tax differs from theoretical amount that would arise using the applicable tax rate of 20% as follows:

	For year ended 31 December	
	2023 VND	2022 VND
Net accounting profit before tax	499,863,281,821	462,927,469,737
Tax calculated at a rate of 20%	99,972,656,364	92,585,493,947
Effect of:		
Income not subject to tax	(29,864,101,289)	(9,403,513,753)
Expenses not deductible for tax purposes	6,315,266,301	1,289,243,803
Others	-	71,667,737
Business income tax charge (*)	76,423,821,376	84,542,891,734
Charged to income statement:		
Business income tax – current	78,112,599,127	84,333,563,188
Business income tax – deferred	(1,688,777,751)	209,328,546
	76,423,821,376	84,542,891,734

(*) The CIT charge for the year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

34 FINANCIAL RATIOS OF THE CORPORATION AND ITS SUBSIDIARY

	Unit	31/12/2023	31/12/2022
1. Asset and equity structure			
1.1 Asset structure			
- Long-term assets/Total assets	%	29.44	28.28
- Short-term assets/Total assets	%	70.56	71.72
1.2 Equity structure			
- Total liabilities/Total resources	%	53.55	51.49
- Owners' equity/Total resources	%	46.45	48.51
2. Liquidity			
2.1 Liquidity ratio	times	1.87	1.94
2.2 Current ratio	times	1.32	1.39
2.3 Quick ratio	times	0.64	0.68
For year ended 31 December			
		2023	2022
3. Profitability			
3.1 Profit margins			
- Net profit before tax/Revenue	%	23.66	24.00
- Net profit after tax/Revenue	%	20.05	19.61
3.2 Return on assets			
- Net profit before tax/Total assets	%	6.25	6.50
- Net profit after tax/Total assets	%	5.29	5.31
3.3 Net profit after tax/Owners' equity	%	11.39	10.94

35 FINANCIAL RISK MANAGEMENT

Capital risk management

The Corporation and its subsidiary manage its capital to ensure that the Corporation and its subsidiary will be able to continue as a going concern while maximising the return to shareholders through the optimization of the equity and debt balance.

The capital structure of the Corporation and its subsidiary only consists of equity attributable to shareholders (comprising contributed capital, reserves and retained earnings).

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, basis of measurement and recognition of income and expenses) for each class of financial asset, financial liability and equity instruments are disclosed in Note 2.

Categories of financial instruments

	Carrying value	
	31/12/2023 VND	31/12/2022 VND
Financial assets (Not included equity instruments)		
Cash and cash equivalents	67,490,368,460	62,299,850,107
Trade and other short-term receivables (*)	1,077,670,732,191	773,448,434,209
Other long-term receivables (*)	30,742,328,766	24,343,353,424
Short-term investments (*)	2,660,714,828,212	2,449,930,445,739
Long-term investments (*)	1,607,841,149,595	1,324,809,709,846
Total	5,444,459,407,224	4,634,831,793,325
Financial liabilities		
Trade and other short-term payables	911,658,319,947	502,397,116,644
Other long-term payables	1,474,286,806	1,052,359,576
Total	913,132,606,753	503,449,476,220

(*) Figures shown are before provision

The Corporation and its subsidiary have not assessed fair value of its financial assets and financial liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and financial liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it does not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

Financial risk management objectives

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

The Corporation and its subsidiary's activities may be exposed to risks include reinsurance risk, market risk, credit risk and liquidity risk. In general, the Corporation and its subsidiary's risk management policies are intended to minimise the potential adverse effects of these risks on the Corporation and its subsidiary's business performance.

(a) Reinsurance risk

The risks from reinsurance activities are risks arising from the portfolio that the Corporation undertakes. The level of risk depends on the quality of the underwriting processes:

- Assessing the reinsurance risk;
- Pricing, assessing reinsurance ability;
- Terms and conditions applied; and
- Monitoring the accumulation of risk and disaster risk.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(a) Reinsurance risk (continued)

The objective of the insurance risk management is to improve the quality of the risk portfolio undertaken by implementing the above processes sufficiently and appropriately. The risk arising from insurance activities may include:

- Assessment on reinsurance risk is conducted inadequately, together with inappropriate terms and conditions;
- Pricing is not reasonable with the risk insured;
- Retrocession policies are inappropriate;
- Claims are not properly handled;
- Reserves are made inadequately;
- Receivables from retrocession activities are unable to be collected.

