

Liberty Insurance Limited

Financial statements

For the year ended 31 December 2025



Liberty Insurance Limited

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Liberty Insurance Limited

GENERAL INFORMATION

THE COMPANY

Liberty Insurance Limited Company ("the Company") is a 100% foreign-owned limited liability company with one member incorporated in Vietnam pursuant to the License for Establishment and Operation No. 40GP/KDBH issued by the Ministry of Finance ("the MoF") on 15 November 2006 and the latest Amended Business License No. 40/GPDC7/KDBH issued by the MoF on 8 November 2017.

The current principal activities of the Company are:

- to provide general insurance products including health and personal accident insurance; property and casualty insurance; cargo insurance transported by road, sea, river, railway and airway; automobile insurance; fire insurance; general liability insurance; credit and finance risk insurance and business interruption insurance;
- to assume and cede reinsurance of all lines of general insurance; and
- to conduct activities in risk and loss prevention and minimization; loss survey; agent for loss survey services; claim settlement; third party recovery settlement; fund management and capital investment and other business operations that are in line with prevailing laws and regulations.

The Company's head office is located at Vincom Office Building, 45A Ly Tu Trong Street, Sai Gon Ward, Ho Chi Minh City, Vietnam. The Company has two (2) branches in Ha Noi and Hai Phong. At 31 December 2025, these branches are located at Hanoi Lotte Center Building, 54 Lieu Giai Street, Giang Vo Ward, Ha Noi City, Vietnam and at 17 Area B1, Block 7B, Le Hong Phong Street, Ngo Quyen Ward, Hai Phong, Vietnam.

MEMBERS' COUNCIL

Members of the Members' Council during the year and at the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Date of appointment/resignation</u>
Ms. Lee Kar Lun Karen	Chairwoman	Appointed on 3 January 2025 Resigned on 1 September 2025
Ms. Tran Thi To Nga	Chairwoman	Appointed on 10 September 2025
Ms. Nguyen Thuy Dung	Member	Appointed on 30 September 2016
Mr. Christopher John Alexander	Member	Appointed on 13 August 2024 Resigned on 10 June 2025
Mr. Tibor Nagy	Member	Appointed on 10 June 2025

Liberty Insurance Limited

GENERAL INFORMATION (continued)

MANAGEMENT

Members of the Management during the year and at the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Date of appointment</u>
Ms. Tran Thi To Nga	General Director	Appointed on 1 November 2022
Ms. Nguyen Thuy Dung	Chief Financial Officer	Appointed on 1 June 2014
Ms. Nguyen Ngoc Thuy	Human Resources Director	Appointed on 1 July 2011
Mr. Le Cong Hung	Chief Information Officer	Appointed on 1 January 2007
Ms. Ngo Thi Phuong Lan	Leader of Valuation and Analysis Department	Appointed on 1 January 2025
Mr. Cao Nguyen Tri	Leader of Claims Department	Appointed on 15 May 2023
Ms. Chung Thi Ngoc Tram	Leader of Motor Vehicle Products Department	Appointed on 1 November 2022
Mr. Duong Phung Hien	Leader of Property Insurance Products Department	Appointed on 29 August 2022
Ms. Nguyen Nhat Vy	Leader of Personal Insurance Products Department	Appointed on 23 April 2018
Ms. Nguyen Thanh Thuy	Leader of Operations Department	Appointed on 1 April 2019
Ms. Nguyen Hoang Diep	Leader of Risk and Compliance Department	Appointed on 1 January 2025
Ms. Pham Thi Thanh Thuy	Leader of Legal Department	Appointed on 10 November 2023

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Date of appointment/resignation</u>
Ms. Lee Kar Lun Karen	Chairwoman	Appointed on 3 January 2025 Resigned on 1 September 2025
Ms. Tran Thi To Nga	General Director	Appointed on 1 November 2022
Ms. Nguyen Thuy Dung	Chief Financial Officer	Appointed on 31 December 2017

AUDITOR

The auditor of the Company is Ernst & Young Vietnam Limited.

Liberty Insurance Limited

REPORT OF MANAGEMENT

The Management of Liberty Insurance Limited Company ("the Company") is pleased to present its report and the financial statements of the Company for the year ended 31 December 2025.

THE MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Management is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company and of the results of its operations and its cash flows for the year. In preparing those financial statements, the Management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- ▶ prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue its business.

The Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and for ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Management confirmed that it has complied with the above requirements in preparing the accompanying financial statements.

STATEMENT BY THE MANAGEMENT

The Management does hereby state that, in its opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2025 and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, the accounting guidance applicable to the non-life insurance company and the statutory requirements relevant to preparation and presentation of the financial statements.

For and on behalf of the Management:



Ho Chi Minh City, Vietnam

20 March 2026



Shape the future
with confidence

Ernst & Young Vietnam Limited
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Ho Chi Minh City, Vietnam

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Website (VN): ey.com/vi_vn

Reference: 12856015/68736937

INDEPENDENT AUDITORS' REPORT

To: **The Members' Council of Liberty Insurance Limited**

We have audited the accompanying financial statements of Liberty Insurance Limited ("the Company") as prepared on 20 March 2026 and set out on pages 6 to 52, which comprise the balance sheet as at 31 December 2025, the income statement and the cash flow statement for the year then ended and the notes thereto.

The Management's responsibility

The Management is responsible for the preparation and true and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, the accounting guidance applicable to the non-life insurance company and the statutory requirements relevant to preparation and presentation of financial statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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



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with confidence

Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2025, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, the accounting guidance applicable to the non-life insurance company and the statutory requirements relevant to preparation and presentation of financial statements.

Ernst & Young Vietnam Limited



Saman Wijaya Bandara
Deputy General Director
Audit Practicing Registration
Certificate No. 2036-2023-004-1

Huynh Nhat Hung
Auditor
Audit Practicing Registration
Certificate No. 5040-2024-004-1

Ho Chi Minh City, Vietnam

20 March 2026

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Liberty Insurance Limited

BALANCE SHEET (continued)
as at 31 December 2025

B01 - DNPNT

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		219,150,737,886	227,175,016,260
210	<i>I. Long-term receivables</i>		14,896,216,377	14,279,869,320
218	1. Other long-term receivables		14,896,216,377	14,279,869,320
218.1	1.1 Insurance deposit	8	8,000,000,000	8,000,000,000
218.2	1.2 Other long-term receivables	9	6,896,216,377	6,279,869,320
220	<i>II. Fixed assets</i>		5,951,013,732	10,134,111,781
221	1. Tangible fixed assets	10	428,534,629	1,696,179,011
222	Cost		35,974,320,565	36,206,915,293
223	Accumulated depreciation		(35,545,785,936)	(34,510,736,282)
227	2. Intangible assets	11	4,777,033,958	6,514,250,436
228	Cost		50,431,223,371	48,076,625,358
229	Accumulated amortization		(45,654,189,413)	(41,562,374,922)
230	3. Construction in progress	12	745,445,145	1,923,682,334
250	<i>III. Long-term investments</i>	5	179,824,555,354	187,632,227,415
258	1. Held-to-maturity investments		179,824,555,354	187,632,227,415
260	<i>IV. Other long-term assets</i>		18,478,952,423	15,128,807,744
261	1. Long-term prepaid expenses		4,114,027,000	8,270,802,090
262	2. Deferred tax assets	25.3	14,364,925,423	6,858,005,654
270	TOTAL ASSETS		1,535,257,052,783	1,586,850,036,867

Liberty Insurance Limited

BALANCE SHEET (continued)
as at 31 December 2025

B01 - DNPNT

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	A. LIABILITIES		600,629,719,673	614,799,932,984
310	I. Current liabilities		598,215,534,813	613,350,848,106
312	1. Short-term trade payables	13	20,112,293,937	24,103,854,436
312.1	1.1 Insurance payables		19,821,245,894	23,750,662,639
312.2	1.2 Other trade payables		291,048,043	353,191,797
313	2. Short-term unearned revenue		4,529,336,398	7,529,915,754
314	3. Tax and other statutory obligations	14	4,968,839,723	7,679,574,718
315	4. Payable to employees		138,293,226	-
316	5. Short-term accrued expenses	15	50,203,406,189	42,384,280,200
319	6. Other short-term payables		1,803,327,418	3,930,884,397
319.1	7. Unearned commission income	16	36,590,716	1,692,850,795
329	8. Technical reserves		516,423,447,206	526,029,487,806
329.1	8.1 Gross unearned premium reserve	17.1	304,405,298,182	339,677,377,669
329.2	8.2 Gross claims reserve	17.1	100,900,212,458	81,072,131,731
329.3	8.3 Catastrophe reserve	17.2	111,117,936,566	105,279,978,406
330	II. Non-current liabilities		2,414,184,860	1,449,084,878
336	1. Severance allowance		2,414,184,860	1,449,084,878
400	B. OWNER'S EQUITY		934,627,333,110	972,050,103,883
410	I. Owner's equity	18	934,627,333,110	972,050,103,883
411	1. Contributed charter capital		1,204,072,000,000	1,204,072,000,000
419	2. Statutory reserve		22,892,022,695	22,892,022,695
421	3. Accumulated losses		(292,336,689,585)	(254,913,918,812)
440	TOTAL LIABILITIES AND OWNER'S EQUITY		1,535,257,052,783	1,586,850,036,867

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Ms. Truong Thuy Trinh
Preparer

Ms. Ly Boi Lang
Chief Accountant

Ms. Tran Thi To Nga
General Director

Ho Chi Minh City, Vietnam

20 March 2026

Liberty Insurance Limited

INCOME STATEMENT
Part 1: COMPREHENSIVE INCOME STATEMENT
for the year ended 31 December 2025

