



Agriculture Bank Insurance Joint Stock Corporation

Financial Statements for the year ended
31 December 2024



Agriculture Bank Insurance Joint Stock Corporation Corporate Information

Insurance Business

Licence No. 38/GP/KDBH 18 October 2006

The Insurance Business Licence was issued by the Ministry of Finance and is valid from the signing date and has been amended several times, the most recent of which is the Amended Licence No. 38/GPDC9/KDBH dated 19 February 2024.

Board of Directors

Mr. Nguyen Tien Hai	Chairman
Mr. Le Hong Quan	Member
Mr. Do Minh Hoang	Member
Mr. Tran Anh Tuan	Member
Mr. Hoang Thanh Tung	Member <i>(from 27 June 2024)</i>

Supervisory Board

Mr. Truong Dinh Canh	Head of Supervisory Board
Mr. Nguyen Ngoc Kien	Member
Mr. Kieu Gia Quy	Member <i>(from 27 June 2024)</i>
Mr. Duong Van Thanh	Member <i>(until 28 May 2024)</i>

Board of Management

Mr. Nguyen Hong Phong	General Director
Mr. Quach Ta Khang	Deputy General Director
Mr. Nguyen Hong Thai	Deputy General Director
Mr. Nguyen Duc Tuan	Deputy General Director
Mr. Dau Ngoc Linh	Deputy General Director

Legal Representative

Mr. Nguyen Tien Hai Chairman
Mr. Nguyen Hong Phong - General Director is authorised by Mr. Nguyen Tien Hai to sign the financial statements for the year ended 31 December 2024 under Authorization Letter No. 749/UQ-ABIC-TKPC dated 20 December 2024.

Registered Office

6th Floor, 29T1 Building, Hoang Dao Thuy Street
Trung Hoa Ward, Cau Giay District
Hanoi, Viet Nam

Auditor

KPMG Limited
Vietnam

Agriculture Bank Insurance Joint Stock Corporation Statement of the Board of Management

The Board of Management of Agriculture Bank Insurance Joint Stock Corporation (“the Company”) presents this statement and the accompanying financial statements of the Company for the year ended 31 December 2024.

The Board of Management is responsible for the preparation and fair presentation of the financial statements of the Company in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and foreign non-life insurance business branches and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Management:

- (a) The financial statements set out on pages 5 to 51 give a true and fair view of the financial position of the Company as at 31 December 2024, and of its results of operations and its cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and foreign non-life insurance business branches and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Management has, on the date of this statement, authorised the accompanying financial statements for issue.



On behalf of the Board of Management

Nguyen Hong Phong
General Director

Hanoi, 6 March 2025

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders Agriculture Bank Insurance Joint Stock Corporation

We have audited the financial statements of Agriculture Bank Insurance Joint Stock Corporation ("the Company"), which comprise the balance sheet as at 31 December 2024, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 6 March 2025, as set out on pages 5 to 51.

Management's Responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance providing accounting guidance for non-life insurance enterprises, reinsurance enterprises and branches of foreign non-life insurance enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's 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 of 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 auditor's judgement, 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 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Management, as well as evaluating the overall presentation of the financial statements.

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



Auditor's Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Agriculture Bank Insurance Joint Stock Corporation as at 31 December 2024 and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance providing accounting guidance for non-life insurance enterprises, reinsurance enterprises and branches of foreign non-life insurance enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited

Vietnam

Audit Report No. 24-02-00189-25-1



Dam Xuan Lam
Practicing Auditor Registration
Certificate No. 0861-2023-007-1
Deputy General Director

Hanoi, 7 Mar 2025

Le Nhat Vuong
Practicing Auditor Registration
Certificate No. 3849-2022-007-1



Agriculture Bank Insurance Joint Stock Corporation
Balance sheet as at 31 December 2024

Form B01 – DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28/12/2012 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND (Restated)
ASSETS				
A. CURRENT ASSETS (100 = 110 + 120 + 130 + 140 + 150 + 190)	100		4,180,315,820,249	3,781,278,301,486
I. Cash and cash equivalents	110	4	152,298,936,107	116,835,358,585
1 Cash	111		126,298,936,107	116,835,358,585
2 Cash equivalents	112		26,000,000,000	-
II. Short-term financial investments	120	5	3,157,247,291,700	3,004,247,291,700
1 Short-term investments	121		3,157,247,291,700	3,004,247,291,700
III. Accounts receivable – short-term	130		246,297,029,009	235,272,160,869
1 Accounts receivable from customers	131	6	155,371,996,884	146,027,141,003
1.1 Accounts receivable – insurance	131.1		38,665,339,028	38,484,997,778
1.2 Other receivables from customers	131.2		116,706,657,856	107,542,143,225
2 Prepayments to suppliers	132	7	32,580,161,125	8,590,148,026
4 Other short-term receivables	135	8	60,755,138,719	83,514,351,700
5 Allowance for short-term doubtful debts	139	10	(2,410,267,719)	(2,859,479,860)
IV. Inventories	140		4,126,219,112	3,462,993,084
1 Inventories	141		4,126,219,112	3,462,993,084
V. Other current assets	150		215,104,447,737	210,601,266,961
1 Short-term prepaid expenses	151	11	214,553,082,106	210,601,266,961
1.1 Deferred commission expenses	151.1		206,379,838,951	201,296,662,741
1.2 Other short-term prepaid expenses	151.2		8,173,243,155	9,304,604,220
2 Deductible value added tax	152		551,365,631	-
VIII. Reinsurance assets	190	9	405,241,896,584	210,859,230,287
1 Unearned outward reinsurance premium reserve	191		172,279,621,267	136,365,299,822
2 Outward reinsurance claims reserve	192		232,962,275,317	74,493,930,465

The accompanying notes are an integral part of these financial statements



Agriculture Bank Insurance Joint Stock Corporation
Balance sheet as at 31 December 2024 (continued)

