



**POST AND TELECOMMUNICATION JOINT STOCK  
INSURANCE CORPORATION**

*(Incorporated in the Socialist Republic of Vietnam)*

**AUDITED CONSOLIDATED  
FINANCIAL STATEMENTS**

**For the year ended 31 December 2021**



**TABLE OF CONTENTS**

<b><u>CONTENTS</u></b>	<b><u>PAGE(S)</u></b>
STATEMENT OF THE BOARD OF MANAGEMENT	1 - 2
INDEPENDENT AUDITORS' REPORT	3 - 4
CONSOLIDATED BALANCE SHEET	5 - 7
CONSOLIDATED INCOME STATEMENT	8 - 10
CONSOLIDATED CASH FLOW STATEMENT	11 - 12
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	13 - 51

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**POST AND TELECOMMUNICATION JOINT STOCK INSURANCE CORPORATION**

8th Floor, Building at No. 4A Lang Ha, Ba Dinh District,  
Hanoi, S.R. Vietnam

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**STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of Post and Telecommunication Joint Stock Insurance Corporation (the "Corporation") presents this report together with the Corporation's consolidated financial statements for the year ended 31 December 2021.

**THE BOARD OF DIRECTORS, SUPERVISORY BOARD AND BOARD OF MANAGEMENT**

The members of the Board of Directors, Supervisory Board and Board of Management of the Corporation who held office during the year and to the date of this report are as follows:

**Board of Directors**

Ms. Pham Minh Huong	Chairman (appointed on 10 March 2022)
	Member (appointed on 10 March 2022, to 10 March 2022)
Ms. Nguyen Ho Nga	Chairman (appointed on 19 January 2022, resigned on 10 March 2022)
	Member
Mr. Nguyen Minh Duc	Chairman (resigned on 19 January 2022)
Mr. Kim Kang Wook	Vice Chairman
Mr. Ko Young Joo	Member
Mr. Mai Xuan Dung	Member
Ms. Tran Thi Minh	Member
Ms. Vu Nam Huong	Member (appointed on 10 March 2022)
Ms. Do Thanh Huong	Member (appointed on 10 March 2022)
Mr. Ha Chan Ho	Member (appointed on 29 April 2021)
Mr. Bui Xuan Thu	Member (resigned on 10 March 2022)
Mr. Do Ngoc Quynh	Member (resigned on 10 March 2022)
Mr. Park Suk Gon	Member (resigned on 29 April 2021)

**Supervisory Board**

Mr. Nguyen Huu Thang	Head of the Supervisory Board
Ms. Bui Thanh Hien	Member
Mr. Bae Taeg Soo	Member
Ms. Nguyen Thi Ha Ninh	Member
Mr. Park Ki Hyun	Member (resigned on 10 March 2022)

**Board of Management**

Mr. Bui Xuan Thu	Chief Executive Officer
Mr. Cao Ba Huy	Deputy Chief Executive Officer (resigned on 01 January 2022)
Mr. Do Quang Khanh	Deputy Chief Executive Officer
Mr. Nguyen Kim Lan	Deputy Chief Executive Officer
Mr. Doan Kien	Deputy Chief Executive Officer
Mr. Nghiem Xuan Thai	Deputy Chief Executive Officer
Mr. Hoang Manh Huyen	Deputy Chief Executive Officer (appointed on 01 January 2022)
Mr. Do Phuc Hiep	Deputy Chief Executive Officer (appointed on 01 January 2022)
Ms. Luu Phuong Lan	Deputy Chief Executive Officer

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

**BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY**

The Board of Management of the Corporation is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Corporation as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese accounting standards, accounting regime applicable to insurance enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Corporation will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

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

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

For and on behalf of the Board of Management



**Bui Xuan Thu**  
**Chief Executive Officer**

*Hanoi, 21 March 2022*



No.: 0800 /VN1A-HN-BC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders**  
**Board of Directors, Supervisory Board and Board of Management**  
**Post and Telecommunication Joint Stock Insurance Corporation**

We have audited the accompanying consolidated financial statements of Post and Telecommunication Joint Stock Insurance Corporation (the "Corporation"), prepared on 21 March 2022 as set out from page 05 to page 51, which comprise the consolidated balance sheet as at 31 December 2021, the consolidated income statement and consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***Board of Management's Responsibility for the Consolidated Financial Statements***

The Board of Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese accounting standards, accounting regime applicable to insurance enterprises and legal regulations relating to consolidated financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

## INDEPENDENT AUDITORS' REPORT (Continued)

### Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Corporation as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese accounting standards, accounting regime applicable to insurance enterprises and legal regulations relating to consolidated financial reporting.

### Other Matter

The consolidated financial statements of the Corporation for the year ended 31 December 2020 were audited by another independent auditor, who expressed an unmodified opinion on those statements on 22 March 2021.



**Khúc Thị Lan Anh**  
**Deputy General Director**  
Audit Practising Registration Certificate  
No. 0036-2018-001-1

**DELOITTE VIETNAM COMPANY LIMITED**

21 March 2022  
Hanoi, S.R. Vietnam

**Pham Tuan Linh**  
**Auditor**  
Audit Practising Registration Certificate  
No. 3001-2019-001-1



**POST AND TELECOMMUNICATION JOINT STOCK  
INSURANCE CORPORATION**

8th Floor, Building at No. 4A Lang Ha, Ba Dinh District  
Hanoi, S.R. Vietnam

**FORM B01-DNPNT/HN**

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

**CONSOLIDATED BALANCE SHEET**

*As at 31 December 2021*

*Unit: VND*

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>A. CURRENT ASSETS</b> <b>(100=110+120+130+140+150+190)</b>	<b>100</b>		<b>7,327,979,031,849</b>	<b>6,427,661,280,045</b>
<b>I. Cash</b>	<b>110</b>	<b>4</b>	<b>152,508,587,674</b>	<b>298,018,898,197</b>
1. Cash	111		152,508,587,674	298,018,898,197
<b>II. Short-term financial investments</b>	<b>120</b>		<b>3,906,840,869,585</b>	<b>3,103,087,884,605</b>
1. Trading securities	121	5	14,236,657,070	5,773,214,858
2. Held-to-maturity investments	123	5	3,892,630,907,515	3,097,314,669,747
3. Provision for impairment of short-term	129		(26,695,000)	-
<b>III. Short-term receivables</b>	<b>130</b>		<b>894,390,955,179</b>	<b>1,018,395,127,880</b>
1. Trade accounts receivable	131		508,216,985,965	543,675,964,625
1.1. Receivables of insurance contracts	131.1	6	505,026,777,965	540,365,756,625
1.2. Other trade accounts receivable	131.2		3,190,208,000	3,310,208,000
2. Advances to suppliers	132	7	160,911,002,969	291,052,725,019
3. Short-term loan receivables	135		6,570,000,000	13,140,000,000
4. Other receivables	136	8	330,026,784,765	275,349,179,186
5. Provision for short-term doubtful debts	139	9	(111,333,818,520)	(104,822,740,950)
<b>IV. Inventories</b>	<b>140</b>		<b>1,861,097,801</b>	<b>2,025,501,719</b>
1. Inventories	141		1,861,097,801	2,025,501,719
<b>V. Other current assets</b>	<b>150</b>		<b>671,509,644,130</b>	<b>590,322,837,710</b>
1. Short-term prepaid expenses	151	10	645,710,200,393	589,109,781,272
1.1. Unallocated commission expenses	151.1		390,719,147,172	404,700,563,407
1.2. Other short-term prepaid expenses	151.2		254,991,053,221	184,409,217,865
2. VAT deductibles	152		25,097,573,421	633,885,783
3. Taxes and other receivables from the State budget	154	15	701,870,316	579,170,655
<b>VI. Reinsurance assets</b>	<b>190</b>	<b>18</b>	<b>1,700,867,877,480</b>	<b>1,415,811,029,934</b>
1. Unearned premium reserve for outward reinsurance	191		1,065,833,353,023	894,555,566,300
2. Claim reserve for outward reinsurance	192		635,034,524,457	521,255,463,634
<b>B. NON-CURRENT ASSETS</b> <b>(200=210+220+240+250+260)</b>	<b>200</b>		<b>1,236,780,529,754</b>	<b>1,339,593,958,578</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>18,089,886,286</b>	<b>58,141,102,235</b>
1. Other long-term receivables	218		18,089,886,286	58,141,102,235
1.1. Insurance deposit	218.1		8,000,000,000	8,200,000,000
1.2. Other long-term receivables	218.2	8	10,089,886,286	49,941,102,235
<b>II. Fixed assets</b>	<b>220</b>		<b>129,741,263,048</b>	<b>121,726,606,136</b>
1. Tangible fixed assets	221	11	85,177,014,058	80,843,357,432
Cost	222		197,874,597,399	181,538,895,133
Accumulated depreciation	223		(112,697,583,341)	(100,695,537,701)
2. Intangible assets	227	12	24,959,539,311	14,796,100,256
Cost	228		38,685,603,304	27,342,062,486
Accumulated amortization	229		(13,726,063,993)	(12,545,962,230)
3. Construction in progress	230		19,604,709,679	26,087,148,448
<b>III. Investment property</b>	<b>240</b>	<b>13</b>	<b>324,719,731,259</b>	<b>106,930,921,100</b>
Cost	241		346,058,942,494	121,103,326,188
Accumulated amortization	242		(21,339,211,235)	(14,172,405,088)
<b>IV. Long-term financial investments</b>	<b>250</b>	<b>5</b>	<b>725,766,284,005</b>	<b>1,013,624,013,328</b>
1. Investments in associates	252		24,301,408,015	33,838,017,073
2. Equity investments in other entities	253		30,129,400,000	30,129,400,000
3. Provision for impairment of long-term financial investments	254		(14,969,035,338)	(13,343,403,745)
4. Held-to-maturity investments	255		686,304,511,328	963,000,000,000
<b>V. Other non-current assets</b>	<b>260</b>		<b>38,463,365,156</b>	<b>39,171,315,779</b>
1. Long-term prepaid expenses	261	10	38,463,365,156	39,171,315,779
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>8,564,759,561,603</b>	<b>7,767,255,238,623</b>