B02 - DNPNT

VND

Code	ITEMS	Current year	Previous year
10	1. Insurance operating income	617,078,437,054	618,690,341,010
12	2. Finance income	69,733,897,991	69,581,756,036
13	3. Other income	2,217,170,431	6,497,957,774
20	4. Insurance operating expenses	(481,380,138,543)	(466,773,548,259)
22	5. Finance expenses	(9,409,728,468)	(8,622,467,470)
23	6. General and administrative expenses	(241,591,200,468)	(215,608,677,714)
24	7. Other expenses	(1,034,965,238)	(1,476,989,243)
50	8. Accounting (loss)/profit before tax	(44,386,527,241)	2,288,372,134
51	9. Current corporate income tax expense	(543,163,301)	(2,347,201,560)
52	10. Deferred tax income/(expense)	7,506,919,769	(560,873,281)
60	11. Net loss after tax	(37,422,770,773)	(619,702,707)

Liberty Insurance Limited

INCOME STATEMENT (continued)
Part 2: OPERATIONAL INCOME STATEMENT
for the year ended 31 December 2025

B02 - DNPNT

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Insurance revenue		651,826,257,274	643,068,114,282
	<i>In which:</i>			
01.1	Gross written premium	19	616,479,059,066	674,553,143,437
01.2	Reinsurance premium assumed	19.1	75,118,721	1,587,345,725
01.3	Decrease/(Increase) in gross unearned premium reserve	17.1	35,272,079,487	(33,072,374,880)
02	2. Reinsurance premium ceded		(35,966,709,852)	(28,915,124,629)
	<i>In which:</i>			
02.1	Reinsurance premium ceded	20	(32,758,361,776)	(29,662,420,789)
02.2	(Decrease)/Increase in ceded unearned premium reserve	17.1	(3,208,348,076)	747,296,160
03	3. Net insurance premium		615,859,547,422	614,152,989,653
04	4. Commission on reinsurance ceded and other insurance income		1,218,889,632	4,537,351,357
	<i>In which:</i>			
04.1	Commission on reinsurance ceded		1,218,889,632	4,537,351,357
10	5. Insurance operating income		617,078,437,054	618,690,341,010
11	6. Claim expenses		(299,521,549,507)	(279,290,299,373)
	<i>In which:</i>			
11.1	Claim expenses	21.1	(299,521,549,507)	(279,290,299,373)
12	7. Recoveries from reinsurance ceded	21.2	579,767,329	4,975,735,651
13	8. Increase in direct and reinsurance assumed claim reserves	17.1	(19,828,080,727)	(16,062,598,289)
14	9. Increase/(Decrease) in reinsurance ceded claim reserves	17.1	456,359,729	(534,418,559)
15	10. Net claim expenses	21	(318,313,503,176)	(290,911,580,570)
16	11. Increase in catastrophe reserve	17.2	(5,837,958,160)	(6,464,780,684)

Liberty Insurance Limited

INCOME STATEMENT (continued)
Part 2: OPERATIONAL INCOME STATEMENT (continued)
for the year ended 31 December 2025

B02 - DNPNT

VND

Code	ITEMS	Notes	Current year	Previous year
17	12. Other operating expenses		(157,228,677,207)	(169,397,187,005)
	<i>In which:</i>			
17.1	Commission expenses		(53,818,490,657)	(53,876,729,453)
17.2	Other underwriting expenses	22	(103,410,186,550)	(115,520,457,552)
18	13. Total insurance operating expenses		(481,380,138,543)	(466,773,548,259)
19	14. Gross insurance operating profit		135,698,298,511	151,916,792,751
23	15. Finance income		69,733,897,991	69,581,756,036
24	16. Finance expenses		(9,409,728,468)	(8,622,467,470)
25	17. Profit from financial activities	23	60,324,169,523	60,959,288,566
26	18. General and administrative expenses	24	(241,591,200,468)	(215,608,677,714)
30	19. Net operating loss		(45,568,732,434)	(2,732,596,397)
31	20. Other income		2,217,170,431	6,497,957,774
32	21. Other expenses		(1,034,965,238)	(1,476,989,243)
40	22. Other profit		1,182,205,193	5,020,968,531
50	23. Accounting (loss)/profit before tax		(44,386,527,241)	2,288,372,134
51	24. Current corporate income tax expense	25.2	(543,163,301)	(2,347,201,560)
52	25. Deferred tax Income/(Expense)	25.3	7,506,919,769	(560,873,281)
60	26. Net loss after tax		(37,422,770,773)	(619,702,707)

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Ms. Truong Thuy Trinh
Preparer

Ms. Ly Boi Lang
Chief Accountant

Ms. Tran Thi To Nga
General Director

Ho Chi Minh City, Vietnam

20 March 2026


Liberty Insurance Limited


CASH FLOW STATEMENT
for the year ended 31 December 2025


B03 - DNPNT

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net (loss)/profit before tax		(44,386,527,241)	2,288,372,134
	<i>Adjustments for:</i>			
02	Depreciation and amortization	10,11	5,392,348,873	5,490,306,547
03	Provisions and reserves		(1,173,842,219)	55,386,876,252
04	Unrealized foreign exchange loss/(gain)		2,679,816,914	(3,891,548,881)
05	Gain from investing activities		(58,955,605,890)	(58,547,657,940)
08	Operating (loss)/profit before changes in working capital		(96,443,809,563)	726,348,112
09	(Increase)/decrease in receivables		(11,157,804,317)	9,566,994,905
11	(Decrease)/increase in payables		(2,251,118,161)	11,008,177,457
12	Decrease/(increase) in prepaid expenses		15,356,017,150	(10,951,672,884)
15	Corporate income tax paid	14	(2,856,217,851)	(2,455,798,781)
20	Net cash flows (used in)/from operating activities		(97,352,932,742)	7,894,048,809
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Payments for purchase of fixed assets		(1,209,250,824)	(4,359,876,603)
23	Payments for purchase of investments		(1,109,216,158,968)	(1,359,407,000,641)
24	Proceeds from collection of investments		1,142,559,500,659	1,281,521,816,986
27	Interest income received		61,210,693,202	85,971,360,752
30	Net cash flow from investing activities		93,344,784,069	3,726,300,494
50	Net change in cash and cash equivalents		(4,008,148,673)	11,620,349,303
60	Cash and cash equivalents at beginning of year	4	124,857,162,940	109,345,264,756
61	Impact of exchange rate fluctuation		(2,679,816,914)	3,891,548,881
70	Cash and cash equivalents at end of year	4	118,169,197,353	124,857,162,940


Ms. Truong Thuy Trinh
Preparer


Ms. Ly Boi Lang
Chief Accountant


Ms. Tran Thi To Nga
General Director



Ho Chi Minh City, Vietnam

20 March 2026

1. CORPORATE INFORMATION

Liberty Insurance Limited Company ("the Company") is a 100% foreign-owned limited liability company with one member incorporated in Vietnam pursuant to the License for Establishment and Operation No. 40GP/KDBH issued by the MoF on 15 November 2006 and the latest Amended Business License No. 40/GPDC7/KDBH issued by the MoF on 8 November 2017.

The current principal activities of the Company are:

- to provide general insurance products including health and personal accident insurance; property and casualty insurance; cargo insurance transported by road, sea, river, railway and airway; automobile insurance; fire insurance; general liability insurance; credit and finance risk insurance and business interruption insurance;
- to assume and cede reinsurance of all lines of general insurance; and
- to conduct activities in risk and loss prevention and minimization; loss survey; agent for loss survey services; claim settlement; third party recovery settlement; fund management and capital investment and other business operations that are in line with prevailing laws and regulations.

The Company's head office is located at Vincom Office Building, 45A Ly Tu Trong Street, Sai Gon Ward, Ho Chi Minh City, Vietnam. The Company has two (2) branches in Ha Noi and Hai Phong. At 31 December 2025, these branches are located at Hanoi Lotte Center Building, 54 Lieu Giai Street, Giang Vo Ward, Ha Noi City, Vietnam and at 17 Area B1, Block 7B, Le Hong Phong Street, Ngo Quyen Ward, Hai Phong, Vietnam.

The number of the Company's employees as at 31 December 2025 was 298 (31 December 2024: 314).

2. BASIS OF PREPARATION

2.1 *Accounting standard and system*

The financial statements of the Company ("the Company") expressed in Vietnam dong ("VND"), are prepared in accordance with Circular No. 232/2012/TT-BTC dated 28 December 2012 providing accounting guidance for non-life insurance, reinsurance and branch of foreign non-life insurance companies; Circular No. 200/2014/TT-BTC dated 22 December 2014 ("Circular 200") guiding the accounting regime for enterprises and with Vietnamese Accounting Standards issued by the MoF as per the:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying financial statements, including their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

Liberty Insurance Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

B09 - DNPNT

2. BASIS OF PREPARATION (continued)

2.2 *Applied accounting documentation system*

The Company's applied accounting documentation system is the Journal Ledger system.

2.3 *Fiscal year*

The Company's fiscal year applicable for the preparation of its financial statements starts on 1 January and ends on 31 December.

2.4 *Accounting currency*

The financial statements are prepared in VND which is also the Company's accounting currency.

2.5 *Accounting regulation issued but not yet effective*

On 27 October 2025, the Ministry of Finance issued Circular No. 99/2025/TT-BTC providing guidance on the enterprise accounting regime ("Circular 99"), replacing Circular No. 200/2014/TT-BTC providing guidance on the enterprise accounting regime issued by the Ministry of Finance on 22 December 2014 and several other related regulations. Circular 99 takes effect from 1 January 2026 and applies to enterprises with a financial year beginning on or after 1 January 2026.

The Company is in the process of assessing the impact of Circular 99 on the preparation and presentation of its financial statements and will implement Circular 99 for the financial year ending 31 December 2026.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Change in accounting policies and disclosures*

The accounting policies adopted by the Company in preparation of the financial statements for the year ended 31 December 2025 are consistent with those followed in the preparation of the Company's financial statements for the year ended 31 December 2024.