Objectives, policies and processes of the insurance risk management

The ultimate goal of the insurance risk management is to control insurance events that may affect the Corporation's financial position, equity and business performance.

The Corporation's risk management policies are set up through establishing risk tolerances and detailing reinsurance guidelines such as guideline on treaty reinsurance, facultative reinsurance, and guideline on claim handling.

The Corporation sets up a system of insurance risk management at different levels from the department level to the entity level in order to assure the effectiveness of risk management activities. The Risk Management Department plays an important role in the risk management process to ensure collaboration and connection among operational departments, the Board of Management and the Board of Directors of the Corporation.

The insurance risk management is supervised by the top managers through insurance and reinsurance guideline and insurance risk monitoring standards. The bottom-up reporting procedure is also established and performed on a weekly, monthly, and quarterly basis to ensure the effectiveness of the monitoring activities. Insurance risk management procedures are carried out systematically in order to identify, measure, control and handle risks to ensure that risk measurement criteria are kept within the allowed limits.

The Corporation applies various methods to detect risks including risk assessment, risk discussion in internal meetings, or experience from experts. Depending on the circumstances and characteristics of the risks which need to be measured, different quantitative and qualitative measurement methods can be applied. The qualitative method includes risk assessment by underwriting experts for individual transaction or risk portfolios. The quantitative measures include pricing and analyzing the risk portfolio using historical statistical figures (premium, type of risk, loss).

The reinsurance and retrocession schemes play an important role in maintaining the level of risk exposed by the Corporation within the risk tolerance. The Board of Management thus holds responsibility to set up the risk tolerance level appropriate with business performance of the Corporation at certain period as well as perform the annual insurance and reinsurance schemes as approved by the Board of Directors.

Capital management activities

The Corporation always aims to maintain a strong capital base to support the development of its business and to comply with regulatory capital and the solvency requirements regulated in the relevant local regulations. The table below presents the solvency capital and the minimum solvency margin of the Corporation:

	Solvency capital	Minimum solvency margin	Solvency margin percentage
As at 31 December 2023	VND 2,497 billion	VND 345 billion	725%
As at 31 December 2022	VND 2,282 billion	VND 319 billion	716%

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market price. Market risk includes 3 types of risk: currency risk, price risk and interest rate risk.

(i) Currency risk

The Corporation and its subsidiary's activities expose primarily to the financial risks of fluctuations in foreign currency exchange rates and prices.

To manage foreign currencies for reinsurance settlement, the Corporation and its subsidiary undertake certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amount of the Corporation and its subsidiary's foreign currency denominated monetary assets and monetary liabilities at the end of financial year is as follows:

	Assets		Liabilities	
	31/12/2023 VND	31/12/2022 VND	31/12/2023 VND	31/12/2022 VND
United States Dollar (USD)	212,857,763,301	385,366,342,304	276,061,587,921	295,185,254,627
Euro (EUR)	69,790,478,481	2,506,946	85,278,266,507	865,357,040
Korean Won (KRW)	118,164,522,529	-	120,627,473,457	-
Chinese Yuan (CNY)	59,129,729,319	-	57,870,347,880	-
Japanese Yen (JPY)	54,697,915	253,460,463	1,037,235	91,135,294
Others	3,758,304,373	-	5,720,411,612	-

The Corporation and its subsidiary are mainly exposed to United States Dollar and Euro.

5% is the sensitivity rate used by the Board of Management when analyzing foreign currency risk and represents the Board of Management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5% change in foreign currency rates. For a 5% increase/decrease in the following foreign currencies against Vietnamese Dong, the profit before tax in the year would increase/decrease by the respective amounts as follows:

	2023 VND	2022 VND
United States Dollar (USD)	(3,160,191,231)	4,509,054,384
Euro (EUR)	(774,389,401)	(43,142,505)

(ii) Price risk

Shares held by the Corporation and its subsidiary are affected by market risks arising from the uncertainty about future prices of such shares. The Corporation and its subsidiary manage this risk exposure by setting up investment limits. The Corporation and its subsidiary's Board of Management also assesses and approves decisions on share investments such as operating industry, investees. The Corporation and its subsidiary assess the share price risk as insignificant.