Form B01 – DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28/12/2012 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND (Restated)
B. LONG-TERM ASSETS (200 = 210 + 220 + 250 + 260)	200		160,019,042,880	176,314,221,651
I. Accounts receivable – long-term	210		14,194,703,249	10,978,415,162
4 Other long-term receivables	218	8	14,194,703,249	10,978,415,162
4.1 Statutory security deposit	218.1		8,000,000,000	6,000,000,000
4.2 Other long-term receivables	218.2		6,194,703,249	4,978,415,162
II. Fixed assets	220		131,407,973,616	140,432,759,289
1 Tangible fixed assets	221	12	69,352,955,007	75,682,325,285
- Cost	222		171,496,723,585	169,105,931,145
- Accumulated depreciation	223		(102,143,768,578)	(93,423,605,860)
3 Intangible fixed assets	227	13	62,055,018,609	63,595,317,981
- Cost	228		69,343,773,826	70,121,617,008
- Accumulated amortisation	229		(7,288,755,217)	(6,526,299,027)
4 Construction in progress	230		-	1,155,116,023
IV. Long-term financial investments	250		-	58,302
3 Other long-term investment	258	5	-	58,302
V. Other long-term assets	260		14,416,366,015	24,902,988,898
1 Long-term prepaid expenses	261	11	14,416,366,015	24,902,988,898
TOTAL ASSETS (270 = 100 + 200)	270		4,340,334,863,129	3,957,592,523,137

The accompanying notes are an integral part of these financial statements

Agriculture Bank Insurance Joint Stock Corporation
Balance sheet as at 31 December 2024 (continued)

Form B01 – DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28/12/2012 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND (Restated)
RESOURCES				
A. LIABILITIES (300 = 310)	300		2,799,517,923,846	2,425,374,746,563
I. Current liabilities	310		2,799,517,923,846	2,425,374,746,563
2 Accounts payable to suppliers	312	14	300,855,016,266	236,072,496,013
2.1 Accounts payable – insurance	312.1		294,090,006,737	225,770,354,689
2.2 Accounts payable – others	312.2		6,765,009,529	10,302,141,324
3 Advance from customers	313		6,746,544,674	5,521,533,461
4 Taxes and others payable to State Treasury	314	15	25,396,192,483	17,144,235,253
5 Payables to employees	315		45,925,238,757	69,737,489,636
8 Other payables – short-term	319	16	27,589,647,440	20,087,856,047
9 Unearned commission income	319.1	17	56,900,243,541	48,466,814,695
10 Unearned revenue – short-term	319.2	18	297,276,146,278	248,008,310,958
11 Bonus and welfare fund	323	19	76,403,010,712	70,900,179,390
13 Technical reserves	329	20	1,962,425,883,695	1,709,435,831,110
13.1 Unearned premium reserve for direct insurance and inward reinsurance	329.1		1,314,495,154,275	1,275,210,022,481
13.2 Claims reserve for direct insurance and inward reinsurance	329.2		448,872,090,508	255,733,650,370
13.3 Catastrophe reserve	329.3		199,058,638,912	178,492,158,259
B. EQUITY (400 = 410)	400		1,540,816,939,283	1,532,217,776,574
I. Owners' equity	410	21	1,540,816,939,283	1,532,217,776,574
1 Owners' contributed capital	411		723,917,500,000	723,917,500,000
2 Capital surplus	412		16,470,740,000	12,000,000,000
4 Treasury shares	414		(10,052,400,000)	(13,898,400,000)
7 Investment and development fund	417		418,433,188,964	418,433,188,964
9 Statutory reserve	419		72,391,750,000	63,873,025,044
11 Retained profits	421		319,656,160,319	327,892,462,566
TOTAL RESOURCES (440 = 300 + 400)	440		4,340,334,863,129	3,957,592,523,137

6 March 2025

Prepared by:



Le Thi Thanh Huyen
Accountant

Reviewed by:



Pham Minh Tri
Chief Accountant

Approved by:



Nguyen Hong Phong
General Director

The accompanying notes are an integral part of these financial statements

Agriculture Bank Insurance Joint Stock Corporation
Statement of income for the year ended 31 December 2024

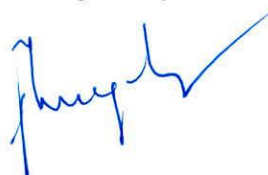
Form B02 – DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28/12/2012 of the Ministry of Finance)

Part I – Summary Statement of income

	Code	2024 VND	2023 VND (Restated)
1 Net revenue from insurance activities	10	2,153,284,689,756	2,018,415,582,464
3 Financial income	12	149,934,837,164	172,570,826,907
4 Other income	13	1,316,433,124	299,753,954
5 Total expenses for insurance activities	20	1,458,854,349,051	1,301,434,416,692
7 Financial expenses	22	110,810,581	33,131,920
8 General and administration expenses	23	588,722,150,970	581,255,014,961
9 Other expenses	24	704,344,544	452,926,926
10 Accounting profit before tax (50 = 10 + 12 + 13 - 20 - 22 - 23 - 24)	50	256,144,304,898	308,110,672,826
11 Income tax expense – current	51	51,427,157,920	61,763,272,320
13 Net profit after tax (60 = 50 - 51)	60	204,717,146,978	246,347,400,506
			(Restated)
14 Basic earnings per share (VND per share)	70	2,005	2,589

6 March 2025

Prepared by:



Le Thi Thanh Huyen
Accountant

Reviewed by:



Pham Minh Tri
Chief Accountant

Approved by:



Nguyen Hong Phong
General Director

The accompanying notes are an integral part of these financial statements

Agriculture Bank Insurance Joint Stock Corporation
Statement of income for the year ended 31 December 2024
(continued)

Form B02 – DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28/12/2012 of the Ministry of Finance)

Part II – Statement of income (by activities)