3.2 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.3 *Receivables*

Receivables are presented in the financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.3 Receivables (continued)**

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the income statement.

Details the provision rates for overdue receivables are as follows:

<u>Overdue status</u>	<u>Provision rate</u>
From six (6) months to less than one (1) year	30%
From one (1) to less than two (2) years	50%
From two (2) to less than three (3) years	70%
From three (3) years and above	100%

3.4 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the balance sheet and amortized over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

3.5 Fixed assets

Fixed assets are stated at cost less accumulated depreciation/amortization.

The cost of a fixed asset comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use.

Expenditure for additions, improvements and renewals are capitalized and expenditure for maintenance and repairs are charged to the income statement.

When assets are sold or retired, their cost and accumulated depreciation/amortization are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

3.6 Depreciation and amortization

Depreciation and amortization of tangible and intangible assets are calculated on a straight-line basis over the estimated useful lives of these assets as follows:

Furniture and fixtures	2 - 5 years
Computer equipment	3 years
Office equipment	3 years
Motor vehicles	3 years
Computer software	3 - 5 years

3.7 Construction in progress

Properties in the course of construction for operation, rental or administrative purposes, or for the purposes not yet determined, are carried at cost. Cost includes professional fees, and other expenses for qualifying assets, with in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continue)

3.8 *Leased assets*

The determination of whether an arrangement is, or contains a lease, is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of specific assets and the arrangement conveys a right to use the asset.

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

Rentals under operating lease contracts are charged to the income statement on a straight-line basis over the term of the lease.

3.9 *Investments*

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the financial statements and deducted against the value of such investments.

3.10 *Payables and accruals*

Payables and accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

3.11 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting year for all employees who have been in service for more than 12 months up to the balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code and related implementing guidance.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 46 of the Labour Code.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Technical reserves

The technical reserves include: (i) unearned premium reserve, (ii) claim reserve and (iii) catastrophe reserve. The reserving methodologies are based on Circular No. 67/2023/TT-BTC dated 2 November 2023 ("Circular 67"), Decree No. 46/2023/ND-CP dated 1 July 2023 of the MoF ("Decree 46") and Official Letter No. 16100/BTC-QLBH dated 16 October 2025 issued by the MoF. Details of such reserving methodologies as at 31 December 2025 are as follows:

a. *For general insurance policies:*

(i) *Unearned premium reserve*

Establishment method based on the coefficient of the insurance policy term: Daily pro-rata method outlined in Point c, Clause 2, Article 35, Circular 67, as follows:

This method may be employed for calculating the unearned premium reserve for insurance/reinsurance policies of different terms according to the following formula:

$$\text{Unearned premium reserve} = \frac{\text{Premium} * \text{Remaining day of the insurance/reinsurance policy}}{\text{Number of coverage days}}$$

(ii) *Claim reserves*

Method of establishing claim reserves according to statistics on claim records outlined in Clause 1, Article 36, Circular 67: Under this method, the Company establishes 2 types of reserves:

- ▶ Claim reserve for incurred but not settled ("IBNS") losses (by the end of the fiscal year): Claim reserve is established for each insurance type based on the estimated claim amount for each loss that has been reported but has not been settled by the end of the fiscal year, outlined in Point a, Clause 1, Article 36, Circular 67 of the MoF.
- ▶ Claim reserve for incurred but not reported ("IBNR") losses is establish a rate of 3% of the insurance premium for each insurance types, outlined in Point b, Clause 1, Article 36, Circular 67 of the MoF.

(iii) *Catastrophe reserve*

Annual establishment is 1% of the retained premiums by each insurance type, outlined in Point b, Clause 1, Article 37, Circular 67 of the MoF.

The maximum amount that can be used from the reserves for major losses is calculated for each insurance type according to the following outlined in Point b, Clause 2, Article 37, Circular 67 of the MoF.



3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.12 Technical reserves (continued)

b. For health insurance policies with term less than 1 year:

(i) *Unearned premium reserve*

Establishment method based on the coefficient of the insurance policy term: Daily pro-rata method outlined in Point c, Clause 2, Article 35, Circular 67, as follows:

This method may be employed for calculating the unearned premium reserve for insurance/reinsurance policies of different terms according to the following formula:

$$\text{Unearned premium reserve} = \frac{\text{Insurance premiums * Remaining day of insurance/reinsurance policy}}{\text{Number of coverage days}}$$

(ii) *Claim reserve*

Method of establishing claim reserves according to statistics on claim records outlined in Clause 1, Article 36, Circular 67: Under this method, the Company establishes 2 types of reserves.

- ▶ Claim reserve for incurred but not settled ("IBNS") losses (by the end of the fiscal year): Claim reserve is established for each insurance type based on the estimated claim amount for each loss that has been reported but has not been settled by the end of the fiscal year, outlined in Point a, Clause 1, Article 36, Circular 67 of the MoF; and
- ▶ Claim reserve for incurred but not reported ("IBNR") losses is establish a rate of 3% of the insurance premium for each insurance types, outlined in Point b, Clause 1, Article 36, Circular 67 of the MoF.

(iii) *Balancing reserve*

Annual establishment is 1% of the retained premiums by each insurance type, outlined in Clause 3, Article 40 and Point b, Clause 1, Article 37, Circular 67 of the MoF

The maximum amount that can be used from the reserves for major losses is calculated for each insurance type according to the following outlined in Clause 3, Article 40, Circular 67 of the MoF.

3.13 Statutory reserve

The statutory reserve is established in order to supplement the Company's charter capital and ensure its solvency. Appropriation to the statutory reserve fund is made annually at 5% of profit after tax until it reaches 10% of charter capital in compliance with Article 54, Decree 46.

3.14 Foreign currency transactions

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment;
- ▶ Capital contributions are recorded at the buying exchange rates of the commercial banks designated for capital contribution; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Foreign currency transactions (continued)

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the balance sheet dates which are determined as follows:

- ▶ Monetary assets are translated at buying exchange rate of the commercial bank where the Company conduct transactions regularly; and
- ▶ Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conduct transactions regularly.

All exchange differences incurred during the year and arising from the revaluation of monetary accounts denominated in foreign currency at year-end are taken to the income statement.

3.15 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

(i) Gross written premium

Gross written premiums are recognized in accordance with Circular 67 on guidelines for the accounting policies on non-life insurers, reinsurers, insurance brokers and branches of foreign non-life insurers.

Accordingly, gross written premium is recognized as revenues from insurance business as follows: (1) When the insurance policy has been concluded between the insurer or foreign branch of non-life insurer and the policyholder has paid the full premium; (2) there is evidence about coverage acceptance and the insured has paid full premium; (3) when the insurance policy has been concluded and the Company has an agreement with the policyholder on the premium payment period, the Company shall record revenues from the premium that the policyholder must pay according to the agreement in the insurance policy at the beginning of the insurance period; (4) when the insurance policy has been concluded and there is an agreement for the policyholder to pay the premium in installments under the insurance policy, the Company record revenues from the premium corresponding to the period or periods of premium that have incurred, and shall not record revenues from the premium that has not yet come due for the policyholder to pay according to the agreement under the insurance policy.

Insurance policies that were signed before the effective date of the Law on Insurance Business 2022 and still have contractual terms will continue to be implemented as per the regulations of the Law at the time the insurance policy was signed, unless the parties involved in the insurance policy have an agreement to modify or supplement the contract to comply with the Law on Insurance Business 2022 and to apply the elaboration of the Law on Insurance Business 2022.

Advance premium before due date is recorded as "Short-term unearned revenue" in the balance sheet as at the balance sheet date.

(ii) Interest

Revenue is recognized as the interest accrues (taking into account the effective yield on the asset) unless recoverability is improbable.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**3.16 Expense recognition***(i) Claim expenses*

Claim expense is recognized at the point of time when the claim documents are completed and approved by authorized personnel. In case there is no conclusion of the final insured amount, but the Company has a certainty that the loss was under the insurance coverage and claimed a part of compensation at the request of customers, this claim payment was also recorded as claim expense.

(ii) Commission expenses

Commission expense is recognized when incurred. Commission expense is calculated at percentage of gross written premium and recognized in the income statement. The percentage of commission over the gross written premium for specific line of insurance is stipulated in Circular 67. At the end of accounting period, commission expenses are amortized and recognized in the income statement in proportion to the earned premium.

(iii) Bonus and supporting fee for agent

According to Clause 1, Article 52, Circular 67 of MoF, bonuses and support for insurance agents and other benefits as agreed in the agency contracts are provided as follows:

For health insurance: Total bonuses, support, and other benefits of insurance agents do not exceed 100% of the insurance agent commission of all health insurance policies marketed in the fiscal year;

For non-life insurance: Total bonuses, support, and other benefits of insurance agents do not exceed 50% of the insurance agent commission of all non-life insurance policies marketed in the fiscal year.

(iv) Other general administrative expenses

Other general and administrative expense is recognized on accrual basis.

3.17 Recognition of reinsurance activities*(i) Reinsurance ceded*

Reinsurance premium ceded under treaty reinsurance agreements are recognized when gross written premiums within the scope of the treaty agreements are recognized.

Reinsurance premium ceded under facultative reinsurance agreements is recognized when the facultative reinsurance agreement has been entered into by the Company and when gross written premiums within the scope of the facultative agreements are recognized.

Reinsurance recovery is recognized when there is evidence of liability on the part of the reinsurer.

Ceded reinsurance commission is recognized when there is a corresponding reinsurance premium ceded. At the end of accounting period, the part of ceded reinsurance commission which is not included in income of period corresponding with unearned premium of reinsurance ceded must be determined and allocated in the subsequent periods using the approved method from the MoF for unearned premium reserve as mentioned at Point 3.12.