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

**CONSOLIDATED BALANCE SHEET (Continued)**

As at 31 December 2021

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>A. LIABILITIES (300=310+330)</b>	<b>300</b>		<b>6,384,536,626,829</b>	<b>5,746,102,401,830</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>6,378,842,217,489</b>	<b>5,743,624,709,419</b>
1. Trade accounts payable	312	14	538,684,318,279	471,264,668,641
1.1. Payables of insurance contracts	312.1		515,439,391,359	441,239,322,902
1.2. Other payables to suppliers	312.2		23,244,926,920	30,025,345,739
2. Advances from customers	313		6,899,172,213	5,164,869,408
3. Taxes and amounts payable to the State budget	314	15	74,451,733,263	60,311,059,162
4. Payables to employees	315		116,671,147,696	86,206,442,327
5. Accrued expenses	316		17,454,785,143	12,583,962,830
6. Unearned revenue	318	16	133,432,368,564	167,917,724,858
7. Other current payables	319	17	107,378,375,323	104,783,927,749
8. Unearned commission income	319.1	17	345,133,359,458	353,365,193,200
9. Short-term provisions	320		136,800,000,000	110,000,000,000
10. Bonus and welfare funds	323		26,838,138	29,588,138
11. Underwriting reserves	329	18	4,901,910,119,412	4,371,997,273,106
11.1 Unearned premium reserve for direct insurance and inward reinsurance	329.1		3,366,993,634,760	3,126,304,107,134
11.2 Claim reserve for direct insurance and inward reinsurance	329.2		1,450,296,486,631	1,203,186,839,531
11.3 Catastrophe reserve	329.3		84,619,998,021	42,506,326,441
<b>II. Long-term liabilities</b>	<b>330</b>		<b>5,694,409,340</b>	<b>2,477,692,411</b>
1. Other long-term payables	333		2,390,697,343	2,477,692,411
2. Deferred tax liabilities	335		3,303,711,997	-
<b>B. EQUITY (400=410)</b>	<b>400</b>		<b>2,180,222,934,774</b>	<b>2,021,152,836,793</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>19</b>	<b>2,180,222,934,774</b>	<b>2,021,152,836,793</b>
1. Owners' contributed capital	411		803,957,090,000	803,957,090,000
2. Share premium	412		827,943,052,804	827,943,052,804
3. Investment and development funds	417		26,019,645,665	23,517,729,849
4. Compulsory reserve fund	419		80,395,709,000	67,912,037,589
5. Retained earnings	421		438,388,382,483	294,419,361,506
- Retained earnings accumulated to the prior year end	421a		193,504,792,915	68,420,245,270
- Retained earnings of the current year	421b		244,883,589,568	225,999,116,236
6. Non-controlling interests	429		3,519,054,822	3,403,565,045
<b>TOTAL RESOURCES (440 = 300+ 400)</b>	<b>440</b>		<b>8,564,759,561,603</b>	<b>7,767,255,238,623</b>

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



CONSOLIDATED BALANCE SHEET (Continued)

As at 31 December 2021

OFF-BALANCE SHEET ITEMS

ITEMS	Unit	Closing balance	Opening balance
1. Direct insurance contract of which the responsibility has not yet been incurred	VND	178,104,873,414	206,322,312,802
2. Foreign currencies			
- United States Dollar	USD	513,029.43	106,787.03
- Euro	EUR	119,430.93	31,491.51
- British Pound	GBP	314.93	321.53



Le Trong Hiep  
Preparer



Cao Thu Hien  
Chief Accountant



Bui Xuan Thu  
Chief Executive Officer

Hanoi, 21 March 2022

**CONSOLIDATED INCOME STATEMENT**

*For the year ended 31 December 2021*

*Unit: VND*

**PART I: GENERAL CONSOLIDATED INCOME STATEMENT**

ITEMS	Codes	Current year	Prior year
1. Net revenue from insurance activities	10	4,963,702,478,265	4,734,129,120,923
2. Revenue from investment properties business and other service rendering	11	39,664,063,873	37,314,010,006
3. Financial income	12	189,489,763,019	190,568,581,610
4. Other income	13	3,994,315,067	5,715,202,132
5. Total expenses for insurance activities	20	4,209,977,845,423	4,034,477,875,688
6. Cost of investment properties and other services rendered	21	20,496,114,733	21,393,127,236
7. Financial expenses	22	47,643,308,000	10,717,162,754
8. General and administration expenses	23	583,546,904,402	597,653,880,483
9. Other expenses	24	463,737,260	844,363,226
10. Share of (losses) from associates	27	(6,718,569,678)	(8,545,954,340)
11. <b>Total accounting profit before tax</b> <b>(50 = 10+11+12+13-20-21-22-23-24+27)</b>	<b>50</b>	<b>328,004,140,728</b>	<b>294,094,550,944</b>
12. Current corporate income tax expense	51	70,991,890,393	54,948,087,951
13. Deferred corporate tax expense/ (income)	52	(470,494,145)	-
14. <b>Net profit after corporate income tax (60 = 50-51-52)</b>	<b>60</b>	<b>257,482,744,480</b>	<b>239,146,462,993</b>

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

**CONSOLIDATED INCOME STATEMENT (Continued)**

*For the year ended 31 December 2021*

*Unit: VND*

**PART II: CONSOLIDATED INCOME STATEMENT BY ACTIVITY**

ITEMS	Codes	Notes	Current year	Prior year
<b>1. Insurance premium (01 = 01.1 + 01.2 - 01.3)</b>	<b>01</b>	<b>21</b>	<b>5,704,229,551,151</b>	<b>6,079,510,571,583</b>
- Direct insurance premium	01.1		5,836,199,674,337	5,959,243,463,387
- Inward reinsurance premium	01.2		108,719,404,440	86,310,238,331
- Increase/(decrease) in unearned premium reserves for direct insurance and inward reinsurance	01.3		240,689,527,626	(33,956,869,865)
<b>2. Outward reinsurance premium (02=02.1-02.2)</b>	<b>02</b>	<b>22</b>	<b>1,562,274,134,038</b>	<b>2,122,488,283,799</b>
- Total outward reinsurance premium	02.1		1,733,551,920,761	1,643,295,266,402
- Increase/(decrease) in unearned premium reserve for outward reinsurance	02.2		171,277,786,723	(479,193,017,397)
<b>3. Net insurance premium (03= 01 - 02)</b>	<b>03</b>		<b>4,141,955,417,113</b>	<b>3,957,022,287,784</b>
<b>4. Commission income from outward reinsurance and other income from insurance activities (04 = 04.1 + 04.2)</b>	<b>04</b>		<b>821,747,061,152</b>	<b>777,106,833,139</b>
- Commission income from outward reinsurance	04.1		586,417,287,875	536,833,281,524
- Other income from insurance activities	04.2		235,329,773,277	240,273,551,615
<b>5. Net revenue from insurance activities (10 = 03 + 04)</b>	<b>10</b>		<b>4,963,702,478,265</b>	<b>4,734,129,120,923</b>
<b>6. Claim settlement expenses (11= 11.1 - 11.2)</b>	<b>11</b>		<b>2,154,152,125,034</b>	<b>2,047,891,329,348</b>
- Total claim settlement expenses	11.1		2,167,860,066,789	2,065,181,358,646
- Deductions (Receipt of claim form third party, receipt of 100% claim for goods)	11.2		13,707,941,755	17,290,029,298
<b>7. Claims receipts from ceded policies</b>	<b>12</b>		<b>515,151,160,071</b>	<b>532,380,584,002</b>
<b>8. Increase in claim reserves for direct insurance and inward reinsurance</b>	<b>13</b>		<b>247,109,647,100</b>	<b>41,343,902,818</b>
<b>9. Increase/(decrease) in claim reserve for outward reinsurance</b>	<b>14</b>		<b>113,779,060,823</b>	<b>(88,390,813,669)</b>
<b>10. Total insurance claim settlement expenses (15 = 11 - 12 + 13 - 14)</b>	<b>15</b>	<b>23</b>	<b>1,772,331,551,240</b>	<b>1,645,245,461,833</b>
<b>11. Increase in catastrophe reserve</b>	<b>16</b>		<b>42,113,671,580</b>	<b>44,022,584,353</b>
<b>12. Other expenses for insurance activities (17 = 17.1 + 17.2)</b>	<b>17</b>	<b>24</b>	<b>2,395,532,622,603</b>	<b>2,345,209,829,502</b>
- Insurance commission expense	17.1		658,480,727,819	669,545,133,963
- Other expenses for insurance activities	17.2		1,737,051,894,784	1,675,664,695,539
<b>13. Total expenses for insurance activities (18 = 15 + 16 + 17)</b>	<b>18</b>		<b>4,209,977,845,423</b>	<b>4,034,477,875,688</b>
<b>14. Gross profit from insurance activities (19 = 10 - 18)</b>	<b>19</b>		<b>753,724,632,842</b>	<b>699,651,245,235</b>

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




**CONSOLIDATED INCOME STATEMENT (Continued)**

*For the year ended 31 December 2021*


*Unit: VND*

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

ITEMS	Codes	Notes	Current year	Prior year
15. Revenue from investment properties and other services rendered	20	25	39,664,063,873	37,314,010,006
16. Cost of investment properties and other services rendered	21	26	20,496,114,733	21,393,127,236
17. <b>Gross profit from investment properties</b> <b>(22 = 20 - 21)</b>	22		<b>19,167,949,140</b>	<b>15,920,882,770</b>
18. Financial income	23	27	189,489,763,019	190,568,581,610
19. Financial expenses	24	28	47,643,308,000	10,717,162,754
20. <b>Gross profit from financial activities (25 = 23 - 24)</b>	25		<b>141,846,455,019</b>	<b>179,851,418,856</b>
21. General and administration expenses	26	29	583,546,904,402	597,653,880,483
22. Share of (loss) from associates	27		(6,718,569,678)	(8,545,954,340)
23. <b>Net profit from operating activities</b> <b>(30 = 19 + 22 + 25 - 26)</b>	30		<b>324,473,562,921</b>	<b>289,223,712,038</b>
24. Other income	31		3,994,315,067	5,715,202,132
25. Other expenses	32		463,737,260	844,363,226
26. <b>Other profit (40 = 31 - 32)</b>	40		<b>3,530,577,807</b>	<b>4,870,838,906</b>
27. <b>Accounting profit before tax (50 = 30 + 40)</b>	50		<b>328,004,140,728</b>	<b>294,094,550,944</b>
28. Current corporate income tax expense	51	31	70,991,890,393	54,948,087,951
29. Deferred corporate tax expense/(income)	52		(470,494,145)	-
30. <b>Net profit after corporate income tax</b> <b>(60 = 50 - 51 - 52)</b>	60		<b>257,482,744,480</b>	<b>239,146,462,993</b>
30.1 Profit after tax attributable to Holding company	61		257,367,260,979	240,096,398,819
30.2 Profit after tax attributable to non-controlling interests	62		115,483,501	(949,935,826)
31. Basic earnings per share	70	32	3,041	2,837