	Code	Note	2024 VND	2023 VND (Restated)
1 Premium revenue (01 = 01.1 + 01.2 - 01.3)	01	22	2,392,214,851,354	2,174,962,031,179
In which:				
- Gross written premiums from direct insurance	01.1		2,301,313,340,533	1,998,105,339,533
- Gross written premiums from inward reinsurance	01.2		130,186,642,615	60,526,743,344
- Increase/(decrease) in unearned premium reserve for direct insurance and inward reinsurance	01.3	20(b)	39,285,131,794	(116,329,948,302)
2 Outward reinsurance premiums (02 = 02.1 - 02.2)	02	23	338,937,596,302	227,317,164,012
In which:				
- Outward reinsurance premiums	02.1		374,851,917,747	267,871,988,436
- Increase in unearned premium reserve for outward reinsurance	02.2	20(b)	35,914,321,445	40,554,824,424
3 Net premium revenue (03 = 01 - 02)	03		2,053,277,255,052	1,947,644,867,167
4 Commission income from outward reinsurance and other income from insurance activities (04 = 04.1 + 04.2)	04		100,007,434,704	70,770,715,297
In which:				
- Commission income from outward reinsurance	04.1	17	99,924,094,769	70,603,079,200
- Other income from insurance activities	04.2		83,339,935	167,636,097
5 Net revenue from insurance activities (10 = 03 + 04)	10		2,153,284,689,756	2,018,415,582,464
6 Claims paid (11 = 11.1 – 11.2)	11		780,472,947,085	726,611,355,919
In which:				
- Claims paid	11.1	24	785,695,077,494	728,122,550,809
- Deductions (third party claims and salvage recoveries)	11.2	24	5,222,130,409	1,511,194,890
7 Claims recovery from outward reinsurance	12	24	93,213,258,200	63,265,173,939
8 Increase in claims reserve for direct insurance and inward reinsurance	13	20(c)	193,138,440,138	11,651,637,076
9 Increase in claims reserve for outward reinsurance	14	20(c)	158,468,344,852	19,699,338,906
10 Net claims expense (15 = 11 - 12 + 13 - 14)	15	24	721,929,784,171	655,298,480,150
11 Increase in catastrophe reserve	16	20(d)	20,566,480,653	17,907,600,940
12 Other operating expenses for insurance activities (17 = 17.1 + 17.2)	17	25	716,358,084,227	628,228,335,602
In which:				
- Commission on insurance activities	17.1		376,075,493,227	334,128,824,661
- Other insurance costs	17.2		340,282,591,000	294,099,510,941

The accompanying notes are an integral part of these financial statements

Agriculture Bank Insurance Joint Stock Corporation
Statement of income for the year ended 31 December 2024
(continued)

Form B02 – DNPNT
(Issued under Circular No. 232/2012/TT-BTC dated 28/12/2012 of the Ministry of Finance)

Part II – Statement of income (by activities – continued)

	Code	Note	2024 VND	2023 VND (Restated)
13 Total expenses for insurance activities (18 = 15 + 16 + 17)	18		1,458,854,349,051	1,301,434,416,692
14 Gross profit from insurance activities (19 = 10 - 18)	19		694,430,340,705	716,981,165,772
18 Financial income	23	26	149,934,837,164	172,570,826,907
19 Financial expenses	24		110,810,581	33,131,920
20 Profit from financial activities (25 = 23 - 24)	25		149,824,026,583	172,537,694,987
21 General and administration expenses	26	27	588,722,150,970	581,255,014,961
22 Net operating profit (30 = 19 + 25 - 26)	30		255,532,216,318	308,263,845,798
23 Other income	31		1,316,433,124	299,753,954
24 Other expenses	32		704,344,544	452,926,926
25 Results of other activities (40 = 31 - 32)	40		612,088,580	(153,172,972)
26 Accounting profit before tax (50 = 30 + 40)	50		256,144,304,898	308,110,672,826
27 Income tax expense – current	51	28	51,427,157,920	61,763,272,320
29 Net profit after tax (60 = 50 - 51)	60		204,717,146,978	246,347,400,506
				(Restated)
30 Basic earnings per share (VND per share)	70	29	2,005	2,589

6 March 2025

Prepared by:



Le Thi Thanh Huyen
Accountant

Reviewed by:



Pham Minh Tri
Chief Accountant

Approved by:



Nguyen Hong Phong
General Director

The accompanying notes are an integral part of these financial statements

Agriculture Bank Insurance Joint Stock Corporation
Statement of cash flows for the year ended
31 December 2024 (Direct method)

Form B03 – DNPNT
(Issued under Circular No. 232/2012/TT-BTC
dated 28/12/2012 of the Ministry of Finance)

	Code	2024 VND	2023 VND
I CASH FLOWS FROM OPERATING ACTIVITIES			
1. Receipts from insurance premiums and commissions, reimbursement, and receipts from other business activities	01	2,286,764,799,101	2,191,716,193,986
2. Payments for insurance compensations, commissions and other payments for insurance business activities	02	(1,667,055,006,186)	(1,595,960,750,093)
3. Payments to employees	03	(263,215,993,393)	(226,959,822,586)
4. Income tax paid	05	(45,649,677,914)	(66,805,612,210)
5. Other receipts from operating activities	06	25,330,651,735	14,093,433,305
6. Other payments for operating activities	07	(175,858,603,607)	(158,953,036,429)
Net cash flows from operating activities	20	160,316,169,736	157,130,405,973
II CASH FLOWS FROM INVESTING ACTIVITIES			
1. Payments for additions to fixed assets and other long-term assets	21	(8,123,176,678)	(22,329,356,822)
2. Proceeds from disposals of fixed assets and other long-term assets		819,516,363	1,000,000
3. Payments for granting loans, purchase of debt instruments of other entities	23	(1,466,954,283,421)	(1,636,559,000,000)
4. Receipts from collecting loans, sales of debt instruments of other entities	24	1,313,954,341,723	1,428,108,000,000
6. Receipts of interests and dividends and share of profits	27	169,510,384,799	150,945,765,753
Net cash flows from investing activities	30	9,206,782,786	(79,833,591,069)
III CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from equity issued or capital contributed by owners	31	8,316,740,000	-
6. Dividends paid to shareholders	36	(142,376,115,000)	(50,098,232,600)
Net cash flows from financing activities	40	(134,059,375,000)	(50,098,232,600)

The accompanying notes are an integral part of these financial statements

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Agriculture Bank Insurance Joint Stock Corporation
Statement of cash flows for the year ended
31 December 2024 (Direct method - continued)

Form B03 – DNPNT
(Issued under Circular No. 232/2012/TT-BTC
dated 28/12/2012 of the Ministry of Finance)

	Code	2024 VND	2023 VND
Net cash flows during the year	50	35,463,577,522	27,198,582,304
Cash and cash equivalents at the beginning of the year	60	116,835,358,585	89,636,776,281
Cash and cash equivalents at the end of the year (Note 4)	70	152,298,936,107	116,835,358,585

6 March 2025

Prepared by:



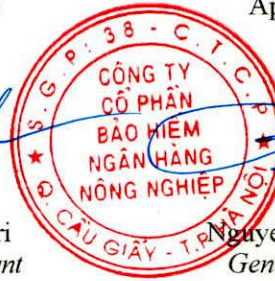
Le Thi Thanh Huyen
Accountant

Reviewed by:



Pham Minh Tri
Chief Accountant

Approved by:



Nguyen Hong Phong
General Director

The accompanying notes are an integral part of these financial statements

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

1. Reporting entity

(a) Ownership structure

Agriculture Bank Insurance Joint Stock Corporation (“the Company”) is incorporated as a joint stock company in Vietnam under Establishment and Operation License No. 38/GP/KDBH dated 18 October 2006 initially issued by the Ministry of Finance and the most recent amendment of the License No. 38/GPDC9/KDBH dated 19 February 2024.