(ii) Reinsurance assumed

Reinsurance assumed under facultative arrangement:

- ▶ Reinsurance premium assumed is recognized when the facultative reinsurance agreement has been entered into by the Company and a statement of account (for each facultative reinsurance agreement) has been received from the cedants;

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Recognition of reinsurance activities (continued)

(ii) Reinsurance assumed (continued)

Reinsurance assumed under facultative arrangement: (continued)

- ▶ Claim expenses for reinsurance assumed is recognized when there is evidence of liability of the Company and when a statement of account has been sent to the Company; and
- ▶ Assumed reinsurance commission is recognized when the reinsurance premium is assumed and when a statement of account has been sent to the Company. At the end of accounting period, the part of reinsurance commission which is not included in expenses of period corresponding with unearned premium of reinsurance assumed must be determined and allocated in the subsequent periods using the approved method from the MoF for unearned premium reserve as mentioned at Point 3.12.

3.18 Taxation

3.18.1 Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rate and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the income statement, except when it relates to items recognized directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to set off current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

3.18.2 Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Previously unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied in the years when the asset is realized or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in the equity account.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Taxation (continued)

3.18.2 Deferred tax (continued)

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 taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Company intends either settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.19 Financial instruments

Financial instruments – initial recognition and presentation

Financial assets

Financial assets within the scope of Circular No. 210 /2009/TT-BTC dated 6 November 2009 issued by the MoF providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") are classified, for disclosures in the notes to the financial statements, as financial assets at fair value through profit or loss, held-to-maturity investments, loans and receivables or available-for-sale financial assets as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at cost plus directly attributable transaction costs.

The Company's financial assets include cash, short-term and long-term deposits, trade and other receivables, insurance deposit and other deposits, reinsurance assets and unquoted financial instruments.

Financial liabilities

Financial liabilities within the scope of Circular 210 are classified, for disclosures in the notes to the financial statements, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost as appropriate. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at cost net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, claim reserves and accrued expense.

Financial instruments – subsequent measurement

There is currently no guidance in Circular 210 in relation to subsequent re-measurement of financial instruments. Accordingly, the financial instruments are subsequently re-measured at cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.20 Use of estimates

The preparation of the financial statements requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the income and expenses and the resultant provisions. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

3.21 Related parties

Parties are considered to be related parties of the group if one party has the ability to control the other parties or exercise significant influence over the other party in making financial and operating decisions, or when the group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of their families.

4. CASH AND CASH EQUIVALENTS

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Demand deposits at banks	118,169,197,353	124,857,162,940
<i>In VND (*)</i>	<i>26,241,249,900</i>	<i>28,681,513,135</i>
<i>In USD</i>	<i>91,927,947,453</i>	<i>96,175,649,805</i>
	<u>118,169,197,353</u>	<u>124,857,162,940</u>

(*) As at 6 December 2022, the Company requested the bank to issue a guarantee commitment to participate in the bidding with the amount of VND1,000,000,000 (In words: VND one billion). At 3 July 2024, the Company signed an Agreement on amendments and supplements to the effective period of the Letter of Guarantee from 6 December 2022 to 3 January 2025. Accordingly, the company has deposited this amount at the bank on 31 December 2024. As at 31 December 2025, the Company had received this deposit back into its bank account.

5. INVESTMENTS

	Ending balance		Beginning balance		VND
	Cost	Carrying value	Cost	Carrying value	
Short-term					
Term deposits (i) (*)	1,088,296,158,968	1,088,296,158,968	1,121,639,500,659	1,121,639,500,659	
	1,088,296,158,968	1,088,296,158,968	1,121,639,500,659	1,121,639,500,659	
Long-term					
Government bonds (ii)	150,000,000,000	179,824,555,354	150,000,000,000	187,632,227,415	
	150,000,000,000	179,824,555,354	150,000,000,000	187,632,227,415	
	1,238,296,158,968	1,268,120,714,322	1,271,639,500,659	1,309,271,728,074	

(i) Term deposits have original terms of more than three (3) months and remaining periods up to one (1) year, and earn annual interest at rates ranging from 4.1% p.a. to 6.7% p.a.

(ii) Long term Government bonds have remaining terms from more than one (1) year and earn annual interest at rates ranging from 7.2% p.a. to 8.8% p.a.

(*) As at 18 August 2025, the Company requested the bank to issue a guarantee commitment to participate in the bidding with the amount of VND1,000,000,000 (In words: VND one billion), with the effective period of the Letter of Guarantee from 18 August 2025 to 18 August 2026. Accordingly, the company has deposited this amount at the bank on 31 December 2025.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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6. SHORT-TERM RECEIVABLES

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Insurance receivables	35,161,432,848	33,194,341,136
Direct insurance and assumed premium receivables	35,054,398,857	32,277,218,214
Reinsurance claim recoveries	7,774,346	749,892,231
Co-insurance receivables	99,259,645	167,230,691
Other receivables	50,786,098,228	45,836,279,865
Interest receivables	42,810,235,668	37,257,650,919
Other short-term mortgages, deposits	300,270,166	703,831,726
Other short-term receivables	7,675,592,394	7,874,797,220
Provision for doubtful debts	(7,531,383,632)	(7,492,555,387)
	<u>78,416,147,444</u>	<u>71,538,065,614</u>

7. UNALLOCATED COMMISSION EXPENSES

Unallocated commission expenses were the part of commission expenses which were not included in expenses of the year corresponding with direct and reinsurance unearned premium and will be allocated in subsequent years in accordance with Circular 232.

	VND	
	<u>Current year</u>	<u>Previous year</u>
Beginning balance	27,960,808,499	25,203,225,179
Commission paid during the year	50,277,998,427	54,857,473,373
Allocated to expenses during the year	(52,723,227,517)	(52,099,890,053)
Ending balance	<u>25,515,579,409</u>	<u>27,960,808,499</u>

8. INSURANCE DEPOSIT

Statutory insurance deposit is a deposit calculated at 2% of the minimum charter capital according to regulations in Insurance Business Law No. 08/2022/QH15 and Decree 46/2023/ND-CP. As at 31 December 2025, the company had made a deposit at the Joint Stock Commercial Bank for Foreign Trade of Vietnam, Ho Chi Minh, with an amount of VND 8,000,000,000 and earns interest at rates ranging from 6.7% per annum (31 December 2024: VND 8,000,000,000 earned interest rate of 4.1% p.a. to 4.8% per annum).

9. OTHER LONG-TERM RECEIVABLES

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Deposits for offices rental	6,814,633,043	6,257,619,320
Others	81,583,334	22,250,000
	<u>6,896,216,377</u>	<u>6,279,869,320</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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11. INTANGIBLE ASSETS

	VND
	<u>Computer software</u>
Cost	
Beginning balance	48,076,625,358
New purchase	810,170,100
Transferred from construction in progress	1,544,427,913
Ending balance	<u>50,431,223,371</u>
<i>In which:</i>	
<i>Fully depreciated</i>	38,549,846,035
Accumulated amortization	
Beginning balance	41,562,374,922
Amortised for the year	4,091,814,491
Ending balance	<u>45,654,189,413</u>
Net carrying amount	
Beginning balance	<u>6,514,250,436</u>
Ending balance	<u>4,777,033,958</u>

12. CONSTRUCTION IN PROGRESS

	<u>Ending balance</u>	<u>Beginning balance</u>
Developed software	<u>745,445,145</u>	<u>1,923,682,334</u>

13. SHORT-TERM TRADE PAYABLES

	VND	
	<u>Ending balance</u>	<u>Beginning balance</u>
Trade payables for insurance activities	19,821,245,894	23,750,662,639
Commission payables	10,140,966,732	8,755,000,803
Claim payables	3,544,277,569	5,922,627,874
Reinsurance premium payables	1,703,521,455	4,359,281,314
Refund premium payables	1,518,823,917	1,895,400,850
Co-insurance premium payables	64,956,793	84,492,493
Others	2,848,699,428	2,733,859,305
Other trade payables	291,048,043	353,191,797
Trade payables to suppliers	291,048,043	353,191,797
	<u>20,112,293,937</u>	<u>24,103,854,436</u>

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14. TAX AND OTHER STATUTORY OBLIGATIONS

VND				
<i>Payables</i>	<i>Beginning balance</i>	<i>Movement during the year</i>		<i>Ending balance</i>
		<i>Payable</i>	<i>Paid</i>	
Value added tax	4,233,165,328	21,628,215,182	(22,832,750,897)	3,028,629,613
Personal income tax	1,857,702,878	25,668,903,725	(26,070,275,159)	1,456,331,444
Foreign withholding tax	1,090,638,033	4,069,101,079	(4,857,419,146)	302,319,966
Personal income tax of agents	201,250,966	1,996,533,142	(2,016,225,408)	181,558,700
	7,382,757,205	53,362,753,128	(55,776,670,610)	4,968,839,723

VND				
<i>Receivables</i>	<i>Beginning balance</i>	<i>Movement during the year</i>		<i>Ending balance</i>
		<i>Payable</i>	<i>Paid</i>	
Corporate income tax	296,817,513	850,359,928	(2,856,217,851)	(1,709,040,410)
	296,817,513	850,359,928	(2,856,217,851)	(1,709,040,410)

15. SHORT-TERM ACCRUED EXPENSES

VND		
	<i>Ending balance</i>	<i>Beginning balance</i>
Performance bonus	40,689,888,298	24,238,486,719
Other operating expenses	9,513,517,891	18,145,793,481
	50,203,406,189	42,384,280,200

16. UNEARNED COMMISSION INCOME

Unearned commission income was the part of commission which was not allocated in income of the year corresponding with reinsurance ceded unearned premium and will be allocated in subsequent year in accordance with Circular 232.