The Corporation and its subsidiary are also exposed to equity price risks arising from investments in subsidiaries and associates. The Corporation and its subsidiary's Board of Management assesses and approves decisions on investments in subsidiary and associate such as operating industry, investees. Investments in the Corporation's subsidiaries and associates are held as long-term strategic investments rather than for trading purposes. The Corporation and its subsidiary do not have intention to trade these investments in the foreseeable future. The Corporation and its subsidiary review and assess these investments on an annual basis to provide concrete policies in order to ensure legal compliance and investment effectiveness.

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(b) Market risk (continued)

(iii) Interest rate risk

The Corporation and its subsidiary bear interest rate risk on deposits at banks. The Corporation and its subsidiary's term deposits in VND have many different interest rates and will bear interest rate risk when reinvesting.

(c) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Corporation and its subsidiary. The Corporation and its subsidiary have a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Corporation and its subsidiary's business operation is reinsurance; accordingly, the Corporation and its subsidiary's credit risk mainly focuses on clients operating in direct insurance. As at the consolidated balance sheet date, there is credit risk arising on the customer receivables. The Corporation and its subsidiary have made sufficient provision for such receivables.

(d) Liquidity risk

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

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

35 FINANCIAL RISK MANAGEMENT (CONTINUED)

(d) Liquidity risk (continued)

	Total carrying amount VND	Unspecified term VND	Term less than 1 year VND	Term from 1 to 5 years VND	Term over 5 years VND
As at 31/12/2023					
Cash and cash equivalents	67,490,368,460	7,490,368,460	60,000,000,000	-	-
Trade and other short-term receivables (*)	1,080,413,060,957	-	1,077,670,732,191	2,742,328,766	-
Other long-term receivables (*)	28,000,000,000	28,000,000,000	-	-	-
Short-term investments (*)	2,660,714,828,212	-	2,660,714,828,212	-	-
Long-term investments (*)	1,607,841,149,595	-	-	547,841,149,595	1,060,000,000,000
Total	5,444,459,407,224	35,490,368,460	3,798,385,560,403	550,583,478,361	1,060,000,000,000
Trade and other short-term payables	(911,658,319,947)	-	(911,658,319,947)	-	-
Long-term deposits received	(1,474,286,806)	-	-	(1,474,286,806)	-
Total	(913,132,606,753)	-	(911,658,319,947)	(1,474,286,806)	-
Net liquidity gap	4,531,326,800,471	35,490,368,460	2,886,727,240,456	549,109,191,555	1,060,000,000,000
As at 31/12/2022					
Cash and cash equivalents	62,299,850,107	50,999,850,107	11,300,000,000	-	-
Trade and other short-term receivables (*)	773,448,434,209	-	773,448,434,209	-	-
Other long-term receivables (*)	24,343,353,424	22,000,000,000	-	-	2,343,353,424
Short-term investments (*)	2,449,930,445,739	-	2,449,930,445,739	-	-
Long-term investments (*)	1,324,809,709,846	-	-	694,809,709,846	630,000,000,000
Total	4,634,831,793,325	72,999,850,107	3,234,678,879,948	694,809,709,846	632,343,353,424
Trade and other short-term payables	(502,397,116,644)	-	(502,397,116,644)	-	-
Long-term deposits received	(1,052,359,576)	-	-	(1,052,359,576)	-
Total	(503,449,476,220)	-	(502,397,116,644)	(1,052,359,576)	-
Net liquidity gap	4,131,382,317,105	72,999,850,107	2,732,281,763,304	693,757,350,270	632,343,353,424

(*) Figures shown are before provision

36 RELATED PARTY DISCLOSURES

During the year, the Corporation had the following transactions carried out with related parties:

Related parties	Relationship
State Capital Investment Corporation	Major shareholder
Swiss Re Group and Companies under Swiss Re Group ("Swiss Re Group")	Major shareholder
Samsung Vina Insurance Company Limited	Associate
Board of Directors, Board of Supervision, Board of Management	Key management