The Company’s Parent bank is the Vietnam Bank for Agriculture and Rural Development (“Agribank”). Agribank owns 52.08% of the charter capital of the Company.

(b) Principal activities

The principal activities of the Company are non-life insurance business, re-insurance business, conducting investment activities and other activities as regulated by law.

(c) Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

(d) Company structure

As at 31 December 2024, the Company had one (01) Head Office and twenty (20) branches (1/1/2024: one (01) Head Office and nineteen (19) branches).

As at 31 December 2024, the Company had 851 employees (1/1/2024: 826 employees).

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 of the Ministry of Finance providing accounting guidance for non-life insurance enterprises, reinsurance enterprises and branches of foreign non-life insurance enterprises and the relevant statutory requirements applicable to financial reporting.

These standards and relevant statutory requirements may differ in some material aspects from International Financial Reporting Standards as well as generally accepted accounting principles and standards of other countries. Accordingly, the accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnam’s accounting principles, procedures and practices for non-life insurance enterprises, reinsurance enterprises and branches of foreign non-life insurance enterprises.

(b) Basis of measurement

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the direct method.

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December.

(d) Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Company in the preparation of these financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at the actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated respectively into VND at the account transfer buying rate and account transfer selling rate at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions. All foreign exchange differences are recorded in the statement of income.

(b) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(c) Investments

(i) Short-term financial investments

Short-term financial investments include term deposits at bank. These investments are stated at costs less allowance for doubtful debts described in Note 3(d).

(ii) Long-term financial investments

Long-term financial investments comprise investments in listed securities. These investments are recognised at cost less allowance for diminution in value of long-term financial investments. An allowance is made for diminution in value of long-term financial investments if the market price of the securities item falls below its carrying amount. The allowance is reversed if the market price subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the long-term financial investments' carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

(d) Accounts receivable

Trade receivables and other receivables are stated at cost less allowance for doubtful debts.

Receivables are subject to review for allowance based on overdue periods of receivables or estimated loss arising from undue debts of which the indebted economic organisations fall bankrupt or are undergoing dissolution procedures; debtors are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased.

For overdue debts, the Company makes allowance for doubtful debts as follows:

<i>Overdue status</i>	<i>Allowance rate</i>
Undue or less than six (06) months	0%
From six (06) months to less than one (01) year	30%
From one (01) to less than two (02) years	50%
From two (02) to less than three (03) years	70%
Over three (03) years	100%

(e) Deferred commission expenses

Commission expenses on direct insurance business and inward reinsurance business are recognised and amortised on the same basis as the allocation of unearned premium reserve as described in Note 3(1)(i). The balance of deferred commission expenses at the reporting date represents the commission expenses relating to unearned premium.

(f) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the tangible fixed assets have been put into operation, such as repairs, maintenance and overhaul costs, is normally charged to statement of income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of items of tangible fixed assets. The estimated useful lives are as follows:

Buildings and structures	8 - 30 years
Machines and equipment	3 - 15 years
Motor vehicles	6 - 10 years
Office equipment	5 - 10 years
Other fixed assets	4 years

(g) Intangible fixed assets

(i) Land use rights

Land use rights include permanent land use rights. Permanent land use rights are stated at cost. The initial cost of a land use rights comprises the purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Permanent land use rights are not amortised.

(ii) Software

The cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software costs are amortised on a straight-line basis over 3 - 5 years.

(h) Construction in progress

Construction in progress represents the costs of construction or procurement of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

(i) Prepaid expenses

(i) Office repair and renovation expenses

Office repair expenses are recorded at cost and amortised on a straight-line basis over a period from 1 to 3 years.

(ii) Tools and instruments

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and instruments are amortised on a straight-line basis over a period from more than 1 to 3 years.

(j) Insurance payables and other payables

Insurance payables and other payables are stated at their cost.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(l) Technical reserves

Technical reserves are established in accordance with regulations and instructions of Circular No. 67/2023/TT-BTC dated 2 November 2023 (“Circular 67”) issued by the Ministry of Finance providing guidance for implementation of certain articles of the Law on Insurance Business, Decree No. 46/2023/ND-CP dated 1 July 2023 (“Decree 46”) of the Government providing detailed regulations on implementation of a number of articles of the Law on Insurance Business and Official Letter No. 358/BTC-QLBH dated 10 January 2018 (“Official Letter 358”) of the Ministry of Finance on approval of technical reserve methods of the Company applied from fiscal year 2017.

Technical reserves of the Company include: technical reserves for non-life insurance and technical reserves for health insurance.

(i) **Technical reserves non-life insurance**

Unearned premium reserve

Unearned premium reserve (UPR) is the proportion of written premiums that are related to risk after the reporting date and is included as a liability in the balance sheet. Unearned premium reserve is calculated based on a coefficient of the term of insurance policies and the unearned premium reserve is calculated using daily method as stipulated in Item c, Clause 2, Article 35 of Circular 67. Accordingly, unearned premium reserve for all types of insurance policies or reinsurance policies is calculated based on the following formula:

$$\text{Unearned premium reserve} = \frac{\text{Insurance premium} \times \text{Remaining insured days of the insurance or reinsurance policy}}{\text{Total insured days under the insurance or reinsurance policy}}$$

Unearned premium reserve is calculated and presented separately for the gross premiums from direct insurance and reinsurance assumed and for reinsurance premiums ceded.

Claims reserve

Claims reserve comprises reserve for outstanding claims and reserve for claims incurred but not reported.

Reserve for outstanding claims is made for each insurance policy by estimating the sum insured to be paid for each claim case which was reported or claimed but not yet settled by the end of the reporting period as stipulated in Item a, Clause 1, Article 36 of Circular 67.