VND		
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	1,692,850,795	1,467,228,602
Increased during the year	227,092,036	4,071,988,171
Allocated to income during the year (*)	(1,883,352,115)	(3,846,365,978)
Ending balance	36,590,716	1,692,850,795

(*) In 2025, the Company recognized a decrease in unearned reinsurance commission revenue of VND 732,139,406 due to the termination of the reinsurance agreement with Liberty Mutual Insurance Company.

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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17. TECHNICAL RESERVES

17.1. Claim reserve and unearned premium reserve

	Ending balance		Beginning balance		VND
	Direct insurance premium and assumed reinsurance premium	Ceded reinsurance premium	Direct insurance premium and assumed reinsurance premium	Ceded reinsurance premium	
Claim reserve	100,900,212,458	1,817,787,421	81,072,131,731	4,421,673,313	76,650,458,418
- Outstanding case claim reserve	82,403,587,137	835,036,572	60,787,917,063	3,531,800,688	57,256,116,375
- IBNR claim reserve	18,496,625,321	982,750,849	20,284,214,668	889,872,625	19,394,342,043
Unearned premium reserve	304,405,298,182	762,924,300	339,677,377,669	6,591,236,789	333,086,140,880
	405,305,510,640	2,580,711,721	420,749,509,400	11,012,910,102	409,736,599,298

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17. TECHNICAL RESERVES (continued)

17.1. Claim reserve and unearned premium reserve (continued)

In particular:

	Current year		Previous year		VND
	Direct insurance and assumed reinsurance	Ceded reinsurance	Net amount	Net amount	
Claim reserve					
Beginning balance	81,072,131,731	4,421,673,313	76,650,458,418	65,009,533,442	60,053,441,570
Movement during the year	19,828,080,727	456,359,729	19,371,720,998	16,062,598,289	16,597,016,848
Receipt from reinsurer	-	(3,060,245,621)	3,060,245,621	-	-
Ending balance	100,900,212,458	1,817,787,421	99,082,425,037	81,072,131,731	76,650,458,418
Unearned premium reserve					
Beginning balance	339,677,377,669	6,591,236,789	333,086,140,880	306,605,002,789	300,761,062,160
Movement during the year	(35,272,079,487)	(3,208,348,076)	(32,063,731,411)	33,072,374,880	32,325,078,720
Receipt from reinsurer	-	(2,619,964,413)	2,619,964,413	-	-
Ending balance	304,405,298,182	762,924,300	303,642,373,882	339,677,377,669	333,086,140,880

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NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

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17. TECHNICAL RESERVES (continued)

17.2 Catastrophe reserve

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	105,279,978,406	98,815,197,722
Increase	5,837,958,160	6,464,780,684
Ending balance	111,117,936,566	105,279,978,406

18. OWNER'S EQUITY

18.1 Changes in owner's equity

	VND			
	<i>Contributed charter capital</i>	<i>Statutory reserve fund</i>	<i>Accumulated losses</i>	<i>Total</i>
Previous year				
Beginning balance	1,204,072,000,000	22,892,022,695	(254,294,216,105)	972,669,806,590
Net loss for the year	-	-	(619,702,707)	(619,702,707)
Ending balance	1,204,072,000,000	22,892,022,695	(254,913,918,812)	972,050,103,883
Current year				
Beginning balance	1,204,072,000,000	22,892,022,695	(254,913,918,812)	972,050,103,883
Net loss for the year	-	-	(37,422,770,773)	(37,422,770,773)
Ending balance	1,204,072,000,000	22,892,022,695	(292,336,689,585)	934,627,333,110

18.2 Contributed charter capital

	<i>Contributed capital (VND)</i>	<i>Total contributed charter capital as per License for Establishment and Operation (VND)</i>	<i>Ownership %</i>
Liberty UK and Europe Holdings Limited.	1,204,072,000,000	1,204,072,000,000	100

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19. GROSS WRITTEN PREMIUM

	VND	
	<u>Current year</u>	<u>Previous year (restated)</u>
Automobile Insurance	397,184,938,043	424,201,740,378
Health and Personal Accident Insurance	183,406,294,805	214,268,271,699
Fire Insurance	25,144,834,904	26,469,767,974
Liability Insurance	6,250,967,593	5,870,930,293
Cargo Insurance	3,699,802,926	3,591,381,830
Property and Damage Insurance	792,220,795	151,051,263
	<u>616,479,059,066</u>	<u>674,553,143,437</u>

19.1 Reinsurance premium assumed

	VND	
	<u>Current year</u>	<u>Previous year (restated)</u>
Fire Insurance	75,118,721	1,527,725,452
Property and Damage Insurance	-	59,620,273
	<u>75,118,721</u>	<u>1,587,345,725</u>

20. REINSURANCE PREMIUM CEDED

	VND	
	<u>Current year</u>	<u>Previous year (restated)</u>
Automobile Insurance	22,716,866,843	10,035,156,714
Liability Insurance	4,246,587,973	4,623,685,388
Health and Personal Accident Insurance	3,389,157,967	1,060,765,099
Fire Insurance	2,050,864,521	12,804,222,403
Cargo Insurance	341,352,200	1,057,819,319
Property and Damage Insurance	13,532,272	80,771,866
	<u>32,758,361,776</u>	<u>29,662,420,789</u>

21. NET CLAIM EXPENSES

	VND	
	<u>Current year</u>	<u>Previous year (restated)</u>
Direct claim expenses (Note 21.1)	299,521,549,507	279,290,299,373
Recoveries from reinsurance ceded (Note 21.2)	(579,767,329)	(4,975,735,651)
Increase in direct and reinsurance assumed claim reserve (Note 17.1)	19,828,080,727	16,062,598,289
(Increase)/Decrease in reinsurance ceded claim reserve (Note 17.1)	(456,359,729)	534,418,559
	<u>318,313,503,176</u>	<u>290,911,580,570</u>

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21. NET CLAIM EXPENSES (continued)

21.1 Direct claim expenses

	VND	
	<u>Current year</u>	<u>Previous year (restated)</u>
Automobile Insurance	210,038,637,543	190,678,645,209
Health and Personal Accident Insurance	84,698,750,503	82,356,632,182
Fire Insurance	2,479,872,859	4,438,910,851
Cargo Insurance	1,554,000,611	1,600,308,731
Liability Insurance	750,287,991	215,802,400
	<u>299,521,549,507</u>	<u>279,290,299,373</u>

21.2 Recoveries from reinsurance ceded

	VND	
	<u>Current year</u>	<u>Previous year (restated)</u>
Liability Insurance	381,174,711	145,811,366
Fire Insurance	142,346,771	1,843,161,873
Cargo Insurance	56,245,847	320,061,804
Automobile Insurance	-	2,666,700,608
	<u>579,767,329</u>	<u>4,975,735,651</u>

22. OTHER UNDERWRITING EXPENSES

	VND	
	<u>Current year</u>	<u>Previous year</u>
Allowances for sales staff	69,487,556,956	70,135,419,745
Operating expenses	25,526,352,370	34,655,799,284
Loss prevention expenses	3,708,452,317	5,490,000,083
Compulsory funds	616,698,188	486,033,865
Other expenses	4,071,126,719	4,753,204,575
	<u>103,410,186,550</u>	<u>115,520,457,552</u>

23. PROFIT FROM FINANCIAL ACTIVITIES

	VND	
	<u>Current year</u>	<u>Previous year</u>
Finance income	69,733,897,991	69,581,756,036
Interest income	66,763,277,951	65,552,345,001
Foreign exchange gain	2,969,190,321	3,990,033,006
Other finance income	1,429,719	39,378,029
Finance expenses	9,409,728,468	8,622,467,470
Amortization of bond premium	7,807,672,061	7,004,687,061
Other finance expenses	1,602,056,407	1,617,780,409
	<u>60,324,169,523</u>	<u>60,959,288,566</u>

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24. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<u>Current year</u>	<u>Previous year</u>
Salary and allowances	144,535,176,260	106,239,921,161
Expenses for external services	71,192,818,417	76,016,241,639
Computer related cost	13,025,809,704	14,475,940,936
Depreciation and amortization expenses (Note 10, 11)	5,392,348,873	5,490,306,547
Taxes, fees, and charges	3,136,325,193	6,081,888,946
Bad debt provision expense	38,828,245	253,305,458
Other expenses	4,269,893,776	7,051,073,027
	<u>241,591,200,468</u>	<u>215,608,677,714</u>

25. CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits (2024: 20%).

The Company's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

25.1 Corporate income tax

The current tax payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

	VND	
	<u>Current year</u>	<u>Previous year</u>
Current corporate income tax expense (Note 25.2)	-	2,209,488,702
Adjustment for under accrual of tax from prior years (Note 25.2)	543,163,301	137,712,858
Deferred tax (income)/expense (Note 25.3)	(7,506,919,769)	560,873,281
Corporate income tax (income)/expenses	<u>(6,963,756,468)</u>	<u>2,908,074,841</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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25. CORPORATE INCOME TAX (continued)

25.2 Current corporate income tax expense

The reconciliation between accounting profit and taxable profit/(loss) is presented as follows:

	VND	
	<u>Current year</u>	<u>Previous year</u>
Accounting (loss)/profit before tax	(44,386,527,241)	2,288,372,134
At CIT rate of 20% (2024: 20%)	(8,877,305,448)	457,674,427
<i>Adjustments to increase:</i>		
Non-deductible expenses	1,370,385,679	2,312,687,556
Gain on foreign currencies which was realized in the year	495,084,059	334,934,037
Change in accrued expenses	4,952,210,632	(117,497,542)
Adjustment for under accrual of tax from prior years (*)	543,163,301	137,712,858
<i>Adjustments to decrease:</i>		
Unrealized foreign exchange gain	(535,963,383)	(778,309,776)
Estimated current income tax expense	<u>543,163,301</u>	<u>2,347,201,560</u>

(*) In 2025, the Company had adjusted its corporate income tax in accordance with Decision No. 111/QĐ-XPHC dated 10 January 2026 issued by the Ho Chi Minh City Tax Department, and paid the additional corporate income tax on 12 January 2026.