  
**Le Trong Hiep**  
Preparer

  
**Cao Thu Hien**  
Chief Accountant

  
**Bui Xuan Thu**  
Chief Executive Officer

Hanoi, 21 March 2022

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



**CONSOLIDATED CASH FLOW STATEMENT**

*For the year ended 31 December 2021*

*Unit: VND*

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. <i>Profit before tax</i>	01	328,004,140,728	294,094,550,944
2. <i>Adjustments for:</i>			
Depreciation and amortisation of fixed assets and investment properties	02	26,605,200,713	19,627,956,510
Provisions	03	279,819,402,923	416,406,962,501
Foreign exchange losses arising from translating foreign currency items	04	590,237,355	-
Gain from investing activities	05	(315,312,460,006)	(241,055,735,040)
Interest expense	06	8,743,826,504	8,987,972,292
3. <i>Operating profit before movements in working capital</i>	08	328,450,348,217	498,061,707,207
Decrease/(increase) in receivables	09	10,099,804,711	(108,658,648,020)
Decreases in inventories	10	164,403,918	42,516,522,738
Increases in payables (excluding accrued loan interest and corporate income tax payable)	11	54,087,253,441	92,437,430,055
Increases in prepaid expenses	12	(55,892,468,498)	(202,754,177,791)
(Increase)/decrease in trading securities	13	(8,463,442,212)	508,922,288,360
Interest paid	14	(8,743,826,504)	(8,987,972,292)
Corporate income tax paid	15	(59,640,179,255)	(47,337,736,465)
<i>Net cash generated by operating activities</i>	20	260,061,893,818	774,199,413,792
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(91,603,510,535)	(52,468,393,445)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	11,537,866,199	35,787,881,290
3. Cash outflow for lending, buying debt instruments of other entities	23	(2,785,609,805,451)	(3,087,097,721,954)
4. Cash recovered from lending, selling debt instruments of other entities	24	2,274,792,506,859	2,290,378,811,417
5. Cash recovered from investments in other entities	26	-	68,743,274,393
6. Interest earned, dividends and profits received	27	265,827,555,628	228,071,909,793
<i>Net cash used in investing activities</i>	30	(325,055,387,300)	(516,584,238,506)

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


CONSOLIDATED CASH FLOW STATEMENT (Continued)


For the year ended 31 December 2021

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	266,637,910,506	270,705,152,192
2. Repayment of borrowings	34	(266,637,910,506)	(268,700,000,000)
3. Dividends and profits paid	36	(79,926,579,686)	(79,743,811,926)
<b>Net cash used in financing activities</b>	<b>40</b>	<b>(79,926,579,686)</b>	<b>(77,738,659,734)</b>
<b>Net (decrease)/increase in cash (50=20+30+40)</b>	<b>50</b>	<b>(144,920,073,168)</b>	<b>179,876,515,552</b>
<b>Cash at the beginning of the year</b>	<b>60</b>	<b>298,018,898,197</b>	<b>118,142,382,645</b>
Effects of changes in foreign exchange rates	61	(590,237,355)	-
<b>Cash at the end of the year (70=50+60+61)</b>	<b>70</b>	<b>152,508,587,674</b>	<b>298,018,898,197</b>

  
Le Trong Hiep  
Preparer

  
Cao Thu Hien  
Chief Accountant

  
Bui Xuan Thu  
Chief Executive Officer

Hanoi, 21 March 2022

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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

**1. GENERAL INFORMATION**

**Structure of ownership**

Post and Telecommunication Joint Stock Insurance Corporation (the "Corporation") was incorporated and has operated under Operating Licence No. 3633/GP-UB dated 01 August 1998 issued by Hanoi People's Committee and the latest amended Operating Licence No. 41A/GPDC30/KDBH dated 05 January 2022.

The total number of employees of the Corporation as at 31 December 2021 was 2,539 (as at 31 December 2020: 2,431).

**Business sector and principal activities**

Business sector of the Corporation includes non-life insurance services and financial services.

The Corporation's principal activities include:

- Non-life insurance business;
- Re-insurance business;
- Financial investments;
- Other activities in accordance with the Operating Licence.

**Normal operating cycle**

The Corporation's normal operating cycle is carried out for a time period of no more than 12 months.

**The Corporation's structure**

As at 31 December 2021, the Corporation has a Head office located on the 8<sup>th</sup> Floor, Building at No. 4A Lang Ha, Ba Dinh District, Hanoi; 03 representative offices for claim appraisal in Hanoi, Ho Chi Minh City, and Hai Phong City; 01 Southern representative office; and 51 branches directly under the management of the Corporation.



The list of the Corporation's subsidiaries and associates as at 31 December 2021 are as follows:

Subsidiary/associate	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Main business
<b>Subsidiary</b>				
- Post Real Estate Joint Stock Company	Hanoi	95.32	95.32	Real estate investment; financial investments
<b>Associates</b>				
- Lanexang Assurance Public Company	Vientian, Lao	50	50	Insurance business
- Kasati Joint Stock Company	Ho Chi Minh	21.3	21.3	Telecom, informatics and electronic devices

#### Disclosure of information comparability in the consolidated financial statements

Comparative figures are the figures of the audited consolidated financial statements for the year ended 31 December 2020.

#### Events occurring during the year which have impact on the Corporation's operations

Due to the wide-ranging effects of the COVID-19 pandemic developments, plenty of challenges have arisen for all economic sectors. These changes may greatly affect the Corporation's operations, economic interests and obligations. The Boards of Directors and Management of the Corporation have been carefully monitoring and evaluating the possible impact of this issue on its operations. Therefore, the Boards of Directors and Management believe that COVID-19 will not materially affect business activities of the Corporation in 2021.

## 2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

### Accounting convention

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

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

### Financial year

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



**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Estimates**

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

**Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Corporation and enterprises controlled by the Corporation (its subsidiaries) up to 31 December each year. Control is achieved where the Corporation has the power to govern the financial and operating policies of the investees so as to obtain benefits from its activities.

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

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

Intragroup transactions and balances are eliminated in full on consolidation.

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

**Business combinations**

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

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

### **Investments in associates**

An associate is an entity over which the Corporation has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Interests in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Corporation's share of the net assets of the associate. Losses of an associate in excess of the Corporation's interest in that associate (which includes any long-term interests that, in substance, form part of the Corporation's net investment in the associate) are not recognised.

Where a group entity transacts with an associate of the Corporation, unrealised profits and losses are eliminated to the extent of the Corporation's interest in the relevant associate.

### **Financial instruments**

#### ***Initial recognition***

##### ***Financial assets***

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

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

The fair value of cash is defined as the book value. The fair value of the receivables is measured at cost less provision for doubtful debts. The fair value of the investments is presented in the Notes to the financial investments.

##### ***Financial liabilities***

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

Financial liabilities of the Corporation comprise trade payables, other payables, borrowings and other financial liabilities.

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

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

### **Cash**

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



**Financial investments**

**a) *Trading securities***

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

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

Provision for impairment of investments in trading securities is made in accordance with the prevailing accounting regulations.

**b) *Held-to-maturity investments***

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

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

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

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

**c) *Equity investments in other entities***

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

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

**d) *Provisions for impairment of investments***

Provisions for impairment of investments are made in accordance with the prevailing accounting regulations if the investee suffers a net loss.

Provisions for impairment of long-term investments are recognized as an operating expense in the consolidated income statement. For investments in listed shares or where the fair value of the investment can be measured reliably, provision is made based on the market value of the shares (similar to provision for impairment of investments in trading securities).

### Receivables

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

### Tangible fixed assets and depreciation

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

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

	<u>Years</u>
Buildings and structures	25 - 35
Machinery and equipment	05 - 06
Motor vehicles	05 - 10
Office equipment	03 - 05

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the consolidated income statement.

### Intangible assets and amortization

#### *Land use rights*

Intangible assets represent indefinite land use rights. According to the current regulations, the Corporation does not amortize the indefinite land use rights.

#### *Computer software*

Computer software is amortized using the straight-line method over its estimated useful life from 03 to 04 years.

### Investment properties

Investment properties are composed of land use rights, buildings and a part of buildings and structures held by the Corporation to earn rentals or for capital appreciation. Investment properties held to earn rentals are stated at cost less accumulated depreciation. Investment properties held for capital appreciation are stated at cost less impairment loss. The costs of purchased investment properties comprise their purchase prices and any directly attributable expenditures, such as professional fees for legal services, property transfer taxes and other related transaction costs. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

Investment properties held to earn rentals are depreciated using the straight-line method over their estimated useful lives from 20 to 50 years.



### **Prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepayments include unallocated commissions expenses, prepayments for operating expenses and other prepayments.

Operating expenses relating to credit risk insurance in the year are allocated on the same basis as the allocation of unearned premium reserve of this type of insurance.

The accounting policy for prepayment for insurance commissions expenses is presented in the accounting policy section for some specific operations of insurance business activities, the "Expenditure recognition" section.

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

### **Foreign currencies**

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

### **Other payable provisions**

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

### **Unearned revenue**

Unearned revenue is recognized as amounts payable by the Corporation to the customers when the Corporation has received money from the customers but has not yet provided services.

### **Underwriting reserves**

Underwriting reserves are made in accordance with Circular No. 50/2017/TT-BTC issued by the Ministry of Finance dated 15 May 2017 ("Circular 50") and Approval Document No. 3281/BTC-QLBH dated 23 March 2018 of Department of the Insurance Supervisory Authority – the Ministry of Finance. Details are as follows:

#### **a) Non-life insurance lines**

##### **Unearned premium reserve:**

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

- For direct insurance and reinsurance contracts with terms of less than 01 year, the reserves are determined by the percentage of total retained insurance premium. Details are as follows:

- For cargo insurance: The reserves are made by 25% of total retained insurance premium.
- For other types of insurance: The reserves are made by 50% of total retained insurance premium.
- For direct insurance and reinsurance contracts with terms of more than 01 year, unearned premium reserves are determined by a factor of the year of the insurance contract.

***Claim reserve***

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

For losses incurred but not reported ("IBNR") nor claimed, claim reserves are made based on statistic rate on claim in 3 consecutive years. The Board of Management believes IBNR reserve has been prudently evaluated and fully recorded.

***Catastrophe reserve***

Under Vietnamese Accounting Standard No. 19 on Insurance Contract, the possible claim under contracts that has neither arisen nor existed at the reporting date (including catastrophe reserve) is not required to be made. However, the Corporation follows the reserve policy in accordance with Circular 50, accordingly, catastrophe reserves for all types of insurance were consistently made at 1% of total retained premium in the year.

***b) Health insurance lines***

***Mathematical reserve***

For health insurance and reinsurance contract (insurance contract) with terms of more than 01 year, mathematical reserves are made on a daily basis according to the gross premium valuation.

***Unearned premium reserve***

For health insurance and reinsurance contract with terms of less than 01 year, the unearned premium reserve is made in accordance with the percentage of the insurance premium retained.

***Claim reserve***

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

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

***Equalization reserve***

The Corporation's equalization reserves were consistently provided at 1% of the premium retained in the year and recorded in Catastrophe reserve in the consolidated balance sheet.