"Incurred But Not Reported" claims ("IBNR") are claims which have incurred during the current annual accounting period or previous annual accounting periods, but have not yet been notified to the insurer at the end of the annual accounting period. The Company's IBNR reserve is calculated at 3% insurance premium for each insurance transaction according to the instructions of Official Letter 358.

Claims reserve is calculated and presented separately for direct insurance and reinsurance assumed and for ceded reinsurance.

Catastrophe reserve

The Company has established catastrophe reserve in accordance with the guidance in Official Letter 358. Catastrophe reserve is accrued annually at 1% of the retained premium for insurance products. Catastrophe reserve is accrued until this reserve reaches 100% of the retained premium of the current annual accounting period.

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(ii) Technical reserves for health insurance

Unearned premium reserve

Unearned premium reserve for health insurance policies with terms of under 1 year and 1 year is made based on a coefficient of the term of insurance policies and the unearned premium reserve is calculated using daily method as stipulated in Item c, Clause 2, Article 35 of Circular 67 and Official Letter 358. Accordingly, unearned premium reserve for health insurance policies with terms of under 1 year and 1 year is calculated based on the following formula:

$$\text{Unearned premium reserve} = \frac{\text{Insurance premium} \times \text{Remaining insured days of the insurance or reinsurance policy}}{\text{Total insured days under the insurance or reinsurance policy}}$$

Mathematical reserve

For health insurance policies with terms of more than one year (except for health insurance policies covering death or permanent total disability only), mathematical reserve is calculated using daily method (gross premium basis) as stipulated in Item c, Clause 2, Article 35 of Circular 67.

For health insurance policies with terms of more than one year and health insurance policies covering death or permanent total disability only, mathematical reserve is calculated using the daily method as stipulated in Item c, Clause 2, Article 35 of Circular 67.

In case where the mathematical reserve for insurance policies with terms of more than one year calculated using daily method is less than the reserve calculated using 1/8 method, the Company shall provide additional reserve for such difference.

Claims reserve

Reserve for outstanding claims is established on case by case basis based on the statistics of the sum insured to be paid for each claim case reported or claimed but not yet settled at the end of the reporting period in accordance with Circular 67.

Reserve for claims incurred but not yet reported or claimed is made at 3% insurance premium for each insurance transaction according to the instructions of Official Letter 358.

Equalisation reserve

Equalisation reserve is accrued at 1% of the retained premium for each insurance line.

(m) Statutory security deposit

Under the prevailing of Decree 46, the Company has to maintain compulsory deposits equivalent to 2% of the minimum charter capital at a commercial bank operating in Vietnam. The deposit may only be used to meet commitments with the policyholders when the Company's payment ability is inadequate, and it must be approved by the Ministry of Finance in writing. This deposit can only be withdrawn in full when the Company ceases to operate.



(n) Share capital

(i) Ordinary shares

Ordinary shares are recognized at par value. Incremental costs directly attributable to the issue of shares, net of tax effects are recognized as a deduction from share premium.

(ii) Share premium

the difference between the issuance price and the par value of the shares is recorded as share premium in equity.

(iii) Treasury shares

Treasury shares are only recognized for the repurchase of aggregating fractions of a share arising when issuing shares to pay dividends or issuing shares from equity according to the approved plan, or of aggregating fractions of a share at the request of shareholders. Aggregating fractions of a share are shares representing the share capital formed by aggregating fractions of a share proportionally divided to investors. In all other cases, when repurchasing shares that were previously recognized as equity, the par value of the repurchased shares must be deducted from the share capital. The difference between the par value of the repurchased shares and the payment amount including directly attributable costs, less taxes, is recognized in the share premium.

For treasury shares that were repurchased before 1 January 2021, when treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

(o) Distribution of profits

Net profit after tax of the Company is used for appropriation to reserves and funds and payments of dividends to shareholders upon approval of the Shareholders of the Company.

(i) Statutory reserve

Statutory reserve is appropriated from 5% of profit after tax annually until this reserve reaches 10% of the Company's charter capital. This statutory reserve is non-distributable and is classified as part of equity.

(ii) Bonus and welfare fund

Bonus and welfare fund is established by appropriating from profit after tax. The annual allocation rate is determined by the Company's General Meeting of Shareholders and recorded as liabilities.

(iii) Other equity funds

Other equity funds are allocated from profit after tax. The allocation from profit after tax and the utilisation of other equity funds are approved by the Shareholders of the Company.

(p) Taxation

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(q) Revenue recognition

(i) Premium from direct insurance

Premium revenue is recognised in accordance with the requirements of Circular 67. In particular, premium revenue from direct insurance is recognised when:

- the insurance contract has been entered into by the Company and the insured and the insured has fully paid the premium;
- there is evidence that the insurance contract has been entered into and the insured has fully paid the premium;
- the insurance contract has been entered into by the Company and the insured and there is agreement between the Company and the insured for delayed payment of insurance premium in accordance with the provisions in Points a and c, Clause 2, Article 26 of Circular 67, the Company recognises premium revenue for the unpaid premium when the insurance risk is assumed;
- the insurance contract has been entered into by the insurer and there is agreement between the Company and the insured for insurance premium being paid on instalment basis, the Company recognises the due premiums and does not recognise undue premiums as specified in the insurance contract.

(ii) Premium revenue from inward reinsurance activities and outward reinsurance premiums

Inward reinsurance premium is recorded when the liability is incurred, at the amount stated on the reinsurers' statement sent to the Company and confirmed by the Company.

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

Commission income from outward reinsurance is recorded simultaneously with outward reinsurance premium incurred in the period. During the year, the entire commission income from outward reinsurance is presented in the item “Commission income from outward reinsurance”. At the year end, the Company should determine unearned commission income from outward reinsurance corresponding to outward reinsurance premium not yet recognized in this year so as to allocate such commission income to the subsequent accounting periods using the unearned premium reserve approach described in Note 3(I)(i).

(iii) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(r) Claim expenses and commission expenditure from insurance activities

Claim settlement expenses of direct insurance are recorded as incurred, that is, when the Company accepts to settle the insured’s claims following respective settlement notice.

Claim settlements of reinsurance inward activities are recorded as incurred based on the statement of accounts the reinsurers sent to the Company and the claim is accepted by the Company.

Claim receipts from ceded policies are recognised based on the receivable amount incurred corresponding to the claim settlement expenses recorded in the year and the ceded ratios.