(a) Related party transactions

	For the year ended 31 December	
	31.12.2023 VND	31.12.2022 VND
Swiss Re Group		
Outward reinsurance premium	349,949,217,775	287,666,838,974
Outward reinsurance commission	117,209,550,868	84,124,238,753
Receipt from outward reinsurance claims	98,962,711,534	124,131,148,875
Dividends payable	37,684,337,000	48,989,638,555
Samsung Vina Insurance Company Limited		
Outward reinsurance premium	179,742,268	(34,720,200)
Outward reinsurance commission	30,504,289	(11,677,018)
Receipt from outward reinsurance claims	49,406,399	12,373,402
Inward reinsurance premium	126,097,173,079	138,141,399,299
Inward reinsurance commission	26,014,499,235	29,757,281,975
Claim settlement of inward reinsurance	29,523,053,023	45,654,615,996
Dividends received (Note 4(c))	15,041,503,966	14,455,111,889
State Capital Investment Corporation		
Dividends payable	60,841,940,000	79,094,522,325

36 RELATED PARTY DISCLOSURES (CONTINUED)

(a) Related party transactions (continued)

		2023 VND	2022 VND
<i>Compensation for Key management</i>			
Board of Directors			
Mr. Nguyen Anh Tuan	Chairman	3,058,948,494	2,716,429,360
Mr. Nguyen Xuan Viet	Deputy Chairman	239,920,439	243,012,652
Ms. Anna Lee Oh Wah	Deputy Chairman	213,262,613	138,370,446
Ms. Nguyen Thi Huong Giang	Member	204,018,867	143,380,688
Mr. Pham Phan Dung	Member	258,018,867	260,873,218
Mr. Mai Xuan Dung	Member	2,772,401,071	2,504,164,438
Mr. Nguyen Dinh An	Member	204,018,867	206,873,218
Mr. Vu Anh Tuan	Member (to 20 April 2023)	61,504,143	206,873,218
Mr. Nguyen Hong Hoang Nam	Member (from 20 April 2023)	142,514,724	
Ms. Nguyen Thi Quynh Huong	Member	226,687,630	229,859,131
		7,381,295,715	6,649,836,369
Board of Supervision			
Mr. Tran Trung Tinh	Chief Supervisor (to 20 April 2023)	44,139,787	149,133,783
Ms. Le Thi Thanh Hien	Chief Supervisor (from 17 May 2023) Member (to 16 May 2023)	152,314,366	137,549,276
Mr. Vu Ngoc Vuong	Member	121,415,722	123,794,348
Mr. Tushar Chatterjee	Member	107,925,086	110,039,421
Mr. Dao Manh Duong	Member	1,093,266,038	931,857,960
Ms. Tran Thi Minh Phuong	Member (from 20 April 2023)	84,849,082	
		1,603,910,081	1,452,374,788
Board of Management			
Mr. Mai Xuan Dung	Chief Executive Officer	As presented above	As presented above
Mr. Nguyen Manh Linh	Deputy Chief Executive Officer	2,172,636,285	1,954,279,539
Mr. Do Anh Duc	Deputy Chief Executive Officer (from 1 February 2023)	1,880,907,045	-
Ms. Luu Thi Viet Hoa	Deputy Chief Executive Officer (from 30 December 2023) Chief Accountant (to 30 December 2023)	2,481,255,991	2,292,629,521

(b) Year-end balances with related parties

	31/12/2023 VND	31/12/2022 VND
Swiss Re Group		
Receivables from outward reinsurance	25,120,500,521	29,486,184,383
Payables from outward reinsurance	98,400,122,014	82,605,766,538
Samsung Vina Insurance Company Limited		
Receivables from inward reinsurance	2,469,654,978	3,590,749,364
Payables from inward reinsurance	3,656,796,995	97,137,896
Receivables from outward reinsurance (*)	214,099,080	(400,702,118)
Payables from outward reinsurance	159,156,435	3,483,855

(*) In 2022, the Corporation incurred outward premium and commission reimbursement transactions with this related party resulting in the balances as at the year end shown as negative figures.

37 SUMMARIES OF CLAIMS

	2021 VND	2022 VND	2023 VND	Total VND
I. Accumulated claim reserve				
Accumulated Claim reserves to 31/12/2023 (1)	355,486,159,542	429,166,641,910	139,435,747,177	924,088,548,629
II. Accumulated paid claim amount				
Paid in 2021	34,326,426,608	-	-	34,326,426,608
Paid in 2022	101,479,155,501	38,715,650,789	-	140,194,806,290
Paid in 2023	83,747,194,553	189,410,185,111	43,467,204,169	316,624,583,833
Paid claims accumulated to the current year (2)	219,552,776,662	228,125,835,900	43,467,204,169	491,145,816,731
III. Total outstanding claim reserves (3)=(1)-(2)	135,933,382,880	201,040,806,010	95,968,543,008	432,942,731,898
Accumulated claim reserve of previous years	-	-	-	247,259,929,210
Total outstanding claim reserves at 31/12/2023	135,933,382,880	201,040,806,010	95,968,543,008	680,202,661,108

38 BUSINESS SEGMENT REPORT

The Corporation's principal activities are reinsurance business and investments funded from surplus capital resources. Investments in other business activities are not material. Therefore, the Board of Management assesses and believes that not presenting segment reporting is in line with the Corporation's current business operation.