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

#### **Insurance deposits**

The Corporation is obliged to pay a deposit equal to 2% of the legal capital, the deposit shall receive interest in accordance with the agreement reached with the bank into which it is paid and the Corporation may withdraw the whole amount of their deposit upon termination of its operation. The Corporation may only use its insurance deposit to meet undertakings to purchasers of insurance when its solvency is inadequate and upon written approval of the Ministry of Finance.

#### **Enterprise funds**

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

#### **Revenue recognition**

##### ***Direct insurance premium***

Direct insurance premium is recognized under Circular 50. In particular, direct insurance premiums are recognized when the following conditions are met:

- (1) The contract has been signed by the insurer and the insured;
- (2) The insured has paid insurance fee or has agreed with the insurer on the payment of the premium (including the extension period) which is no more than 30 days from the effective date of the insurance policy (applicable to the first installment of insurance premium or one-time payment policy). The first installment of insurance premium (for periodical premium payment) or insurance premium for the one-time premium payment should be accounted for at the beginning of the insurance policy.

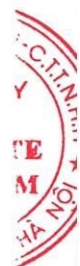
##### ***Inward reinsurance***

###### ***a) Treaty inward reinsurance***

Revenue and expenses related to reinsurance assumed under treaty arrangements are recognized when the periodical reconciliation is received from the cedants. As of the date of these consolidated financial statements, expenses related to treaty reinsurance transactions whose the periodical reconciliation has not been received from the cedants will be estimated based on the statistical and estimated figures of the cedants.

###### ***b) Facultative inward reinsurance***

Inward reinsurance premium is recognized when the facultative reinsurance agreement has been signed and a statement of account (for each facultative reinsurance agreement) has been received from the cedant.





***Outward reinsurance***

Reinsurance premium ceded under treaty reinsurance is recognized when gross written premium in the scope of these agreements is recognized.

Facultative reinsurance premium ceded is recognized when facultative reinsurance agreement is signed and gross written premium in the scope of this agreement is recognized.

Claim receipts from ceded policies are recognized when there is substantial evidence for reinsurers' obligations.

Commission income from outward reinsurance is recognized when outward reinsurance premium is recognized.

***Other revenues***

Other revenues of the Corporation such as revenue from other services relating to insurance activities, revenue from selling investment properties, leasing houses, interest on bank deposits, securities, bonds and loans are recognized when incurred.

The allocation principles for assets, resources, revenue, general expenses related to Shareholders fund and Policyholders fund approved by the Ministry of Finance in Official Letter No. 7034/BTC-QLBH dated 14 June 2018 were applied to allocate revenue from investment activities using technical reserves for insurance operation. During the year, gain from investing activities from the use of technical reserves for insurance operations amounted to VND 146.69 billion (for the year ended 31 December 2020: VND 159.61 billion).

***Expenditures recognition***

***Claim settlement expenses***

Claim expense is recognized when the claim procedures are completed and approved by authorized persons. Any claim that has not been approved at the reporting date is considered as outstanding claim and included in claim reserve.

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

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

***Commission expenses***

Commission expenses are recognized corresponding to the percentage of direct premium in the consolidated income statement in the year. Commission of each type of products are calculated by respective percentage in accordance with Circular 50 guiding the implementation of Decision No. 73/2016/ND-CP dated 01 July 2016 of the Government regarding Insurance Business Law.

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

#### **Other expenses**

Other expenses are recognized when incurred.

#### **Interest income**

Interest income is recorded based on the accrual basis and actual interest rate in the year.

#### **Dividends and profits received**

Dividends and profits received are recorded where the Corporation has the right to receive dividends or shared profits. Dividends by shares are recorded by the increasing number of shares, not by the increasing value of the received shares.

#### **Expenditures on investing activities**

Expenditures on investing activities include directly incurred expenses relating to investment activities and allocated expenses from general expenditures.

Direct expenses include: salary expenses for investment department staff, investment portfolio management expenses, provisions for impairment of investments, losses from securities trading, securities transaction costs, expenses related to real estate activities.

General expenses for investing activities are allocated based on the proportion of financial income over total realized revenue in the year. This allocation principal was approved by the Ministry of Finance in Official Letter No. 7034/BTC-QLBH dated 14 June 2018. During the year, general expenses of VND 18.2 billion have been allocated to investing activities (for the year ended 31 December 2020: VND 11.49 billion).

#### **Borrowing costs**

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

#### **Taxation**

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

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



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

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

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

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

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

4. CASH

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
- Cash on hand	6,724,197,319	6,211,818,530
- Bank demand deposits	145,319,890,355	274,515,925,667
- Cash in transit	464,500,000	17,291,154,000
	<u>152,508,587,674</u>	<u>298,018,898,197</u>



POST AND TELECOMMUNICATION JOINT STOCK INSURANCE CORPORATION  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B09-DNPNT/HN

5. FINANCIAL INVESTMENTS

	Closing balance		Opening balance	
	Cost	Fair value	Provision	Provision
	VND	VND	VND	VND
<b>a) Trading securities</b>	<b>14,236,657,070</b>	<b>15,492,750,000</b>	<b>(26,695,000)</b>	<b>6,392,200,000</b>
- Total trading securities	14,236,657,070	15,492,750,000	(26,695,000)	6,392,200,000
+ Lien Viet Post Joint Stock Commercial Bank (LPB)	5,384,064,000	5,575,000,000	-	-
+ Dong Phu Rubber Joint Stock Company (DPR)	4,093,991,790	4,110,750,000	-	-
+ Khang Dien House Trading and Investment Joint Stock Company (KDH)	-	-	-	4,981,000,000
+ Kien Giang Construction and Investment Consultancy Joint Stock Company (CKG)	-	-	-	1,411,200,000
+ Others	4,758,601,280	5,807,000,000	(26,695,000)	-
<b>b) Held-to-maturity investments</b>	<b>4,578,935,418,843</b>	<b>4,571,591,418,843</b>	<b>(7,344,000,000)</b>	<b>(7,344,000,000)</b>
<b>b1) Short-term</b>	<b>3,892,630,907,515</b>	<b>3,892,630,907,515</b>	<b>-</b>	<b>3,097,314,669,747</b>
- Short-term deposits (i)	3,792,630,907,515	3,792,630,907,515	-	2,997,314,669,747
- Bonds (ii)	100,000,000,000	100,000,000,000	-	100,000,000,000
<b>b2) Long-term</b>	<b>686,304,511,328</b>	<b>678,960,511,328</b>	<b>(7,344,000,000)</b>	<b>955,656,000,000</b>
- Long-term deposits (iii)	291,726,211,328	291,726,211,328	-	755,000,000,000
- Bonds (iv)	387,234,300,000	387,234,300,000	-	200,000,000,000
- Investment in real estate project through Post Real Estate Joint Stock Company	7,344,000,000	-	(7,344,000,000)	656,000,000
<b>c) Equity investments in other entities</b>	<b>30,129,400,000</b>	<b>24,218,632,479</b>	<b>(7,625,035,338)</b>	<b>24,129,996,255</b>
+ Ut Xi Aquatic Products Processing Corporation	15,000,000,000	7,374,964,662	(7,625,035,338)	9,000,596,255
+ Post and Telecommunications Tourism Joint Stock Company	2,940,000,000	3,020,991,491	-	2,940,000,000
+ Global Data Service Joint Stock Company	5,699,400,000	6,111,011,082	-	5,699,400,000
+ Huawei Vietnam Joint Stock Company	5,800,000,000	6,906,395,883	-	5,800,000,000
+ Phuong Nam Real Estate Investment Joint Stock Company	65,000,000	65,000,000	-	65,000,000
+ Technology and Media Investment Development Joint Stock Company	625,000,000	740,269,361	-	625,000,000

- (i) Represent deposits at domestic joint stock commercial banks with the original term of more than 3 months and the remaining term of 12 months or less from the reporting date.
- (ii) Represent the investment in corporate bonds of Investment and Industrial Development Corporation with a value of VND 100,000,000,000, with maturity term of 02 years from 25 June 2020, and an interest rate of 10.9% per annum.
- (iii) Represent deposits at domestic joint stock commercial banks with the remaining term of more than 12 months from the reporting date.
- (iv) Represent investments in bonds with the remaining term of more than 12 months from the reporting date. Details are as follows:

- 100 bonds of Thanh Thanh Cong Investment Joint Stock Company with a value of VND 100,000,000,000, with maturity term of 02 years from 18 June 2021, and an interest rate of 10.5% per annum.
- 10,000 bonds of Lien Viet Post Joint Stock Commercial Bank with a value of VND 100,000,000,000, with maturity term of 07 years from 24 November 2020, and a commitment to repurchase the bonds at the date of 02 years from the issuance date.
- 7,000 bonds of Military Commercial Joint Stock Bank with a value of VND 70,000,000,000, with maturity term of 07 years from 31 August 2021.
- 70 bonds of Ho Chi Minh City Development Joint Stock Commercial Bank with a value of VND 70,000,000,000, with maturity term of 08 years from 28 October 2021.
- Other bonds of Kinh Bac City Development Holding Corporation and DNP Water Joint Stock Company.

**The fair value of the investments is determined as follows:**

- The fair value of listed trading securities is determined according to the average trading price on the Hanoi Stock Exchange (HNX) or the closing price on the Ho Chi Minh Stock Exchange (HOSE) at the year-end date.
- The fair value of trading securities which have been registered for trading in the market of unlisted public company (UPCoM) is determined according to the average preference price of the latest 30 consecutive days before the year-end date. For the securities which are not traded in 30 consecutive days before the year-end date, fair value is determined by the net asset value method based on the financial statements of the investees.
- The fair value of long-term equity investments is determined by the net asset value method based on the financial statements of the investees.
- The fair value of short-term deposits is determined at the book value because of their short term.
- For other investments with insufficient information in the market to determine the fair value at the reporting date, the book value less provision for impairment of these items is shown instead of the fair value.