Commission expenditure from insurance activities is recognised when incurred. During the year, the entire commission expenses for direct insurance and inward reinsurance are presented in the items “Commission expenses for direct insurance” and “Commission expenses for inward reinsurance”. At the year end, the Company determines unearned commission expenses for direct insurance and inward reinsurance which have not been recognized as expenses for the period yet corresponding to unearned direct premium and inward reinsurance premium so as to allocate such commission expenses to the subsequent year in accordance with the unearned premium reserve method described in Note 3(I)(i).

(s) Insurance acquisition costs

All acquisition costs other than commission expenses incurred on the underwriting or renewal of insurance policies are recognised in the statement of income when incurred.

(t) Leases

Lease payments

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense, over the term of the lease.

(u) Basic earnings per share

The Company presents basic earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare funds for the accounting period) of the Company by the weighted average number of ordinary shares outstanding during the period. As at 31 December 2024 and for the year then ended, the Company had no potential ordinary shares and therefore does not present diluted EPS.

(v) Related parties

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

(w) Classification of financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to the financial position and results of operations of the Company and the nature and extent of risk arising from financial instruments, the Company classifies its financial instruments as follows:

(i) Financial assets

Financial assets at fair value through profit or loss

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by management as held for trading. A financial asset is considered as held for trading if:
 - it is acquired principally for the purpose of selling it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as at fair value through profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Company has the positive intention and ability to hold to maturity, other than:

- those that the Company upon initial recognition designates as at fair value through profit or loss;
- those that the Company designates as available-for-sale; or
- those that meet the definition of loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that the Company intends to sell immediately or in the near term, which are classified as held for trading, and those that the entity on initial recognition designates as at fair value through profit or loss;
- that the Company upon initial recognition designates as available-for-sale; or
- for which the Company may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available-for-sale.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or that are not classified as:

- financial assets at fair value through profit or loss;
- held-to-maturity investments; or
- loans and receivables.

(ii) *Financial liabilities*

Financial liabilities at fair value through profit or loss

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by management as held for trading. A financial liability is considered as held for trading if:
 - it is incurred principally for the purpose of repurchasing it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as at fair value through profit or loss.

Financial liabilities carried at amortised cost

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised cost.

The above described classification of financial instruments is solely for presentation and disclosure purpose and is not intended to be a description of how the instruments are measured. Accounting policies for measurement of financial instruments are disclosed in other relevant notes.

(x) *Segment reporting*

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company's Board of Management assesses that the Company has a business segment which is non-life insurance business and operates in a geographical area of Vietnam.

(y) *Comparative information*

Comparative information in these financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current period financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these financial statements is not intended to present the Company's financial position, results of operation or cash flows for the prior year.

4. Cash and cash equivalents

	31/12/2024 VND	1/1/2024 VND
Cash on hand	3,279,115,667	6,110,600,114
Cash at banks	123,019,820,440	110,724,758,471
Cash equivalents (i)	26,000,000,000	-
	152,298,936,107	116,835,358,585

- (i) These represent deposits at Vietnam Bank for Agriculture and Rural Development (the Parent bank) with an original term of less than 3 months and an annual interest rate of 3.5% (1/1/2024: Nil).

5. Financial investments

	31/12/2024		1/1/2024	
	Cost VND	Fair value VND	Cost VND	Fair value VND
Short-term				
Short-term deposits (i)	3,157,247,291,700	(*)	3,004,247,291,700	(*)
Long-term				
Shares	-	-	58,302	(*)

- (i) These represent deposits at Vietnam Bank for Agriculture and Rural Development with an original term of more than 3 months, remaining maturity of less than 1 year, and annual interest rates ranging from 4% to 6% as at 31 December 2024 (1/1/2024: from 4.5% to 8.5%).

- (*) The Company has not determined fair values of these financial instruments for disclosure in the financial statements because there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. The fair values of these financial instruments may differ from their carrying amounts.

6. Accounts receivable from customers

	31/12/2024	1/1/2024
	VND	VND
Accounts receivable – insurance	38,665,339,028	38,484,997,778
<i>In which</i>		
▪ <i>Receivables from policyholders</i>	35,444,582,238	37,547,176,546
▪ <i>Receivables from insurance agents</i>	23,784,891	13,442,293
▪ <i>Receivables from co-insurers</i>	3,196,971,899	924,378,939
Other receivables from customers	116,706,657,856	107,542,143,225
▪ <i>Premiums receivable from inward reinsurance</i>	34,534,820,653	35,634,981,644
▪ <i>Claims receivable from outward reinsurance</i>	82,171,837,203	71,907,161,581
	<hr/> 155,371,996,884	<hr/> 146,027,141,003

7. Prepayments to suppliers – short-term

	31/12/2024	1/1/2024
	VND	VND
Advance payment of direct insurance claims	30,629,469,978	7,453,755,085
Advance payment of direct insurance commission	423,889,389	728,414,188
Advance payment of direct insurance loss assessment	295,000,000	295,000,000
Other prepayments	1,231,801,758	112,978,753
	<hr/> 32,580,161,125	<hr/> 8,590,148,026

8. Other receivables

	31/12/2024 VND	1/1/2024 VND (Restated)
Short-term		
Interest income from bank deposits	60,705,951,078	82,990,221,582
Others short-term receivables	49,187,641	524,130,118
	60,755,138,719	83,514,351,700
Long-term		
Statutory security deposit (i)	8,000,000,000	6,000,000,000
Other deposits	6,194,703,249	4,978,415,162
	14,194,703,249	10,978,415,162
	74,949,841,968	94,492,766,862

- (i) These represent a statutory security deposit equal to 2% of minimum charter capital in accordance with the regulations of Decree 46.