For geographical segment reporting, the Corporation operates only within the territory of Vietnam. Therefore, the Corporation does not have any geographical segments outside the territory of Vietnam.

39 CONTINGENT ASSETS

As disclosed in Note 6(a) – Other short-term receivables, in accordance with Decision No. 14/2019/QDST-KDTM dated 15/11/2019 by the Thanh Xuan District Court, Thang Long Company has to reimburse the subsidiary a total amount of VND 126,376,061,750 (comprising of VND 60,149,250,000 of principal and VND 66,226,811,750 of interest) either in cash or by handing apartments of the Project to the subsidiary.

During 2020, the subsidiary and Thang Long Company has signed apartment purchase contracts for 65 apartments, with total value of VND 117,880,956,550, including 7 HH2 apartment purchase contracts with value of 17,687,716,550 and 58 HH3 apartment purchase contracts with value of VND 100,193,240,000. The remaining un-settled amount by transferring apartment purchase contracts is VND 8,495,105,200.

Up to 31 December 2022, the subsidiary and Thang Long Company has signed Minutes of reconciliation and confirmation of debts and added interest incurred up to 31/12/2022. Accordingly, the remaining debt that Thang Long Company has to pay in cash as committed is VND 19,529,701,013 (including VND 8,495,105,200 mentioned above and VND 11,034,595,813 arising interest on late payment).

For the period from 1 January 2023 to 31 December 2023, Thang Long Company has paid to the Corporation an additional amount of VND 2 billion to settle the interest on late payment amount (Note 6(b)). As at 31 December 2023, the subsidiary estimated the remaining balances receivables from Thang Long Company to be VND 18,533,623,544 (including VND 8,495,105,200 as mentioned above and VND 10,038,518,344 interest on late payment arise).

According to the Board of Management's assessment, the possibility to recover the interest amount of VND 76,265,330,094 (including VND 66,226,811,750 and VND 10,038,518,344 as above is uncertain. Hence the Board of Management has not recorded the total interest amount as income and related receivables to the consolidated financial statements but disclosed it as contingent assets.


40 CONTINGENT LIABILITIES

In accordance with the land lease contract No. 30-99/DCND-HDTDN dated 13 October 1999 between the Corporation and Department of Land Administration – Real Estate Hanoi for the land lot located at 141 Le Duan, Cua Nam Ward, Hoan Kiem District, Hanoi, the Corporation was allowed, however not required to restore the land to its original condition before returning the land to the State. However, this land lease contract was expired on 16 August 2019.

Up to the date of signing this consolidated financial statement, the Corporation has completed the necessary documents and is waiting for the Hanoi People's Committee to consider and approve for the Corporation to temporarily continue to lease the land with the term of up to 2028.

The Board of Management believes that the land lease contract would be extended and the term on restoring the land to its original condition would be preserved in the new contract. Since the land lease contract has not been signed, the Board of Management have assessed that the Corporation's dismantling and relocation obligation is not able to determine at this stage. Accordingly, no provision for the land clearance and removal cost were made as of 31 December 2023 but disclosed the obligation as a contingent liability in the Corporation's consolidated financial statements for the year ended 31 December 2023.

The consolidated financial statements were approved by the Board of Management on 20 March 2024.