**Investment in associates**

	Closing balance		Opening balance	
	VND	VND		VND
	Cost	Book value by equity method	Cost	Book value by equity method
Investments in associates	34,444,900,000	24,301,408,015	34,444,900,000	33,838,017,073
- Lanexang Assurance Public Company	20,152,200,000	10,101,972,509	20,152,200,000	17,661,307,434
- Kasati Joint Stock Company	14,292,700,000	14,199,435,506	14,292,700,000	16,176,709,639



Details of movements in investments in associates during the year are as follows:

	Kasati VND	Lanexang VND	Total VND
Opening balance	16,176,709,639	17,661,307,434	33,838,017,073
Gain/(Loss) from bussiness activities	840,765,247	(7,559,334,925)	(6,718,569,678)
Appropriation of owners' funds	(111,051,995)	-	(111,051,995)
Dividend declared	(1,084,753,000)	-	(1,084,753,000)
Other adjustments	(1,622,234,385)	-	(1,622,234,385)
Closing balance	14,199,435,506	10,101,972,509	24,301,408,015

The performance of the associates during the year is as follows:

	Current year	Prior year
<b>Associates</b>		
- Lanexang Assurance Public Company	Making loss	Making loss
- Kasati Joint Stock Company	Making profit	Making profit

#### 6. RECEIVABLES OF INSURANCE CONTRACTS

	Closing balance VND	Opening balance VND
Receivables regarding direct insurance premium	330,775,955,361	369,497,986,705
<i>Including:</i>		
- Receivable from policy holders	175,402,149,576	239,927,431,271
- Receivable from insurance agencies, brokers	116,239,022,015	103,404,789,420
- Receivable from co-insurers	39,130,145,334	26,006,036,861
- Other receivables from direct insurance business	4,638,436	159,729,153
Receivables regarding inward reinsurance premium	46,490,743,163	47,250,885,352
Receivables regarding outward reinsurance premium	127,760,079,441	123,616,884,568
	<b>505,026,777,965</b>	<b>540,365,756,625</b>

#### 7. ADVANCES TO SUPPLIERS

	Closing balance VND	Opening balance VND
Advances for claim regarding direct insurance	123,625,392,746	107,207,718,750
Other advances regarding direct insurance	2,145,266,420	836,751,978
Other advances to suppliers	35,140,343,803	183,008,254,291
	<b>160,911,002,969</b>	<b>291,052,725,019</b>



8. OTHER RECEIVABLES

a) Other short-term receivables

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Interest, dividend receivables from financial activities	224,942,701,464	177,882,579,341
Receivable from Gia Tue Investment Joint Stock Company - Dalat Villa Project	55,514,920,773	14,875,547,439
Compensation receivable (i)	-	5,614,181,754
Commission advances for agencies	18,000,000,000	22,312,932,836
Other receivables	8,039,157,189	33,921,173,507
Advances for business activities	15,237,725,009	13,601,079,747
Short-term deposits and mortgages	8,292,280,330	7,141,684,562
	<u>330,026,784,765</u>	<u>275,349,179,186</u>

- (i) Represent the Corporation's investment in Dalat villa project, of which Gia Tue Investment Joint Stock Company act as the investor to build a tourist area at Tuyen Lam Lake.
- (ii) Represents the amount reclaimed from the compensation transferred to Khai Thanh Trading and Production Company Limited according to the court's decision. From 31 December 2011, provision for this receivable has been fully made by the Corporation. In 2021, the Corporation has written off this receivable according to the decision of the Board of Management based on its assessment of the inability to collect the receivable.

b) Other long-term receivables

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Long-term deposits	10,089,886,286	9,301,728,901
Receivable from Gia Tue Investment Joint Stock Company - Dalat Villa Project	-	40,639,373,334
	<u>10,089,886,286</u>	<u>49,941,102,235</u>

9. PROVISIONS FOR SHORT-TERM DOUBTFUL DEBTS

	Closing balance			Opening balance		
	Cost	Recoverable amount	Provisions	Cost	Recoverable amount	Provisions
	VND	VND	VND	VND	VND	VND
- The total value of the receivables, loans past due or not past due but impaired:	344,543,435,561	233,209,617,041	111,333,818,520	321,722,006,272	216,899,265,322	104,822,740,950
+ Receivables regarding direct insurance	260,060,496,298	228,746,952,809	31,313,543,489	239,927,431,271	209,461,491,602	30,465,939,669
+ Receivables regarding reinsurance	2,706,938,219	-	2,706,938,219	2,706,938,219	-	2,706,938,219
+ Receivables regarding investment activities	55,514,920,773	4,462,664,232	51,052,256,541	55,514,920,773	7,437,773,720	48,077,147,053
+ Other receivables	26,261,080,271	-	26,261,080,271	23,572,716,009	-	23,572,716,009

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

10. PREPAID EXPENSES

	Closing balance	Opening balance
	VND	VND
<b>a) Short-term</b>		
- Unallocated commission expenses	390,719,147,172	404,700,563,407
- Unallocated operating expenses (i)	254,774,661,621	184,363,217,865
- Other short-term prepaid expenses	216,391,600	46,000,000
	<b>645,710,200,393</b>	<b>589,109,781,272</b>
<b>b) Long-term</b>		
- Cost of tools and supplies	5,615,637,228	4,302,645,025
- Office rental	5,895,718,621	4,856,862,306
- Expenses on agent development	1,260,582,489	294,392,219
- Other long-term prepaid expenses	25,691,426,818	29,717,416,229
	<b>38,463,365,156</b>	<b>39,171,315,779</b>

- (i) Represent unallocated operating expenses relating to Credit and financial risk insurance in the year. These expenses are recorded and allocated on the same basis as the allocation of unearned premium reserve of this type of insurance.

11. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery, equipment	Motor vehicles	Office equipment	Total
	VND	VND	VND	VND	VND
<b>COST</b>					
Opening balance	21,995,579,410	237,270,000	118,615,923,312	40,690,122,411	181,538,895,133
New purchases	-	-	10,581,333,183	10,020,632,899	20,601,966,082
Disposals	-	-	(2,641,503,370)	(1,624,760,446)	(4,266,263,816)
Closing balance	<b>21,995,579,410</b>	<b>237,270,000</b>	<b>126,555,753,125</b>	<b>49,085,994,864</b>	<b>197,874,597,399</b>
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	4,022,286,099	156,655,876	68,550,484,721	27,966,111,005	100,695,537,701
Charge for the year	687,497,995	54,107,148	9,243,205,988	6,283,498,325	16,268,309,456
Disposals	-	-	(2,641,503,370)	(1,624,760,446)	(4,266,263,816)
Closing balance	<b>4,709,784,094</b>	<b>210,763,024</b>	<b>75,152,187,339</b>	<b>32,624,848,884</b>	<b>112,697,583,341</b>
<b>NET BOOK VALUE</b>					
Opening balance	<b>17,973,293,311</b>	<b>80,614,124</b>	<b>50,065,438,591</b>	<b>12,724,011,406</b>	<b>80,843,357,432</b>
Closing balance	<b>17,285,795,316</b>	<b>26,506,976</b>	<b>51,403,565,786</b>	<b>16,461,145,980</b>	<b>85,177,014,058</b>

The cost of the Corporation's tangible fixed assets includes VND 55,674,563,192 of tangible fixed assets which have been fully depreciated but are still in use as at 31 December 2021 (as at 31 December 2020: VND 44,418,552,586).



12. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Computer software	Total
	VND	VND	VND
<b>COST</b>			
Opening balance	11,477,276,800	15,864,785,686	27,342,062,486
New purchases	7,703,941,818	5,134,002,000	12,837,943,818
Disposals	-	(1,494,403,000)	(1,494,403,000)
Closing balance	19,181,218,618	19,504,384,686	38,685,603,304
<b>ACCUMULATED AMORTISATION</b>			
Opening balance	-	12,545,962,230	12,545,962,230
Charge for the year	-	2,674,504,763	2,674,504,763
Disposals	-	(1,494,403,000)	(1,494,403,000)
Closing balance	-	13,726,063,993	13,726,063,993
<b>NET BOOK VALUE</b>			
Opening balance	11,477,276,800	3,318,823,456	14,796,100,256
Closing balance	19,181,218,618	5,778,320,693	24,959,539,311

The cost of the Corporation's intangible assets includes VND 10,660,382,686 of intangible assets which have been fully amortised but are still in use as at 31 December 2021 (as at 31 December 2020: VND 10,903,485,686).

13. INCREASE, DECREASE IN INVESTMENT PROPERTIES

	Land use rights and buildings, structures
	VND
<b>COST</b>	
Opening balance	121,103,326,188
Additions	236,989,062,852
Disposal	(12,033,446,546)
Closing balance	346,058,942,494
<b>ACCUMULATED AMORTISATION</b>	
Opening balance	14,172,405,088
Charge for the year	7,662,386,494
Disposals	(495,580,347)
Closing balance	21,339,211,235
<b>NET BOOK VALUE</b>	
Opening balance	106,930,921,100
Closing balance	324,719,731,259

According to VAS No. 05 - Investment Properties, fair value of investment property as at 31 December 2021 is required to be disclosed. However, the Corporation could not determine the fair value as at 31 December 2021, and therefore, no information about the fair value is disclosed in the notes to the consolidated financial statements. In order to determine the fair value, the Corporation would require an independent consultancy company to perform the valuation. At present, the Corporation has not found a suitable consultancy company yet.

14. TRADE ACCOUNTS PAYABLE

	Closing balance	Opening balance
	VND	VND
Payables regarding direct insurance	172,946,212,173	165,745,617,292
- Payables to insured policy holders	54,349,619,247	59,422,219,112
- Payables to insurance agencies, brokers	112,710,325,251	97,425,115,666
- Other payables to insurance business	5,886,267,675	8,898,282,514
Payables regarding reinsurance	317,085,177,202	261,239,702,159
Payables to co-insurers	25,408,001,984	14,254,003,451
Payables to other suppliers	23,244,926,920	30,025,345,739
	<b>538,684,318,279</b>	<b>471,264,668,641</b>

15. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET

	Opening balance				Closing balance	
	Receivables	Payables	Payable during the year	Paid during the year/ Net off	Receivables	Payables
	VND	VND	VND	VND	VND	VND
Value added taxes on goods and services sold domestically	2,746,480	28,493,639,383	218,260,477,564	215,974,487,190	-	30,776,883,277
Corporate income tax	-	20,515,572,973	70,991,890,393	59,640,179,255	-	31,867,284,111
Personal income tax	564,620,872	11,064,251,720	51,127,440,812	51,799,556,788	693,567,013	10,521,081,885
Other taxes and charges payable	11,803,303	237,595,086	5,104,196,594	4,051,807,690	8,303,303	1,286,483,990
	<b>579,170,655</b>	<b>60,311,059,162</b>	<b>345,484,005,363</b>	<b>331,466,030,923</b>	<b>701,870,316</b>	<b>74,451,733,263</b>

16. SHORT-TERM UNEARNED REVENUE

	Closing balance	Opening balance
	VND	VND
Unearned revenue from direct insurance	133,411,668,563	167,736,095,858
Unearned revenue from investment property	20,700,001	181,629,000
	<b>133,432,368,564</b>	<b>167,917,724,858</b>



17. OTHER CURRENT PAYABLES

	Current year	Prior year
	VND	VND
<b>a) Unearned commission income</b>		
Opening balance	353,365,193,200	293,161,262,536
Unearned commission income incurred in the year	578,185,454,133	597,037,212,188
Commission income allocated in the year	(586,417,287,875)	(536,833,281,524)
<b>Closing balance</b>	<b>345,133,359,458</b>	<b>353,365,193,200</b>
	<b>Closing balance</b>	<b>Opening balance</b>
	VND	VND
<b>b) Other payables</b>		
Social, health and unemployment insurances	249,894,318	395,317,365
Trade Union fees	6,691,240,294	5,462,920,349
Short-term deposits received	50,000,000	20,735,736
Payable dividends and profits	10,778,175,549	10,309,046,235
Withheld foreign contractor tax	185,610,396	2,725,779,722
Insurance fund contribution payables	17,982,670,765	18,269,196,554
Unreconciled insurance premium receipts	30,532,118,496	26,297,991,663
Other payables	40,908,665,505	41,302,940,125
	<b>107,378,375,323</b>	<b>104,783,927,749</b>