25.3 Deferred tax assets

The following are the deferred tax assets recognised by the Company, and the movements thereon, during the current year and previous year.

	VND			
	<u>Balance sheet</u>		<u>Income statement</u>	
	<u>Ending balance</u>	<u>Beginning balance</u>	<u>Current year</u>	<u>Previous year</u>
Deferred tax assets				
Tax losses available to offset against future taxable income	2,595,588,455	-	2,595,588,455	-
Accrued expenses	10,463,934,205	5,511,723,567	4,952,210,638	(117,497,542)
Provision for doubtful debts	1,368,051,275	1,368,051,275	-	-
Impact of exchange rate fluctuations	(62,648,512)	(21,769,188)	(40,879,324)	(443,375,739)
	<u>14,364,925,423</u>	<u>6,858,005,654</u>	<u>7,506,919,769</u>	<u>(560,873,281)</u>
Net deferred tax assets	<u>14,364,925,423</u>	<u>6,858,005,654</u>		
Net deferred tax (expense)/income to income statement			<u>7,506,919,769</u>	<u>(560,873,281)</u>

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NOTES TO THE FINANCIAL STATEMENTS (continued)
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25. CORPORATE INCOME TAX (continued)

25.3 *Deferred tax assets* (continued)

Tax losses carried forward

The Company is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss is incurred. As at 31 December 2025, the company has tax loss carried forward to utilize with the amount of 12,977,942,300 VND.

<i>Originating year</i> VND	<i>Can be utilized up to</i> VND	<i>Tax loss amount</i> VND	<i>Utilized up to 31 Dec 2025</i> VND	<i>Forfeited</i> VND	<i>Unutilized at 31 Dec 2025</i> VND
2025	2030	(12,977,942,300)	-	-	(12,977,942,300)
		(12,977,942,300)	-	-	(12,977,942,300)

The tax losses presented are only estimated amounts as the Company's corporate income tax declarations for previous years have not been audited by the local tax authorities as of the date of these financial statements.

25.4 *Deferred tax assets and deferred tax liabilities due to application of top-up tax under the global anti-base erosion rules*

On 29 August 2025, the Government issued Decree No. 236/2025/ND-CP detailing certain provisions of Resolution No. 107/2023/QH15 dated 29 November 2023 of the National Assembly on the application of additional corporate income tax under the global anti-base erosion rules.

The Company has not recognized deferred corporate income tax assets and defer tax liabilities related to the additional corporate income tax under Resolution 107 as it cannot be reliably determined at this time.

26. OPERATING LEASE COMMITMENTS

The Company leases its office space, house and vehicles for employees under operating lease agreements. Future rental amounts due under the operating lease agreements as at 31 December 2025 are as follows:

	<i>Ending balance</i>	<i>Beginning balance</i>
Less than one (1) year	27,608,425,166	23,110,635,087
From one (1) to five (5) years	13,221,586,841	38,029,885,169
	40,830,012,007	61,140,520,256

27. OFF BALANCE SHEET ITEMS

	<i>Ending balance</i>	<i>Beginning balance</i>
Insurance policies signed but not yet effective – VND	22,304,244,306	21,616,506,237
Foreign currency - USD	3,522,818.45	3,802,611.49

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28. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the current year were as follows:

<i>Related company</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND</i>	
			<i>Current year Revenue/ (expense)</i>	<i>Previous year Revenue/ (expense)</i>
Liberty International Holdings Inc ("LIHI")	Indirect Ownership	Payment on behalf IT Service fee Other service fee	11,418,738,958 (2,350,156,828) (635,123,193)	10,260,225,265 (3,080,758,094) (1,931,040,053)
Liberty Mutual Technology Group, Inc.	Affiliate	IT service fee	(16,337,779,672)	(17,204,137,067)
Liberty Specialty Markets Singapore Pte Limited	Affiliate	Reinsurance premium Reinsurance commission	(2,117,966,928) 174,200,549	(2,115,987,603) 191,262,569
Liberty Mutual Group Asset Management Inc.	Affiliate	Investment fee	(1,473,501,407)	(1,469,025,200)
Liberty Mutual Insurance Company	Affiliate	Reinsurance premium Reinsurance commission Reinsurance claim recoveries	202,532,192 61,872,931 339,920,887	(18,420,914,894) 3,775,980,352 4,742,799,580
Liberty International Insurance Limited (Hong Kong)	Affiliate	Management fee IT service fee and Others Payment on behalf	148,957,902 (77,869,147) 76,070,861	6,346,828,941 (4,381,168,048) (1,294,876,859)
Liberty Insurance Pte Ltd (Singapore)	Affiliate	Management fee IT service fee Payment on behalf	(213,840,795) (1,327,915,121) 57,641,895	1,355,811,340 (1,606,311,914) 1,636,517,206
LMG Insurance Public Company Limited (Thailand)	Affiliate	Management fee IT service fee Payment on behalf	174,918,276 (246,481,778) 98,149,168	6,628,604,086 (1,929,624,069) 1,273,635,430



Liberty Insurance Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)
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28. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to and due from related parties at the balance sheet date were as follows:

<i>Related company</i>	<i>Relationship</i>	<i>Transactions</i>	<i>VND</i>	
			<i>Ending balance Receivable/ (Payable)</i>	<i>Beginning balance Receivable/ (Payable)</i>
Liberty International Holdings Inc ("LIHI")	Indirect Ownership	Payment on behalf IT service fee and Others	752,060,761 (2,185,483,745)	2,379,221,224 (5,288,398,550)
Liberty Specialty Markets Singapore Pte Limited	Affiliate	Reinsurance premium Reinsurance commission	- -	(156,443,546) 40,189,423
Liberty Mutual Group Asset Management Inc.	Affiliate	Investment fee	(361,628,986)	(377,490,474)
Liberty Mutual Insurance Company	Affiliate	Reinsurance premium Reinsurance commission Reinsurance claim recoveries	- - -	(4,454,311,893) 1,787,162,782 621,835,546
Liberty International Insurance Limited (Hong Kong)	Affiliate	IT service fee and Others	-	(357,544,461)
Liberty Insurance Pte Ltd (Singapore)	Affiliate	IT service fee Payment on behalf	- -	(205,441,121) (56,957,940)

Remuneration paid to members of the Members' Council and Management:

	<i>VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Salaries, bonus and other benefits	36,961,255,648	15,885,250,050
	36,961,255,648	15,885,250,050

29. RISK MANAGEMENT FRAMEWORK

29.1 Governance framework

The primary objective of the Company's risk and financial management framework is to protect the Company from events that hinder the sustainable achievement of financial performance objectives. The Members' Council and Management recognize the importance of having efficient and effective risk management systems in place.

The Company has established a procedure with clear terms of reference from the Members' Council. A policy framework has been developed and implemented which sets out the risk profiles for the Company, risk management, control and business conduct standards for the Company's operations. Each policy has a member of the Management charged with overseeing compliance with the policy throughout the Company.

29.2 Risk management objectives, policies and processes for management of insurance risk

The primary insurance activity carried out by the Company is the assumption of risk of loss from persons or organisations that are directly subject to the risk. Such risks may relate to property, liability, accident, health, financial or other perils that may arise from an insured event. As such the Company is exposed to the uncertainty surrounding the timing and severity of claims under the contract. The Company also has exposure to market risk through its insurance and investment activities.

The Company manages its insurance risk through underwriting limits, approval procedures for transactions that involve new products or those exceed set limits, risk diversification, pricing guidelines, reinsurance and monitoring of emerging issues.

29.3 Capital management and regulatory framework

The primary capital management objective of the Company is to maintain a strong capital base to support the development of its business and to comply with regulatory capital requirements at all times. The Company recognizes the impact on returns of the level of equity capital employed and seek to maintain a prudent balance.

Regulatory capital requirements arise from the operations of the Company require the Company to hold assets sufficient to cover liabilities and satisfy the solvency margin requirements in Vietnam. The principal solvency requirements applicable to the Company are those set out in Circular 67.

The table below summarizes the minimum regulatory solvency margin and the solvency margin of the Company. Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the insurance companies are satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Company maintain appropriate solvency position to meet unforeseen liabilities arising from economic shocks or natural disasters.

	<i>Company Solvency Capital VND</i>	<i>Minimum Solvency Margin VND</i>	<i>Solvency Margin Ratio</i>
31 December 2025	879,701,376,737	145,948,954,003	603%
31 December 2024	909,680,697,242	161,619,517,093	563%

The solvency ratio of the Company is calculated based on the relevant regulations promulgated by the MoF in Vietnam.

29. RISK MANAGEMENT FRAMEWORK (continued)

29.4 *Underwriting strategy*

The Company's underwriting strategy seeks diversity to ensure a balanced mix of business portfolio and is based on a large portfolio of similar risks over a number of years and, as such, reduces the variability of the outcome.

29.5 *Reinsurance strategy*

The Company reinsures a portion of the insurance risks it underwrites in order to control its exposures to losses and protect its capital, through treaty and facultative reinsurance arrangements. These reinsurance agreements transfer part of the risk and limit the exposure from loss of each insurance contract. The amount of each risk retained depends on the Company's evaluation of the specific risk, subject in certain circumstances, to maximum limits based on characteristics of coverage. Under the terms of the reinsurance agreements, the reinsurer agrees to reimburse the ceded amount in the event the claim is paid. However, the Company remains liable to its policyholders with respect to ceded portion if any reinsurer fails to meet the obligations it assumes.