NGUYEN THANH CONG
Preparer


NGUYEN THANH CONG
Accountant in charge


MAI XUAN DUNG
Chief Executive Officer
20 March 2024

SEPARATE FINANCIAL STATEMENTS

For the year ended 31 december 2023

SEPARATE BALANCE SHEET

Form B 01 – DNPNT

			As at	
Code	ASSETS	Note	31/12/2023 VND	31/12/2022 VND
100	CURRENT ASSETS (100=110+120+130+140+150+190)		5,552,151,365,464	5,018,563,992,986
110	Cash and cash equivalents	3	66,325,858,527	62,060,369,355
111	Cash		6,325,858,527	50,760,369,355
112	Cash equivalents		60,000,000,000	11,300,000,000
120	Short-term investments	4(a)	2,595,972,070,188	2,395,021,691,753
123	Investments held-to-maturity		2,601,464,828,212	2,396,530,296,150
124	Provision for impairment of short-term financial investments		(5,492,758,024)	(1,508,604,397)
130	Short-term receivables		1,012,060,584,537	700,682,675,534
131	Short-term trade accounts receivable	5	723,178,236,711	574,051,278,975
131.1	- Insurance receivables		723,154,039,411	574,020,303,681
131.2	- Other trade accounts receivable		24,197,300	30,975,294
132	Short-term prepayments to suppliers		297,622,326	-
136	Other short-term receivables	6(a)	315,568,723,682	147,440,317,958
137	Provision for doubtful debts – short-term	7	(26,983,998,182)	(20,808,921,399)
140	Inventories		101,234,000	63,135,360
141	Inventories		101,234,000	63,135,360
150	Other current assets		373,921,240,607	419,838,946,028
151	Short-term prepaid expenses	8(a)	373,921,240,607	419,833,617,004
151.1	- Deferred commission expenses		373,728,468,432	419,575,164,824
151.2	- Other Short-term prepaid expenses		192,772,175	258,452,180
153	Tax and other receivables from the State		-	5,329,024
190	Reinsurance assets		1,503,770,377,605	1,440,897,174,956
191	Unearned premium reserve for outward reinsurance	16(a)	640,223,634,985	539,131,785,146
192	Claim reserve for outward reinsurance	16(a)	863,546,742,620	901,765,389,810

			As at	
Code	ASSETS	Note	31/12/2023 VND	31/12/2022 VND
200	LONG-TERM ASSETS (200 = 210 + 220 + 230 + 240 + 250 + 260)		2,161,104,637,698	1,843,107,137,681
210	Long-term receivables		30,742,328,766	30,512,727,357
218	Other long-term receivables		36,911,702,699	30,512,727,357
218.1	- Insurance deposits	2.9	28,000,000,000	22,000,000,000
218.2	- Other long-term receivables	6(b)	8,911,702,699	8,512,727,357
219	Provision for doubtful debts – long-term		(6,169,373,933)	-
220	Fixed assets		25,031,793,841	7,475,165,347
221	Tangible fixed assets	9(a)	11,742,109,000	7,475,165,347
222	Historical cost		37,522,627,771	31,352,944,471
223	Accumulated depreciation		(25,780,518,771)	(23,877,779,124)
227	Intangible fixed assets	9(b)	13,289,684,841	-
228	Historical cost		16,337,470,733	32,392,480,734
229	Accumulated amortisation		(3,047,785,892)	(32,392,480,734)
230	Investment properties	10	2,772,668,242	4,591,264,839
231	Historical cost		34,055,061,893	34,055,061,893
232	Accumulated depreciation		(31,282,393,651)	(29,463,797,054)
240	Long-term assets in progress		1,616,690,000	7,270,481,576
242	Construction in progress		1,616,690,000	7,270,481,576
250	Long-term investments		2,097,387,325,775	1,791,026,458,388
251	Investments in subsidiaries	4(b)	60,000,000,000	60,000,000,000
252	Investments in associates	4(b)	125,000,000,000	125,000,000,000
253	Investments in other entities	4(b)	309,296,176,180	309,296,176,180
254	Provision for impairment of long-term financial investments	4(b), 4(c)	-	(28,079,427,638)
255	Held-to-maturity investments	4(c)	1,603,091,149,595	1,324,809,709,846
260	Other long-term assets		3,553,831,074	2,231,040,174
261	Long-term prepaid expenses	8(b)	1,123,428,874	1,489,415,725
262	Deferred income tax assets		2,430,402,200	741,624,449
270	TOTAL ASSETS (270 = 100 + 200)		7,713,256,003,162	6,861,671,130,667

SEPARATE BALANCE SHEET
(CONTINUED)