POST AND TELECOMMUNICATION JOINT STOCK INSURANCE CORPORATION  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B09-DNPNT/HN

18. UNDERWRITING RESERVES

Claim reserve and unearned premium reserve:

Unit: VND

Claim reserve and unearned premium reserve	Closing balance			Opening balance	
	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve	Net reserve	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve
1. Unearned premium reserve	3,366,993,634,760	1,065,833,353,023	2,301,160,281,737	3,126,304,107,134	894,555,566,300
2. Claim reserve	1,450,296,486,631	635,034,524,457	815,261,962,174	1,203,186,839,531	521,255,463,634
Including:					
- Reserve for claims not yet settled	1,321,665,718,525	597,554,745,600	724,110,972,925	1,082,042,059,961	483,962,717,471
- Reserve for loss incurred but not reported (IBNR)	128,630,768,106	37,479,778,857	91,150,989,249	121,144,779,570	37,292,746,163
<b>Total</b>	<b>4,817,290,121,391</b>	<b>1,700,867,877,480</b>	<b>3,116,422,243,911</b>	<b>4,329,490,946,665</b>	<b>1,415,811,029,934</b>
					<b>2,913,679,916,731</b>

Details are as follows:

1. Unearned premium reserve	Current year			Prior year	
	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve	Net unearned premium reserve	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve
Opening balance	3,126,304,107,134	894,555,566,300	2,231,748,540,834	3,160,260,976,999	1,373,748,583,697
Provided/(Reversed) for in the year	240,689,527,626	171,277,786,723	69,411,740,903	(33,956,869,865)	(479,193,017,397)
<b>Closing balance</b>	<b>3,366,993,634,760</b>	<b>1,065,833,353,023</b>	<b>2,301,160,281,737</b>	<b>3,126,304,107,134</b>	<b>894,555,566,300</b>
					<b>2,231,748,540,834</b>



POST AND TELECOMMUNICATION JOINT STOCK INSURANCE CORPORATION  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B09-DNPNT/HN

	Current year			Prior year	
	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve	Net claim reserve	Direct insurance and inward reinsurance reserve	Outward reinsurance reserve
<b>2. Claim reserve</b>					
Opening balance	1,203,186,839,531	521,255,463,634	681,931,375,897	1,161,842,936,713	609,646,277,303
(Reversed)/Provided for in the year	247,109,647,100	113,779,060,823	133,330,586,277	41,343,902,818	(88,390,813,669)
<b>Closing balance</b>	<b>1,450,296,486,631</b>	<b>635,034,524,457</b>	<b>815,261,962,174</b>	<b>1,203,186,839,531</b>	<b>521,255,463,634</b>

**Catastrophe reserve:**

	Current year	Prior year
	VND	VND
Opening balance	42,506,326,441	103,775,184,431
Provided for in the year	42,113,671,580	44,022,584,353
Used in the year	-	(105,291,442,343)
<b>Closing balance</b>	<b>84,619,998,021</b>	<b>42,506,326,441</b>

POST AND TELECOMMUNICATION JOINT STOCK INSURANCE CORPORATION  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

FORM B09-DNPNT/HN

19. OWNERS' EQUITY

	Owners' contributed capital		Share premium		Investment and development fund		Compulsory reserve fund		Retained earnings		Non-controlling interest		Total	
	VND		VND		VND		VND		VND		VND		VND	
Prior year's opening balance	803,957,090,000		827,943,052,804		22,927,850,857		55,402,458,511		151,901,227,577		5,430,777,908		1,867,562,457,657	
Profit for the year	-		-		-		-		240,096,398,819		(949,935,826)		239,146,462,993	
Appropriation to other owners' funds	-		-		1,103,538,992		12,509,579,078		(13,613,118,070)		-		-	
Appropriation of customer bonus fund	-		-		-		-		(1,103,538,992)		-		(1,103,538,992)	
Compensation and bonuses payment to Board of Directors and Supervisory Board	-		-		-		-		(1,103,538,992)		-		(1,103,538,992)	
Executive officers' bonus fund	-		-		-		-		(2,207,077,983)		-		(2,207,077,983)	
Dividend declared	-		-		-		-		(80,395,709,000)		-		(80,395,709,000)	
Reduction due to subsidiary liquidation	-		-		(513,660,000)		-		844,718,147		(1,077,277,037)		(746,218,890)	
Current year's opening balance	803,957,090,000		827,943,052,804		23,517,729,849		67,912,037,589		294,419,361,506		3,403,565,045		2,021,152,836,793	
Profit for the year	-		-		-		-		257,367,260,979		115,483,501		257,482,744,480	
Appropriation to other owners' funds (i)	-		-		2,501,915,816		12,483,671,411		(14,985,587,227)		-		-	
Appropriation of customer bonus fund (i)	-		-		-		-		(5,003,831,631)		-		(5,003,831,631)	
Compensation and bonuses payment to Board of Directors and Supervisory Board (i)	-		-		-		-		(2,501,915,817)		-		(2,501,915,817)	
Executive officers' bonus fund (i)	-		-		-		-		(5,003,831,631)		-		(5,003,831,631)	
Dividend declared (i)	-		-		-		-		(80,395,709,000)		-		(80,395,709,000)	
Reduction due to distribution of bonus and welfare funds in affiliates	-		-		-		-		(111,051,995)		-		(111,051,995)	
Other adjustments	-		-		-		-		(5,396,312,701)		6,276		(5,396,306,425)	
Current year's closing balance	803,957,090,000		827,943,052,804		26,019,645,665		80,395,709,000		438,388,382,483		3,519,054,822		2,180,222,934,774	

(i) The Corporation have allocated funds and distributed dividends under Resolution of General shareholders' meeting No. 35/NQ-PTI-DHDCD dated 29 April 2021.



**Shares**

	<u>Closing balance</u>	<u>Opening balance</u>
a) Number of ordinary shares registered to be issued	80,400,000	80,400,000
b) Number of ordinary shares issued	80,395,709	80,395,709
c) Number of outstanding ordinary shares in circulation	80,395,709	80,395,709

**Dividend**

	<u>Current year</u>	<u>Prior year</u>
Unpaid dividends at the beginning of the year	10,309,046,235	9,657,149,161
Dividend declared in the year	80,395,709,000	80,395,709,000
Dividend paid in the year	(79,926,579,686)	(79,743,811,926)
Dividend unpaid at the end of the year	<u>10,778,175,549</u>	<u>10,309,046,235</u>

**20. SEGMENT REPORT**

For management purposes, the Corporation is currently organized into three business divisions based on its products and services as follows:

1 – Insurance Business division: providing non-life insurance products and services.

2 – Other division: trading products in the field of real estate leasing, real estate investment, etc.

Management decisions are made based on products and services provided by the Corporation rather than geographical areas in which its products and services are rendered. Accordingly, the Corporation's primary report is based on business segments.

Information on business results by segment for the year ended 31 December 2021 is as follows:

Items	Insurance business VND	Others VND	Total VND
1. Net revenue from selling goods and rendering services	4,963,702,478,265	39,664,063,873	5,003,366,542,138
2. Net profit from business activities	171,179,736,063	18,165,941,517	189,345,677,580
3. Financial income	186,019,635,366	3,470,127,653	189,489,763,019
4. Financial expenses	(47,643,308,000)	-	(47,643,308,000)
5. Share of (losses) from associates	(6,718,569,678)	-	(6,718,569,678)
6. Other income	3,994,315,067	-	3,994,315,067
7. Other expenses	(463,737,260)	-	(463,737,260)
8. Current corporate income tax expenses			(70,991,890,393)
9. Deferred corporate income tax income			470,494,145
10. Profit after corporate income tax			257,482,744,480

Information on Assets/Liabilities by segment as at 31 December 2021 is as follows:

Items	Insurance business	Others	Elimination	Total
Segment assets	8,164,278,325,603	426,071,583,222	(25,590,347,222)	8,564,759,561,603
Segment liabilities	6,383,975,616,925	26,151,357,126	(25,590,347,222)	6,384,536,626,829

Information on business results by segment for the year ended 31 December 2020 is as follows:

Items	Insurance business VND	Others VND	Total VND
1. Net revenue from selling goods and rendering services	4,734,129,120,923	37,423,100,915	4,771,552,221,838
2. Net profit from business activities	129,677,144,729	(11,758,897,207)	117,918,247,522
3. Financial income	185,355,006,411	5,213,575,199	190,568,581,610
4. Financial expenses	(9,457,156,967)	(1,260,005,787)	(10,717,162,754)
5. Share of (losses) from associates	(8,545,954,340)	-	(8,545,954,340)
6. Other income	5,617,474,859	97,727,273	5,715,202,132
7. Other expenses	(739,989,249)	(104,373,977)	(844,363,226)
8. Current corporate income tax expenses			(54,948,087,951)
9. Profit after corporate income tax			239,146,462,993

Information on Assets/Liabilities by segment as at 31 December 2020 is as follows:

Items	Insurance business	Others	Elimination	Total
Segment assets	7,586,985,300,350	205,860,285,495	(25,590,347,222)	7,767,255,238,623
Segment liabilities	5,745,496,053,094	26,196,695,958	(25,590,347,222)	5,746,102,401,830



21. INSURANCE PREMIUM

	Current year	Prior year
	VND	VND
<b>Direct insurance premium</b>	<b>5,836,199,674,337</b>	<b>5,959,243,463,387</b>
Motor vehicle insurance	2,498,303,672,747	2,684,052,665,309
Health and personal accident insurance	1,408,778,172,747	1,346,742,772,790
Property and business interruption insurance	648,205,278,078	555,597,469,281
Credit and financial risk insurance	654,070,207,620	693,830,925,593
Fire insurance	289,218,985,598	333,147,656,152
Cargo insurance	148,463,261,924	136,054,804,410
Hull and P&I insurance	115,196,197,599	102,048,759,862
General liability insurance	54,923,092,060	55,492,528,461
Aviation insurance	16,259,741,321	36,470,470,927
Business interruption insurance	2,622,670,712	15,518,631,885
Agriculture insurance	158,393,931	286,778,717
<b>Inward reinsurance premium</b>	<b>108,719,404,440</b>	<b>86,310,238,331</b>
Property and business interruption insurance	93,461,109,473	59,676,989,261
Cargo insurance	5,556,568,018	5,444,997,430
Motor vehicle insurance	1,425,447,131	1,365,313,132
Hull and P&I insurance	2,994,794,781	4,521,624,047
Health and personal accident insurance	1,715,761,384	10,719,262,453
General liability insurance	1,527,684,262	931,724,378
Fire insurance	1,928,543,500	3,512,900,108
Agriculture insurance	109,495,891	137,427,522
<b>Increase/(decrease) in unearned premium reserves for direct insurance and inward reinsurance</b>	<b>240,689,527,626</b>	<b>(33,956,869,865)</b>
	<b>5,704,229,551,151</b>	<b>6,079,510,571,583</b>