Ceded reinsurance contains credit risk, and to minimize such risk, only those reinsurers meeting the Company's credit rating standard, either assessed from public rating information or internally investigations, will be used.

30. MANAGEMENT OF INSURANCE AND FINANCIAL RISK

The Company issues contracts that transfer insurance risk or financial risk or both. The following gives details of the Company's main products and the ways in which it manages the associated risks.

30.1 *Insurance risk*

Assumptions, changes in assumptions and sensitivity analysis

The process used to determine the assumptions is intended to result in estimates of the most likely outcome. The sources of data used as inputs for the assumptions are internal, based on detailed studies that are carried out regularly. The assumptions are checked to ensure that they are consistent with other observable information. There is more emphasis on current trends, and where there is insufficient historical information, prudent assumptions are used.

The nature of the business makes it very difficult to predict with certainty the outcome of any particular claim and the ultimate cost. Each notified claim is assessed on a case by case basis with due regard to the circumstances, information available from loss adjusters and historical evidence of similar claims. Case estimates are reviewed regularly and are updated as and when new information arises. The impact of many of the factors affecting the ultimate loss is difficult to estimate. The provisions are based on information currently available. However, the ultimate liabilities may vary as a result of subsequent developments.

30. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

30.1 Insurance risk (continued)

Assumptions, changes in assumptions and sensitivity analysis (continued)

The key method in calculating the claim reserves is based on Circular 67 issued by the MoF. Details of such reserving methodologies are as follows:

Claim reserve includes the reserve for outstanding case claims and for claims incurred but not reported.

- ▶ Outstanding case claim reserve is established based on the estimated claim payments for each claim for which the insurer is liable, which is either notified to the insurer or requested for payment but is still unresolved at the end of the financial year in accordance to the Circular 67; and
- ▶ Reserve for incurred but not reported claims for which the insurer is liable ("IBNR") is established according to Circular 67 for applying the rate equal to 3% of retained premium for each insurance product.

For general insurance contracts the most significant risks arise from climate changes and natural disasters. Vietnam has suffered heavily from catastrophic losses such as tropical typhoon, river flood, flash flood, heavy rain and landslide. It is expected that tropical typhoon will affect Vietnam regularly with the high severity and insured losses. In view of the exposures, the general insurance has arranged the reinsurance protection for the fire, engineering, motor, marine cargo portfolios against the catastrophic events to minimize the risks.

The above risk exposure is mitigated by diversification across a large portfolio of insurance contracts. The variability of risks is improved by careful selection and implementation of underwriting strategies, which are designed to ensure that risks are diversified in terms of type of risk and level of insured benefits. This is largely achieved through diversification across industry sectors. Further, strict claim review policies to assess all new and ongoing claims, regular detailed review of claims handling procedures and frequent investigation of possible fraudulent claims are all policies and procedures put in place to reduce the risk exposure of the general insurance. The general insurance further enforces a policy of activity managing and promptly pursuing claims, in order to reduce its exposure to unpredictable future developments that can negatively impact the business. Inflation risk is mitigated by taking expected inflation into account when estimating insurance contract liabilities.

The Company has also limited its exposure by imposing maximum claim amounts on certain contracts as well as the use of reinsurance arrangements in order to limit exposure to catastrophic events (e.g. typhoon and flood damages).

The purpose of these underwriting and reinsurance strategies is to limit exposure to catastrophes based on the general insurance's risk appetite as decided by management. The management may decide to increase or decrease the maximum tolerances based on market conditions and other factors.

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30. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

30.1 Insurance risk (continued)

Claim data table

The table below presents estimates of cumulative claim incurred and cumulative payment to date:

Currency: million VND

ITEMS	Accident year					
	2021	2022	2023	2024	2025	Total
At end of accident year	1	2	3	4	5	6
I. Estimate of cumulative claims incurred						
1	241,298	283,467	247,938	298,677	331,291	1,402,672
2	235,024	278,891	242,687	289,784	-	1,046,385
3	234,951	278,818	241,442	-	-	755,212
4	234,963	278,809	-	-	-	513,772
5	234,963	-	-	-	-	234,963
Current estimate of cumulative claims incurred (1)	234,963	278,809	241,442	289,784	331,291	1,376,289
II. Cumulative claim payment						
1	189,881	222,720	202,481	241,050	254,788	1,110,921
2	234,142	278,489	240,429	285,255	-	1,038,314
3	234,858	278,523	240,970	-	-	754,351
4	234,965	278,518	-	-	-	513,484
5	234,965	-	-	-	-	234,965
Cumulative claim payment to date (2)	234,965	278,518	240,970	285,255	254,788	1,294,496
III. Net outstanding claim reserve (3) = (1) – (2)	(2)	291	472	4,529	76,504	81,793
IV. Current estimate of surplus/ (deficit) (4)	-	-	1,714	3,979	76,711	82,404
V. Percentage of current estimate of surplus/ (deficit) over current estimate of cumulative claims incurred (5) = (4)/(1)*100%	0%	0%	1%	1%	23%	6%

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30. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

30.2 Financial risk

The Company's principal financial liabilities comprise trade and other payables. Financial assets of the Company comprise cash and term deposits, bonds, trade and other receivables that arise directly from its operations. The Company does not hold or issue derivative financial instruments.

The Company is exposed to market risk, credit risk and liquidity risk.

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Management reviews and agrees policies for managing each of these risks which are summarized below:

30.2.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. For the Company, market prices comprise two types of risk: interest rate risk and currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to investments in term deposits and bonds.

The Company manages interest rate risk by looking at the competitive structure of the market to obtain rates which are favourable for its purposes within its risk management limits.

A sensitivity analysis is not performed for interest rate risk as the Company's exposure to interest rate risk is minimal at reporting date.

Foreign currency risk

Foreign currency risk is the risk of loss resulting from changes in foreign currency exchange rates. Fluctuations in exchange rates between VND and other currencies in which the Company conducts business may affect its financial condition and results of operations. The foreign current risk facing the Company mainly comes from movements in the USD/VND exchange rate. The Company seeks to limit its exposure to foreign currency risk by minimising its net foreign currency position. Major of the Company financial assets are denominated in VND which mitigates the foreign currency risk. With assets denominated in foreign currency, most of them are in USD.

The table below indicates the effect of a reasonably possible movement of the USD rate against the VND, with all other variables held constant, on the income statement and balance sheet of the Company:

	VND
<i>Increase/decrease in basic points</i>	<i>Impact on profit before tax</i>
31 December 2025	
+2%	1,838,558,949
-2%	(1,838,558,949)
31 December 2024	
+2%	1,923,512,996
-2%	(1,923,512,996)

30. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

30.2 Financial risk (continued)

30.2.2 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financial investment activities, including deposits at banks and other financial instruments.

Trade receivables

The trade receivables, which subject to credit risk, include trade receivables from original insurance and reinsurance activities, advances to customers and other receivable amounts subject to credit risk. Customer credit risk is managed by the Company based on its established policy, procedures and control relating to customer credit risk management.

The most significant of reinsurance receivables are reinsurance recoveries. To mitigate the risk of the counterparties not paying the amount due, the Company has established certain business and financial guidelines for reinsurer approval, incorporating ratings by major agencies and considering currently available market information. The Company also periodically reviews the financial stability of reinsurers from public and other sources and the settlement trend of amounts due from reinsurers.

Bank deposits and other financial instruments

The Company's bank balances are mainly maintained with well-known banks in Vietnam. The Company evaluates the concentration of credit risk in respect to bank deposits is low.

The Management evaluate that all the Company's bank deposits and other financial assets are neither past due nor impaired as they are related to recognized and creditworthy counterparties as at 31 December 2025.

30. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

30.2 Financial risk (continued)

30.2.2 Credit risk (continued)

	<i>Neither past due nor impaired</i>	<i>Individually impaired</i>	<i>VND Total</i>
31 December 2025			
Cash and cash equivalents	118,169,197,353	-	118,169,197,353
Held-to-maturity investments	1,268,120,714,322	-	1,268,120,714,322
<i>Term deposits</i>	1,088,296,158,968	-	1,088,296,158,968
<i>Government bonds</i>	179,824,555,354	-	179,824,555,354
Insurance receivables (*)	34,878,470,319	282,962,529	35,161,432,848
Other short-term receivables (*)	43,155,603,902	7,248,421,103	50,404,025,005
<i>Accrued interest receivable</i>	42,810,235,668	-	42,810,235,668
<i>Other receivables</i>	345,368,234	7,248,421,103	7,593,789,337
Reinsurance assets from claim reserves	1,817,787,421	-	1,817,787,421
Statutory deposit	8,000,000,000	-	8,000,000,000
Other long-term receivables	6,896,216,377	-	6,896,216,377
	1,481,037,989,694	7,531,383,632	1,488,569,373,326

(*) Balances of these items do not include provisions for impairment losses.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

30. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

30.2 Financial risk (continued)

30.2.2 Credit risk (continued)

	<i>Neither past due nor impaired</i>	<i>Individually impaired</i>	<i>VND Total</i>
31 December 2024			
Cash and cash equivalents	124,857,162,940	-	124,857,162,940
Held-to-maturity investments	1,309,271,728,074	-	1,309,271,728,074
Term deposits	1,121,639,500,659	-	1,121,639,500,659
Government bonds	187,632,227,415	-	187,632,227,415
Insurance receivables (*)	32,948,235,700	246,105,436	33,194,341,136
Other short-term receivables (*)	37,755,198,840	7,246,449,951	45,001,648,791
Accrued interest receivable	37,257,650,919	-	37,257,650,919
Other receivables	497,547,921	7,246,449,951	7,743,997,872
Reinsurance assets from claim reserves	4,421,673,313	-	4,421,673,313
Statutory deposit	8,000,000,000	-	8,000,000,000
Other long-term receivables	6,279,869,320	-	6,279,869,320
	1,523,533,868,187	7,492,555,387	1,531,026,423,574

(*) Balances of these items do not include provisions for impairment losses.