9. Reinsurance assets

	31/12/2024 VND	1/1/2024 VND
Unearned premium reserve for outward reinsurance (Note 20(a))	172,279,621,267	136,365,299,822
Claim reserve for outward reinsurance (Note 20(a))	232,962,275,317	74,493,930,465
	405,241,896,584	210,859,230,287

10. Allowance for short-term doubtful debts

Movements of allowance for allowance for short-term doubtful debts during the year were as follows:

	2024 VND	2023 VND
Opening balance	2,859,479,860	3,113,683,938
Allowance reversed during the year (Note 27)	(327,337,141)	(254,204,078)
Allowance utilised during the year	(121,875,000)	-
Closing balance	2,410,267,719	2,859,479,860

11. Prepaid expenses

	31/12/2024 VND	1/1/2024 VND
Short-term		
Unallocated commission expenses (i)	206,379,838,951	201,296,662,741
Other short-term prepaid expenses	8,173,243,155	9,304,604,220
	214,553,082,106	210,601,266,961
Long-term		
Office rental	10,164,034,601	12,771,385,035
Tools, supplies and packaging expenses	1,413,509,534	4,266,462,830
Fixed asset repair expenses	2,273,569,629	3,212,683,316
Other long-term prepaid expenses	565,252,251	4,652,457,717
	14,416,366,015	24,902,988,898
	228,969,448,121	235,504,255,859

(i) Movements of unallocated commission expenses during the year were as follows:

	2024 VND	2023 VND
Opening balance	201,296,662,741	229,376,050,933
Additions during the year	381,158,669,437	306,049,436,469
Amortisation during the year (Note 25)	(376,075,493,227)	(334,128,824,661)
	206,379,838,951	201,296,662,741
	206,379,838,951	201,296,662,741

Agriculture Bank Insurance Joint Stock Corporation
Notes to the financial statements
for the year ended 31 December 2024 (continued)

Form B09 – DNPNT
(Issued under Circular No. 232/2012/TT-BTC
dated 28/12/2012 of the Ministry of Finance)

12. Tangible fixed assets

Year ended 31 December 2024

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Cost						
Opening balance	71,782,807,963	89,000,000	71,388,672,225	22,308,937,089	3,536,513,868	169,105,931,145
Additions	-	-	2,987,325,454	-	-	2,987,325,454
Transfer from construction in progress	-	-	5,103,725,635	600,641,612	-	5,704,367,247
Disposals	-	-	(2,419,785,195)	(580,720,775)	(3,127,288,230)	(6,127,794,200)
Reclassification	-	-	(6,633,764,000)	6,633,764,000	-	-
Other adjustments	-	-	-	(173,106,061)	-	(173,106,061)
Closing balance	71,782,807,963	89,000,000	70,426,174,119	28,789,515,865	409,225,638	171,496,723,585
Accumulated depreciation						
Opening balance	29,503,630,103	89,000,000	43,640,354,643	16,788,404,507	3,402,216,607	93,423,605,860
Charge for the year	2,342,942,535	-	10,358,211,489	2,198,014,097	40,305,453	14,939,473,574
Disposals	-	-	(2,419,785,195)	(580,720,775)	(3,127,288,230)	(6,127,794,200)
Reclassification	-	-	(2,151,812,340)	2,151,812,340	-	-
Other adjustments	-	-	-	(91,516,656)	-	(91,516,656)
Closing balance	31,846,572,638	89,000,000	49,426,968,597	20,465,993,513	315,233,830	102,143,768,578
Net book value						
Opening balance	42,279,177,860	-	27,748,317,582	5,520,532,582	134,297,261	75,682,325,285
Closing balance	39,936,235,325	-	20,999,205,522	8,323,522,352	93,991,808	69,352,955,007

Agriculture Bank Insurance Joint Stock Corporation
Notes to the financial statements
for the year ended 31 December 2024 (continued)

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(Issued under Circular No. 232/2012/TT-BTC dated 28/12/2012 of the Ministry of Finance)

Year ended 31 December 2023

	Buildings and structures VND	Machines and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Cost						
Opening balance	71,782,807,963	89,000,000	58,861,310,749	18,039,039,937	3,375,292,050	152,147,450,699
Additions	-	-	17,971,616,830	4,961,109,873	161,221,818	23,093,948,521
Decreases	-	-	(5,444,255,354)	(691,212,721)	-	(6,135,468,075)
Closing balance	71,782,807,963	89,000,000	71,388,672,225	22,308,937,089	3,536,513,868	169,105,931,145
Accumulated depreciation						
Opening balance	27,160,687,571	88,043,011	35,357,763,590	15,819,195,708	3,375,292,050	81,800,981,930
Charge for the year	2,342,942,532	956,989	10,243,281,949	1,660,421,520	26,924,557	14,274,527,547
Disposals	-	-	(1,960,690,896)	(691,212,721)	-	(2,651,903,617)
Closing balance	29,503,630,103	89,000,000	43,640,354,643	16,788,404,507	3,402,216,607	93,423,605,860
Net book value						
Opening balance	44,622,120,392	956,989	23,503,547,159	2,219,844,229	-	70,346,468,769
Closing balance	42,279,177,860	-	27,748,317,582	5,520,532,582	134,297,261	75,682,325,285

Tangible fixed assets were assets costing VND47,475,166,815 which were fully depreciated as of 31 December 2024 (1/1/2024: VND37,931,399,901), but which are still in active use.



13. Intangible fixed assets

Year ended 31 December 2024

	Software VND	Land use rights VND	Others VND	Total VND
Cost				
Opening balance	9,974,034,900	60,047,582,108	100,000,000	70,121,617,008
Additions	471,600,000	-	-	471,600,000
Transfer from construction in progress	115,000,000	-	-	115,000,000
Reclassification	(1,364,443,182)	-	-	(1,364,443,182)
Closing balance	9,196,191,718	60,047,582,108	100,000,000	69,343,773,826
Accumulated amortisation				
Opening balance	6,426,299,027	-	100,000,000	6,526,299,027
Charge for the year	1,530,220,206	-	-	1,530,220,206
Reclassification	(767,764,016)	-	-	(767,764,016)
Closing balance	7,188,755,217	-	100,000,000	7,288,755,217
Net book value				
Opening balance	3,547,735,873	60,047,582,108	-	63,595,317,981
Closing balance	2,007,436,501	60,047,582,108	-	62,055,018,609

Year ended 31 December 2023

	Software VND	Land use rights VND	Others VND	Total VND
Cost				
Opening balance	5,712,196,769	60,047,582,108	100,000,000	65,859,778,877
Additions	4,261,838,131	-	-	4,261,838,131
Closing balance	9,974,034,900	60,047,582,108	100,000,000	70,121,617,008
Accumulated amortisation				
Opening balance	5,506,363,436	-	100,000,000	5,606,363,436
Charge for the year	919,935,591	-	-	919,935,591
Closing balance	6,426,299,027	-	100,000,000	6,526,299,027
Net book value				
Opening balance	205,833,333	60,047,582,108	-	60,253,415,441
Closing balance	3,547,735,873	60,047,582,108	-	63,595,317,981

Intangible fixed assets were assets costing VND5,587,196,769 which were fully amortised as of 31 December 2024 (1/1/2024: VND5,587,196,769), but which are still in active use.