22. OUTWARD REINSURANCE PREMIUM

	Current year	Prior year
	VND	VND
Total outward reinsurance premium	1,733,551,920,761	1,643,295,266,402
Health and personal accident insurance	571,662,772,576	528,847,826,771
Property and business interruption insurance	434,677,727,556	375,066,714,871
Fire insurance	326,440,657,599	332,556,908,002
Credit and financial risk insurance	272,908,714,915	299,534,214,996
Hull and P&I insurance	48,863,903,699	38,244,274,292
Cargo insurance	57,883,984,469	39,446,118,609
General liability insurance	9,805,015,275	13,752,298,756
Aviation insurance	11,060,962,856	14,104,368,195
Motor vehicle insurance	248,181,816	(154,341,516)
Agriculture insurance	-	1,896,883,426
Increase/(decrease) in unearned premium reserve for outward reinsurance	171,277,786,723	(479,193,017,397)
	1,562,274,134,038	2,122,488,283,799

23. TOTAL CLAIM SETTLEMENT EXPENSES

	Current year	Prior year
	VND	VND
Total claim settlement expenses	2,167,860,066,789	2,065,181,358,646
Motor vehicle insurance	1,084,111,070,180	1,057,918,272,399
Health and personal accident insurance	723,042,989,054	644,556,965,406
Property and business interruption insurance	147,969,760,440	119,081,014,394
Cargo insurance	45,800,340,785	38,492,604,042
Hull and P&I insurance	95,285,067,787	117,499,281,969
Fire insurance	57,503,274,238	65,630,266,107
General liability insurance	4,821,412,030	9,115,258,111
Aviation insurance	9,326,152,275	12,887,696,218
Deductions from claim settlement expenses	13,707,941,755	17,290,029,298
Claims receipts from ceded policies	515,151,160,071	532,380,584,002
Increase in claim reserves for direct insurance and inward reinsurance	247,109,647,100	41,343,902,818
Increase/(Decrease) in claim reserve for outward reinsurance	113,779,060,823	(88,390,813,669)
	1,772,331,551,240	1,645,245,461,833



**24. OTHER EXPENSES FOR INSURANCE ACTIVITIES**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Direct expenses of insurance development department	1,081,329,001,684	1,036,248,241,354
Commission expense	658,480,727,819	669,545,133,963
Agents management expense	531,407,665,840	496,404,323,279
Advertising and marketing expense	22,983,117,255	18,017,655,177
Expense for risk limitation	17,394,403,512	17,657,542,225
Contributions to insurance funds	8,017,982,373	8,573,866,423
Other expenses	75,919,724,120	98,763,067,081
	<u><b>2,395,532,622,603</b></u>	<u><b>2,345,209,829,502</b></u>

**25. REVENUE FROM INVESTMENT PROPERTIES AND OTHER SERVICES RENDERED**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Revenues from selling investment properties	12,033,446,546	24,161,102,887
Revenues from leasing investment properties	27,630,617,327	13,152,907,119
	<u><b>39,664,063,873</b></u>	<u><b>37,314,010,006</b></u>

**26. COST OF INVESTMENT PROPERTIES AND OTHER SERVICES RENDERED**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Cost of sold investment properties	11,537,866,199	17,913,528,357
Cost of investment properties for lease	8,958,248,534	3,479,598,879
	<u><b>20,496,114,733</b></u>	<u><b>21,393,127,236</b></u>

**27. FINANCIAL INCOME**

	Current year	Prior year
	VND	VND
Interest on term deposits	130,936,816,137	127,262,795,537
Interest on demand deposits	156,188,191	155,656,776
Gain on securities trading	19,155,864,197	8,676,687,498
Dividends and profits received	2,367,414,720	47,186,789,940
Realized foreign exchange gains	3,938,840,177	2,679,637,857
Gain on investing in bonds, long-term investments	32,894,339,486	4,587,986,386
Other financial income	40,300,111	19,027,616
	<b>189,489,763,019</b>	<b>190,568,581,610</b>

**28. FINANCIAL EXPENSES**

	Current year	Prior year
	VND	VND
Interest expenses	8,743,826,504	8,987,972,292
Foreign exchange losses	6,652,709,471	5,189,115,699
Loss on securities trading	30,508,289,725	110,897,859,151
Provision added/(reversed) for impairment of short-term and long-term financial investments	1,652,326,593	(135,976,523,255)
Others	86,155,707	21,618,738,867
	<b>47,643,308,000</b>	<b>10,717,162,754</b>

**29. GENERAL AND ADMINISTRATION EXPENSES**

	Current year	Prior year
	VND	VND
Labour cost	238,041,684,566	199,118,246,633
Raw materials and consumables	23,892,700,137	20,138,488,434
Office equipment expense	10,220,412,235	9,742,965,630
Depreciation and amortisation of fixed assets	17,820,905,714	16,091,336,480
Taxes, fees and charges	23,571,211,998	29,280,763,372
Provision expenses	12,125,259,324	59,610,610,979
Out-sourced services	106,575,739,206	97,503,979,068
Other expenses	151,298,991,222	166,167,489,887
	<b>583,546,904,402</b>	<b>597,653,880,483</b>



30. OPERATION EXPENSES BY NATURE

	Current year	Prior year
	VND	VND
Cost of insurance business activities	4,209,977,845,423	4,034,477,875,688
Labour cost	238,041,684,566	199,118,246,633
Office expenses	34,113,112,372	29,881,454,064
Depreciation and amortisation of fixed assets and investment properties	26,605,200,713	19,627,956,510
Taxes, fees and charges	23,571,211,998	29,280,763,372
Provision expenses	12,125,259,324	59,610,610,979
Out-sourced services	106,575,739,206	97,503,979,068
Other expenses	163,010,810,956	184,023,997,093
	<b>4,814,020,864,558</b>	<b>4,653,524,883,407</b>

31. CORPORATE INCOME TAX

	Current year	Prior year
	VND	VND
Profit before tax	328,004,140,728	294,094,550,944
Adjustments for taxable profit		
Add: Additional taxable profit	16,289,756,082	-
Less: Non-taxable profit	2,367,414,720	45,996,114,000
- Dividends, profits received	2,367,414,720	45,996,114,000
Add: Non-deductible expenses	13,032,969,873	26,642,002,813
- Depreciation charge of car that has historical cost more than VND 1.6 billion	1,060,364,378	780,673,073
- Other non-deductible expenses	7,822,359,850	14,863,516,085
- Affect of consolidation adjustments	4,150,245,645	10,997,813,655
Taxable profit	354,959,451,963	274,740,439,757
Normal tax rate	20%	20%
Current corporate income tax expense	70,991,890,393	54,948,087,951
Deferred corporate tax (income)	(470,494,145)	-
Total current corporate income tax expense	70,521,396,248	54,948,087,951

32. BASIC EARNINGS PER SHARE

	Current year	Prior year (Restated)
	VND	VND
Accounting profit after corporate income tax	257,367,260,979	240,096,398,819
Adjustments to accounting profit to determine profit attributable to ordinary shareholders:	12,868,363,050	12,004,819,940
- <i>Customer bonus fund</i>	5,147,345,220	4,801,927,976
- <i>Remuneration for Board of Directors and Supervisory</i>	2,573,672,610	2,400,963,988
- <i>Executive Officers' bonus fund</i>	5,147,345,220	4,801,927,976
Profit or loss attributable to ordinary shareholders	244,498,897,929	228,091,578,879
Average ordinary shares in circulation for the year	80,395,709	80,395,709
<b>Basic earnings per share</b>	<b>3,041</b>	<b>2,837</b>

The Corporation re-determined the amount of appropriation to the Customer bonus fund for the year ended 31 December 2020 at 2% of profit after tax according to the Resolution of the General Meeting of Shareholders No. 35/NQ-PTI-DHDCD dated 29 April 2021. Accordingly, basic earnings per share for the year ended 31 December 2020 are restated as follows:

	Prior year (Restated)	Prior year (Reported)
	VND	VND
Accounting profit after corporate income tax	240,096,398,819	240,096,398,819
Adjustments to accounting profit to determine profit attributable to ordinary shareholders:	12,004,819,940	9,603,855,952
- <i>Customer bonus fund</i>	4,801,927,976	2,400,963,988
- <i>Remuneration for Board of Directors and Supervisory</i>	2,400,963,988	2,400,963,988
- <i>Executive Officers' bonus fund</i>	4,801,927,976	4,801,927,976
Profit or loss attributable to ordinary shareholders	228,091,578,879	230,492,542,867
Average ordinary shares in circulation for the year	80,395,709	80,395,709
<b>Basic earnings per share</b>	<b>2,837</b>	<b>2,867</b>



33. LIQUIDATION MARGIN

	Closing balance	Opening balance
I. Difference between total assets and liabilities	2,180,222,934,774	2,021,152,836,793
1. Total corporate assets	8,564,759,561,603	7,767,255,238,623
2. Liabilities	6,384,536,626,829	5,746,102,401,830
II. Asset liquidity	391,867,132,037	381,841,877,898
1. Illiquidity of fully illiquid assets:	58,692,166,574	73,444,453,157
1.1 Capital contribution to establish other insurance companies from the owner's equity of insurance company	-	20,152,200,000
1.2 Irrecoverable debts under law corresponding provisions for bad debts	4,462,664,232	-
1.3 Prepaid expenses, loans without guarantee, advances, office equipment and stationery, inter-company receivables	53,917,481,765	52,818,395,526
1.4 Receivable on over-2-year overdue insurance premium and reinsurance premium less relevant provision for bad debts as regulated	312,020,577	473,857,631
2. Illiquidity of partly illiquid assets:	333,174,965,463	308,397,424,740
2.1 Investment assets:	69,831,740,522	34,885,143,717
a) Secured bonds: excluding 1% of accounting value;	2,250,000,000	-
b) Unsecured bonds: excluding 3% of accounting value;	7,867,029,000	9,000,000,000
c) Listed shares: excluding 15% of accounting value;	2,131,494,311	865,982,229
d) Unlisted shares: excluding 20% of accounting value;	4,500,872,932	4,825,999,251
e) Direct investments in property used by the company: excluding 8% of accounting value;	1,534,497,489	918,182,144
f) Direct investments in property for lease, secured trading loans: excluding 15% of accounting value;	48,707,959,689	16,039,638,165
g) Contribution capital to other entities except for insurance companies: excluding 20% of accounting value.	2,839,887,101	3,235,341,928
2.2 Accounts receivable	2,175,704,081	662,762,401
a) Receivable on insurance premium and inward reinsurance premium overdue from 90 days to under 1 year less relevant provision for bad debts as regulated: excluding 30%;	2,020,655,044	235,656,290
b) Receivable on insurance premium and inward reinsurance premium overdue from 1 year to under 2 years less relevant provision for bad debts as regulated: excluding 50%;	155,049,037	427,106,112
2.3 Tangible fixed assets, intangible assets (computer software and inventories): excluding 25% of accounting value;	23,204,108,138	21,546,920,652
2.4 Other assets: excluding 15% of accounting value.	237,963,412,722	251,302,597,971
III. Solvency margin (I-II)	1,788,355,802,737	1,639,310,958,895
IV. Minimum solvency margin [Maximum value of (a) and (b)]	1,052,841,789,504	1,100,564,608,829
(a) 25% of total retained premium	1,052,841,789,504	1,100,564,608,829
(b) 12.5% of total direct premium and inward reinsurance premium	743,114,884,847	755,694,212,715
V. Comparison between Solvency margin and Minimum solvency margin (III and IV)		
Difference in absolute amount	735,514,013,233	538,746,350,066
Difference in percentage	170%	149%