In which:

- ▶ Neither past due nor impaired: the assets or receivables with amounts that have not come due yet and there is no evidence for the decline in value.
- ▶ Individually impaired: receivables from customers that, according to the Company, cannot be repaid fully under the terms of the contract.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

30. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

30.2 Financial risk (continued)

30.2.3 Liquidity risk

The Company has to meet daily calls on its cash resources, notably from claims arising on its insurance contracts. There is therefore a risk that cash will not be available to settle liabilities when due at a reasonable cost. Investment portfolios are structured with regard to liquidity requirement to defray costs of unexpected cash requirements.

The table below summarizes the maturity profile of the Company's financial assets and liabilities based on contractual non-discounted payments at the reporting date:

	On demand	Less than 3 months	From 3 months to 12 months	More than 1 year	VND Total
31 December 2025					
Financial assets					
Cash and cash equivalents	118,169,197,353	-	-	-	118,169,197,353
Held-to-maturity investments	-	391,821,136,033	696,475,022,935	179,824,555,354	1,268,120,714,322
Term deposits	-	391,821,136,033	696,475,022,935	-	1,088,296,158,968
Government bonds	-	-	-	-	179,824,555,354
Insurance receivables (*)	-	33,966,967,900	478,647,166	179,824,555,354	35,161,432,848
Other short-term receivables (*)	-	26,492,887,089	23,911,137,916	715,817,782	50,404,025,005
Accrued interest receivable	-	26,192,616,923	16,617,618,745	-	42,810,235,668
Other receivables	-	300,270,166	7,293,519,171	-	7,593,789,337
Reinsurance assets from claim reserves	-	-	1,817,787,421	-	1,817,787,421
Statutory deposit	-	-	-	8,000,000,000	8,000,000,000
Other long-term receivables	-	-	-	6,896,216,377	6,896,216,377
	118,169,197,353	452,280,991,022	722,682,595,438	195,436,589,513	1,488,569,373,326
Financial liabilities					
Insurance payables	-	20,112,293,937	-	-	20,112,293,937
Short-term accrued expenses	-	9,513,517,891	-	-	9,513,517,891
Other short-term payables	-	1,803,327,418	-	-	1,803,327,418
Claim reserves	-	-	100,900,212,458	-	100,900,212,458
	-	31,429,139,246	100,900,212,458	-	132,329,351,704
NET LIQUIDITY GAP	118,169,197,353	420,851,851,776	621,782,382,980	195,436,589,513	1,356,240,021,622

(*) Balances of these items do not include provisions for impairment losses.

There is no significant difference between the expected utilization or settlement of assets and liabilities and the contractual maturity as disclosed above.



NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2025 and for the year then ended

30. MANAGEMENT OF INSURANCE AND FINANCIAL RISK (continued)

30.2 Financial risk (continued)

30.2.3 Liquidity risk (continued)

	On demand	Less than 3 months	From 3 months to 12 months	More than 1 year	Total
31 December 2024					
Financial assets					
Cash and cash equivalents	124,857,162,940	-	-	-	124,857,162,940
Held-to-maturity investments	-	775,919,925,669	345,719,574,990	187,632,227,415	1,309,271,728,074
Term deposits	-	775,919,925,669	345,719,574,990	-	1,121,639,500,659
Government bonds	-	-	-	187,632,227,415	187,632,227,415
Insurance receivables (*)	-	31,618,191,165	891,670,984	684,478,987	33,194,341,136
Other short-term receivables (*)	-	30,862,298,884	4,250,821,227	9,888,528,680	45,001,648,791
Accrued interest receivable	-	23,822,132,738	3,546,989,501	9,888,528,680	37,257,650,919
Other receivables	-	7,040,166,146	703,831,726	-	7,743,997,872
Reinsurance assets	-	-	-	-	-
from claim reserves	-	-	4,421,673,313	-	4,421,673,313
Statutory deposit	-	-	-	8,000,000,000	8,000,000,000
Other long-term receivables	-	-	-	6,279,869,320	6,279,869,320
	124,857,162,940	838,400,415,718	355,283,740,514	212,485,104,402	1,531,026,423,574
Financial liabilities					
Insurance payables	-	24,103,854,436	-	-	24,103,854,436
Short-term accrued expenses	-	18,145,793,481	-	-	18,145,793,481
Other short-term payables	-	3,922,283,784	-	-	3,922,283,784
Claim reserves	-	-	81,072,131,731	-	81,072,131,731
	-	46,171,931,701	81,072,131,731	-	127,244,063,432
NET LIQUIDITY GAP	124,857,162,940	792,228,484,017	274,211,608,783	212,485,104,402	1,403,782,360,142

(*) Balances of these items do not include provisions for impairment losses.

There is no significant difference between the expected utilization or settlement of assets and liabilities and the contractual maturity as disclosed above.

31. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets that are carried in the financial statements of 31 December 2025 and 31 December 2024:

	Carrying amount				Fair value		VND
	Ending balance		Beginning balance		Ending balance	Beginning balance	
	Cost	Provision	Cost	Provision			
Financial assets							
Held-to-maturity investments							
Government bonds	179,824,555,354	-	187,632,227,415	-	179,824,555,354	187,632,227,415	
Loans and receivables							
Short-term deposits	1,088,296,158,968	-	1,121,639,500,659	-	1,088,296,158,968	1,121,639,500,659	
Insurance receivables	35,161,432,848	(282,962,529)	33,194,341,136	(246,105,436)	34,878,470,319	32,948,235,700	
Other short-term receivables	50,404,025,005	(7,248,421,103)	45,001,648,791	(7,246,449,951)	43,155,603,902	37,755,198,840	
Accrued interest receivable	42,810,235,668	-	37,257,650,919	-	42,810,235,668	37,257,650,919	
Other receivables	7,593,789,337	(7,248,421,103)	7,743,997,872	(7,246,449,951)	345,368,234	497,547,921	
Reinsurance assets from claim reserves	1,817,787,421	-	4,421,673,313	-	1,817,787,421	4,421,673,313	
Statutory deposit	8,000,000,000	-	8,000,000,000	-	8,000,000,000	8,000,000,000	
Other long-term receivables	6,896,216,377	-	6,279,869,320	-	6,896,216,377	6,279,869,320	
Cash and cash equivalents	118,169,197,353	-	124,857,162,940	-	118,169,197,353	124,857,162,940	
	1,488,569,373,326	(7,531,383,632)	1,531,026,423,574	(7,492,555,387)	1,481,037,989,694	1,523,533,868,187	

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31. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

	Carrying amount		Fair value		VND
	Ending balance	Beginning balance	Ending balance	Beginning balance	
Financial liabilities					
Insurance payables	20,112,293,937	24,103,854,436	20,112,293,937	24,103,854,436	
Short-term accrued expenses	9,513,517,891	18,145,793,481	9,513,517,891	18,145,793,481	
Other short-term payables	1,803,327,418	3,922,283,784	1,803,327,418	3,922,283,784	
Claim reserves	100,900,212,458	81,072,131,731	100,900,212,458	81,072,131,731	
	132,329,351,704	127,244,063,432	132,329,351,704	127,244,063,432	

- ▶ The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- ▶ Fair value of cash and cash equivalents, short-term deposits, trade receivables, trade payables, other receivables and other liabilities are approximately their carrying amounts largely due to the short-term maturities of these instruments.
- ▶ If the fair value is not determinable, the carrying value is used for presentation of fair value.

Liberty Insurance Limited

NOTES TO THE FINANCIAL STATEMENTS (continued)
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32. CORRESPONDING FIGURES

The Company has restated the corresponding figures of the financial statements for the year ended 31 December 2025 relating to the reclassification of insurance premium revenue by product lines and certain expenses in the relevant notes. Details are as follows:

Extracted from Notes no 19 Gross written premium

	<i>Previous year (As previously presented)</i>	<i>Adjustment</i>	<i>Previous year (Restated)</i>
Health and Personal Accident Insurance	215,125,476,738	(857,205,039)	214,268,271,699
Liability Insurance	5,013,725,254	857,205,039	5,870,930,293

Extracted from Notes no 20 Reinsurance premium ceded

	<i>Previous year (As previously presented)</i>	<i>Adjustment</i>	<i>Previous year (Restated)</i>
Liability Insurance	4,095,927,850	527,757,538	4,623,685,388
Health and Personal Accident Insurance	1,588,522,637	(527,757,538)	1,060,765,099

Extracted from Notes no 21.1 Direct claim expenses

	<i>Previous year (As previously presented)</i>	<i>Adjustment</i>	<i>Previous year (Restated)</i>
Health and Personal Accident Insurance	82,572,434,582	(215,802,400)	82,356,632,182
Liability Insurance	-	215,802,400	215,802,400

Extracted from Notes no 21.2 Recoveries from reinsurance ceded

	<i>Previous year (As previously presented)</i>	<i>Adjustment</i>	<i>Previous year (Restated)</i>
Health and Personal Accident Insurance	145,811,366	(145,811,366)	-
Liability Insurance	-	145,811,366	145,811,366

Liberty Insurance Limited

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33. EVENTS AFTER THE BALANCE SHEET DATE

On 02 February 2026, Liberty Insurance Limited completed the 100% ownership transfer to **CHUBB INA INTERNATIONAL HOLDINGS LTD.**, whose principal office is located at 1 Beaver Valley Road, Wilmington, Delaware, 19803, United States of America.

There is no other matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the financial statements of the Company.



Ms. Trương Thụy Trinh
Preparer



Ms. Ly Bôi Lang
Chief Accountant



Ms. Fran Thi To Nga
General Director

Ho Chi Minh City, Vietnam

20 March 2026