Form B 01 - DNPNT


		As at	
Code	RESOURCES	Note	
300	LIABILITIES (300 = 310 + 330)		
310	Short-term liabilities		
311	Short-term trade accounts payable	11	
311.1	- Insurance payables		
311.2	- Other trade accounts payable		
312	Short-term advances from customers		
313	Tax and other payables to the State	12	
314	Payables to employees		
315	Short-term accrued expenses		
319	Other short-term payables	13(a)	
319.1	Deferred commission income	13(a)	
321	Provision for short-term liabilities	14	
322	Bonus and welfare fund	15	
329	Technical reserves	16	
329.1	- Unearned premium reserves for inward reinsurance		
329.2	- Claim reserves for inward reinsurance		
329.3	- Catastrophe reserves		
330	Long-term liabilities		
337	Other long-term payables	13(b)	
400	OWNERS' EQUITY (400 = 410)		
410	Capital and reserves		
411	Owners' capital	17,18	
411a	- Ordinary shares with voting rights		
412	Share premium	17,18	
418	Investment and development fund	18	
419	Compulsory reserve	18	
421	Undistributed earnings	18	
421a	- Undistributed post-tax profits of previous years		
421b	- Post-tax profit of current year		
440	TOTAL RESOURCES (440 = 300 + 400)		


		As at	
Code	OFF BALANCE SHEET ITEMS	Currency unit	
1.	Foreign currencies		
	United States Dollar	USD	
	Australian Dollar	AUD	
	Japanese Yen	JPY	
	Singapore Dollar	SGD	
	Great Britain Pound	GBP	
	Euro	EUR	



NGUYEN THANH CONG
Preparer


NGUYEN THANH CONG
Accountant in charge


MAI XUAN DUNG
Chief Executive Officer
20 March 2024


NGUYEN THANH CONG
Preparer


NGUYEN THANH CONG
Accountant in charge



MAI XUAN DUNG
Chief Executive Officer
20 March 2024

PART I – COMPREHENSIVE SEPARATE INCOME STATEMENT

Code	Note	For year ended 31 December	
		2023 VND	2022 VND
10	Net income from insurance business	1,630,052,986,042	1,514,308,357,861
11	Income from investment properties	6,497,347,116	6,183,638,229
12	Financial income	24 484,490,382,234	411,740,714,725
13	Other income	762,181,583	985,724,488
20	Total insurance expenses	(1,489,811,820,648)	(1,277,076,254,994)
21	Cost of investment properties	(2,146,238,632)	(2,280,953,244)
22	Financial expenses	25 (26,229,167,976)	(103,262,975,048)
23	General and administrative expenses	26 (129,152,794,497)	(110,501,066,179)
24	Other expenses	(820,650,129)	(725,937,423)
50	Net accounting profit before tax (50=10+11+12+13+20+21+22+23+24)	473,642,225,093	439,371,248,415
51	Corporate income tax ("CIT") - current	29 (78,112,599,127)	(84,333,563,188)
52	CIT - deferred	29 1,688,777,751	(209,328,546)
60	Net profit after tax (60=50+51+52)	397,218,403,717	354,828,356,681

PART II – COMPREHENSIVE SEPARATE INCOME STATEMENT BY ACTIVITIES

Code	Note	For year ended 31 December	
		2023 VND	2022 VND
1	Insurance premium income (1=1.2-1.3)	19 2,532,299,552,563	2,316,377,064,685
1.2	- Inward reinsurance premium	2,677,422,217,971	2,368,870,128,678
1.3	- Increase in unearned premium reserves for inward reinsurance	16(a) 145,122,665,408	52,493,063,993
2	Outward reinsurance premium (2=2.1+2.2)	20 (1,197,763,434,817)	(1,035,745,910,966)
2.1	- Outward reinsurance premium	(1,298,855,284,656)	(1,094,025,626,781)
2.2	- Increase in unearned premium reserves for outward reinsurance	16(a) 101,091,849,839	58,279,715,815
3	Net insurance premium income (3=1+2)	1,334,536,117,746	1,280,631,153,719
4	Commission income from outward reinsurance and other insurance income (4=4.1+4.2)	295,516,868,296	233,677,204,142
4.1	- Commission income from outward reinsurance	22(a) 263,949,619,993	214,834,397,860
4.2	- Other insurance income	23(a) 31,567,248,303	18,842,806,282
10	Net income from insurance business (10=3+4)	1,630,052,986,042	1,514,308,357,861
11	Claim expenses	21 (1,025,531,240,115)	(976,933,211,110)
11.1	- Gross claim expenses	21 (1,025,531,240,115)	(976,933,211,110)
12	Recoverable from outward reinsurance	21 562,583,052,592	616,506,062,624
13	Increase/(decrease) in inward claim reserves	21 6,564,557,835	(169,200,647,067)
14	(Decrease)/increase in outward claim reserves	21 (46,565,523,767)	(153,448,695,516)
15	Net claim expenses (15=11+12-13+14)	21 (516,078,269,125)	(344,675,196,935)
16	Increase/(decrease) in catastrophe and equalisation reserves	16(b) 13,555,112,393	12,710,852,649
17	Other insurance expenses (17=17.1+17.2)	(960,178,439,130)	(919,690,205,410)
17.1	- Commission expenses	22(b) (821,560,935,278)	(892,989,696,846)
17.2	- Other insurance expenses	23(b) (138,617,503,852)	(26,700,508,564)
18	Total insurance expenses (18=15-16+17)	(1,489,811,820,648)	(1,277,076,254,994)
19	Gross insurance profit (19=10+18)	140,241,165,394	237,232,102,867
20	Income from investment properties	6,497,347,116	6,183,638,229
21	Cost of investment properties	(2,146,238,632)	(2,280,953,244)
22	Profit from investment properties (22=20+21)	4,351,108,484	3,902,684,985