### 34. FINANCIAL INSTRUMENTS

#### Capital risk management

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

The capital structure of the Corporation consists of net debt (comprising borrowings offset by cash) and owners' equity (comprising contributed capital and reserves).

#### Significant accounting policies

Details of the significant accounting policies and methods adopted including the criteria for recognition, the basis of measurement, and the basis of income and expenses recognition) for each class of financial asset, financial liability, and equity instrument are disclosed in Note 3.

#### Categories of financial instruments

	Closing balance		Opening balance	
	Book value	Fair value	Book value	Fair value
	VND	VND	VND	VND
<b>Financial assets</b>				
Cash	152,508,587,674	152,508,587,674	298,018,898,197	298,018,898,197
Trade and other receivables	728,332,113,487	728,332,113,487	763,682,425,349	763,682,425,349
Short-term investments	3,906,840,869,585	3,908,123,657,515	3,103,087,884,605	3,103,087,884,605
Long-term investments	701,464,875,990	703,179,143,807	979,785,996,255	979,785,996,255
<b>Total</b>	<b>5,489,146,446,736</b>	<b>5,492,143,502,483</b>	<b>5,144,575,204,406</b>	<b>5,144,575,204,406</b>
<b>Financial liabilities</b>				
Trade and other payables	639,121,558,990	639,121,558,990	576,048,596,390	576,048,596,390
Other financial liabilities	19,845,482,486	19,845,482,486	15,061,655,241	15,061,655,241
<b>Total</b>	<b>658,967,041,476</b>	<b>658,967,041,476</b>	<b>591,110,251,631</b>	<b>591,110,251,631</b>

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

- The fair value of short-term items including cash, trade receivables, loan receivables, other receivables, trade payables, accrued expenses, and other short-term amounts is equivalent to the book value of these items due to their short or undetermined terms.
- For financial assets and financial liabilities without sufficient information in the market to determine their fair values at the reporting date, the book value of these items is shown instead of the fair value.



### **Financial risk management objectives**

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

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

### **Market risk**

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

### **Foreign currency risk management**

Foreign currency risk is the risk that fair value or cash flows in the future of financial instruments will change according to the fluctuations of foreign exchange rates.

The Corporation manages risks concerning fluctuations in exchange rates by optimizing the maturity of debts, forecasting foreign exchange rates, maintaining a reasonable structure of borrowings and liabilities between foreign currencies and VND, choosing to buy and pay items in foreign currencies at the time of low foreign exchange rate, utilizing available cash resources to balance between foreign exchange risk and liquidity risk.

The Board of Management assesses that the impact of fluctuations in foreign exchange rates on profit after tax and owners' equity of the Corporation is insignificant.

### **Interest rate risk management**

The Corporation has significant interest rate risks arising from interest-bearing loans which have been arranged. The Corporation manages this risk by maintaining an appropriate level of borrowings and analysing market competition to get favourable interest rates from appropriate lenders.

### **Share price risk management**

Shares held by the Corporation are affected by market risks arising from the uncertainty about future prices of such shares. The Corporation manages this risk exposure by setting up investment limits and diversifying the investment portfolio.

### **Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial losses to the Corporation. The Corporation has an appropriate credit policy in place and the exposure to credit risk is monitored on an on-going basis. At the balance sheet date, the Corporation has a significant concentration of credit risk arising from trade receivables. The maximum exposure to credit risk is expressed as the book value of trade receivables for which provision has been made for doubtful debts.



**Liquidity risk management**

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

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

	Less than 1 year	More than 1 year	Total
	VND	VND	VND
<b>Closing balance</b>			
Cash	152,508,587,674	-	152,508,587,674
Trade and other receivables	718,242,227,201	10,089,886,286	728,332,113,487
Short-term investments	3,906,840,869,585	-	3,906,840,869,585
Long-term investments	-	701,464,875,990	701,464,875,990
<b>Total</b>	<b>4,777,591,684,460</b>	<b>711,554,762,276</b>	<b>5,489,146,446,736</b>
Trade and other payables	639,121,558,990	-	639,121,558,990
Other financial liabilities	17,454,785,143	2,390,697,343	19,845,482,486
<b>Total</b>	<b>656,576,344,133</b>	<b>2,390,697,343</b>	<b>658,967,041,476</b>
<b>Net liquidity gap</b>	<b>4,121,015,340,327</b>	<b>709,164,064,933</b>	<b>4,830,179,405,260</b>
	Less than 1 year	More than 1 year	Total
	VND	VND	VND
<b>Opening balance</b>			
Cash	298,018,898,197	-	298,018,898,197
Trade and other receivables	713,741,323,114	49,941,102,235	763,682,425,349
Short-term investments	3,103,087,884,605	-	3,103,087,884,605
Long-term investments	-	979,785,996,255	979,785,996,255
<b>Total</b>	<b>4,114,848,105,916</b>	<b>1,029,727,098,490</b>	<b>5,144,575,204,406</b>
Trade and other payables	576,048,596,390	-	576,048,596,390
Other financial liabilities	12,583,962,830	2,477,692,411	15,061,655,241
<b>Total</b>	<b>588,632,559,220</b>	<b>2,477,692,411</b>	<b>591,110,251,631</b>
<b>Net liquidity gap</b>	<b>3,526,215,546,696</b>	<b>1,027,249,406,079</b>	<b>4,553,464,952,775</b>

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

### Insurance risk

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

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

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

For insurance risks accepted for the year ended 31 December 2021, the Corporation redefined the premium rates applicable to each risk group based on historical loss statistics and forecast of the trend of risks, inflation, level of industry competition and related regulations.

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

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

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

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



35. RELATED PARTY TRANSACTIONS AND BALANCES

*List of related parties with significant transactions and balances:*

<u>Related parties</u>	<u>Relationship</u>
Vietnam Post Corporation	Major Shareholder
Dongbu Insurance Company Limited	Major Shareholder
VN Direct Securities Joint Stock Company	Major Shareholder
Kasati Joint Stock Company	Associate
Lanexang Assurance Public Company	Associate
I.P.A. Securities Investment Fund Management Limited Company	Having the same key management

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

	<u>Current year</u>	<u>Prior year</u>
	<u>VND</u>	<u>VND</u>
<b>Lanexang Assurance Public Company</b>		
<b>Outward reinsurance</b>		
- Outward reinsurance premium	34,010,476,373	167,046,303,205
- Commision income from outward reinsurance	23,811,634,776	71,354,156,987
- Other income from insurance activities	5,778,085,157	37,934,739,566
- Claim receipt from ceded policies	3,479,474,896	58,049,611,112
<b>Inward reinsurance</b>		
- Inward reinsurance premium	21,349,507,824	9,226,090,188
- Commision expenses for inward reinsurance	4,270,321,443	2,013,991,846
- Claim settlements for inward reinsurance	1,362,637,925	1,253,039,762
<b>Kasati Joint Stock Company</b>		
- Dividend receivables	1,084,753,000	1,190,675,940
<b>Dongbu Insurance Company Limited</b>		
- Outward reinsurance premium	15,540,650,522	15,373,826,035
- Commision income from outward reinsurance	4,855,964,521	4,883,293,828
- Claim receipt from ceded policies	2,604,200,364	978,697,577
- Prior year's dividend received	30,000,000,000	30,000,000,000
<b>Vietnam Post Corporation</b>		
- Prior year's dividend received	18,225,648,000	18,225,648,000
<b>VNDirect Securities Joint Stock Company</b>		
- Prior year's dividend received	13,216,055,000	13,216,055,000
<b>I.P.A. Securities Investment Fund Management Limited Company</b>		
- Proceeds from investment trust	-	12,913,442,872
	<b>179,589,409,801</b>	<b>443,659,571,918</b>



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

	Closing balance	Opening balance
	VND	VND
<b>Reinsurance receivables</b>		
- Dongbu Insurance Company Limited	574,529,544	388,048,070
- Lanexang Assurance Public Company	1,121,270,779	1,668,956,514
	<b>1,695,800,323</b>	<b>2,057,004,584</b>
<b>Reinsurance payables</b>		
- Dongbu Insurance Company Limited	2,291,450,573	3,754,128,675
- Lanexang Assurance Public Company	6,163,563,645	5,786,394,410
	<b>8,455,014,218</b>	<b>9,540,523,085</b>

Salary of the Board of Management and remuneration of the Board of Directors, Supervisory Board during the year were as follows:

	Current year	Prior year
	VND	VND
Board of Management's salary	20,806,627,302	11,903,745,485
Remuneration for Boards of Directors and Supervisory Board	2,315,242,285	2,384,305,942
	<b>23,121,869,587</b>	<b>14,288,051,427</b>


### 36. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION


#### Supplemental non-cash disclosures

Cash outflows for acquisition and construction of fixed assets and other long-term assets during the year exclude an amount of VND 172,343,023,448, representing advances to suppliers from the previous year to purchase investment properties in the year. Consequently, the increase, decrease in account receivables have been adjusted by the same amount.

The dividends and profits paid to owners in the year exclude dividend declared but not yet paid as at 31 December 2021, amounting to VND 10,778,175,549 (as at 31 December 2020: VND 10,309,046,235). Consequently, the increase, decrease in accounts payable have been adjusted by the same amount.

  
Le Trong Hiep  
Preparer

  
Cao Thu Hien  
Chief Accountant

  
Bui Xuan Thu  
Chief Executive Officer



Hanoi, 21 March 2022