NGUYEN THANH CONG
Preparer




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MAI XUAN DUNG
Chief Executive Officer
20 March 2024

PART II – COMPREHENSIVE SEPARATE INCOME STATEMENT BY ACTIVITIES (CONTINUED)

Code		Note	For year ended 31 December	
			2023 VND	2022 VND
23	Financial income	24	484,490,382,234	411,740,714,725
24	Financial expenses	25	(26,229,167,976)	(103,262,975,048)
25	Profit from financial activities (25=23+24)		458,261,214,258	308,477,739,677
26	General and administrative expenses	26	(129,152,794,497)	(110,501,066,179)
30	Operating profit (30=19+22+25+26)		473,700,693,639	439,111,461,350
31	Other income		762,181,583	985,724,488
32	Other expenses		(820,650,129)	(725,937,423)
40	Net other (expense)/income (40=31+32)		(58,468,546)	259,787,065
50	Net accounting profit before tax (50=30+40)		473,642,225,093	439,371,248,415
51	Corporate income tax ("CIT") - current	29	(78,112,599,127)	(84,333,563,188)
52	CIT- deferred	29	1,688,777,751	(209,328,546)
60	Net profit after tax (60=50+51+52)		397,218,403,717	354,828,356,681


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Code		Note	For year ended 31 December	
			2023 VND	2022 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
01	Proceeds from inward and outward reinsurance activities		1,059,810,734,718	968,004,203,788
02	Cash paid for inward and outward reinsurance activities		(555,798,195,215)	(770,423,212,950)
03	Cash paid to employees		(58,944,808,436)	(62,368,668,025)
05	CIT paid		(92,054,424,527)	(73,516,269,944)
06	Cash received from other operating activities		4,154,265,871	5,642,719,293
07	Cash paid for other operating activities		(38,013,740,599)	(36,683,684,062)
20	Net cash inflows from operating activities		319,153,831,812	30,655,088,100
CASH FLOWS FROM INVESTING ACTIVITIES				
21	Purchases of fixed assets and other long-term assets		(11,185,802,062)	(5,498,472,350)
23	Purchases of debt instruments of other entities		(1,987,700,000,000)	(1,878,648,482,791)
24	Proceeds from sales of debt instruments of other entities		1,499,870,215,681	1,673,848,314,110
26	Proceeds from divestment from other entities		-	28,405,742,794
27	Dividends and interest received		333,982,494,963	384,340,662,624
30	Net cash (outflows)/inflows from investing activities		(165,033,091,418)	202,447,764,387
CASH FLOWS FROM FINANCING ACTIVITIES				
36	Dividends paid; profit distributed to owners		(150,737,130,000)	(195,958,269,000)
40	Net cash outflows from financing activities		(150,737,130,000)	(195,958,269,000)
50	Net increase in cash and cash equivalents (50=20+30+40)		3,383,610,394	37,144,583,487
60	Cash and cash equivalents at beginning of year	3	62,060,369,355	23,404,895,430
61	Effect of foreign exchange differences		881,878,778	1,510,890,438
70	Cash and cash equivalents at end of year (70=50+60+61)	3	66,325,858,527	62,060,369,355


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