14. Accounts payable to suppliers

	31/12/2024	1/1/2024
	VND	VND
Payables on direct insurance premium	77,398,679,512	81,526,353,222
- Payables for claim compensation	27,094,501,788	29,840,057,758
- Payables for insurance commission	38,264,754,491	39,525,461,178
- Payables for insurance loss assessment	476,894,026	665,643,983
- Payables for loss prevention and minimisation	-	120,835,000
- Payables for agent reward	11,562,529,207	11,374,355,303
Payables for inward reinsurance activities	26,848,058,223	7,744,342,494
Payables for outward reinsurance activities	189,843,269,002	136,499,658,973
Other payables	6,765,009,529	10,302,141,324
	300,855,016,266	236,072,496,013

15. Taxes and others payable to State Treasury

Year ended 31 December 2024

	Balance at	Incurred	Paid	Balance at
	1/1/2024	VND	VND	31/12/2024
	VND			VND
	(Restated)			
Value added tax	6,524,478,521	55,457,271,422	(52,918,554,099)	9,063,195,844
Corporate income tax	8,547,282,876	51,813,403,810	(45,649,677,914)	14,711,008,772
Personal income tax	2,072,473,856	21,067,314,054	(21,517,800,043)	1,621,987,867
Other taxes	-	448,808,791	(448,808,791)	-
	17,144,235,253	128,786,798,077	(120,534,840,847)	25,396,192,483

Year ended 31 December 2023 (Restated)

	Balance at	Incurred	Paid	Balance at
	1/1/2023	VND	VND	31/12/2023
	VND			VND
	(Restated)			
Value added tax	6,005,608,869	42,103,351,920	(41,584,482,268)	6,524,478,521
Corporate income tax	13,589,622,766	61,763,272,320	(66,805,612,210)	8,547,282,876
Personal income tax	1,218,492,521	19,966,559,711	(19,112,578,376)	2,072,473,856
Other taxes	2,419,069	11,551,197	(13,970,266)	-
	20,816,143,225	123,844,735,148	(127,516,643,120)	17,144,235,253

16. Other short-term payables

	31/12/2024	1/1/2024
	VND	VND
Trade union fees	533,676,224	392,135,816
Social, medical and unemployment insurances	-	9,683,500
Other deposits	31,900,000	24,900,000
Agent rewarding	25,091,464,970	15,467,547,753
Dividend payables	552,309,000	461,324,000
Other payables	1,380,297,246	3,732,264,978
	27,589,647,440	20,087,856,047

17. Unearned commission income

Movements in commission income from outward reinsurance during the year were as follows:

	2024	2023
	VND	VND
Opening balance	48,466,814,695	32,108,977,346
Commission income incurred during the year	108,357,523,615	86,960,916,549
Commission income amortised during the year	(99,924,094,769)	(70,603,079,200)
	56,900,243,541	48,466,814,695

18. Unearned revenue – short-term

Unearned revenue – short-term include advances from customers for premiums of insurance policies that expire after 31 December 2024.

19. Bonus and welfare fund

Movements in bonus and welfare fund during the year were as follows:

	2024	2023
	VND	VND
Opening balance	70,900,179,390	78,821,373,711
Appropriation (i)	61,905,296,869	56,341,513,378
Utilisation	(56,402,465,547)	(64,262,707,699)
	76,403,010,712	70,900,179,390

- (i) According to Resolution No. 308/NQ-ABIC-DHDCCD of the General Meeting of Shareholders on 27 June 2024, the Shareholders has approved provisions for various reserves from the profit of 2023, including the approval of the bonus and welfare fund with an amount of VND61,905,296,869 (for the year ended 31 December 2023: VND56,341,513,378).

20. Technical reserves

(a) Claims reserve and unearned premium reserve

	Reserves for direct insurances and inward reinsurance VND (1)	Reserves for outward reinsurance VND (2)	Net reserve for direct insurances and inward reinsurance VND (3)=(1) - (2)
<i>As at 31 December 2024</i>			
Unearned premium reserve	1,314,495,154,275	172,279,621,267	1,142,215,533,008
Claims reserve	448,872,090,508	232,962,275,317	215,909,815,191
	1,763,367,244,783	405,241,896,584	1,358,125,348,199
<i>As at 1 January 2024</i>			
Unearned premium reserve	1,275,210,022,481	136,365,299,822	1,138,844,722,659
Claims reserve	255,733,650,370	74,493,930,465	181,239,719,905
	1,530,943,672,851	210,859,230,287	1,320,084,442,564

(b) Movements of unearned premium reserve

Year ended 31 December 2024

	Unearned premium reserve for direct insurances and inward reinsurance VND (1)	Unearned premium reserve for outward reinsurance VND (2)	Net premium reserve VND (3)=(1) - (2)
Opening balance	1,275,210,022,481	136,365,299,822	1,138,844,722,659
Increases during the year (Note 22 and Note 23)	39,285,131,794	35,914,321,445	3,370,810,349
Closing balance	1,314,495,154,275	172,279,621,267	1,142,215,533,008

Year ended 31 December 2023

	Unearned premium reserve for direct insurances and inward reinsurance VND (1)	Unearned premium reserve for outward reinsurance VND (2)	Net premium reserve VND (3)=(1) - (2)
Opening balance	1,391,539,970,783	95,810,475,398	1,295,729,495,385
(Decreases)/increases during the year (Note 22 and Note 23)	(116,329,948,302)	40,554,824,424	(156,884,772,726)
Closing balance	1,275,210,022,481	136,365,299,822	1,138,844,722,659

(c) Movements of claims reserve

Year ended 31 December 2024

	Claims reserve for direct insurances and inward reinsurance VND (1)	Claims reserve for outward reinsurance VND (2)	Net claims reserve VND (3)= (1) - (2)
Opening balance	255,733,650,370	74,493,930,465	181,239,719,905
Increases during the year (Note 24)	193,138,440,138	158,468,344,852	34,670,095,286
Closing balance	448,872,090,508	232,962,275,317	215,909,815,191

Year ended 31 December 2023

	Claims reserve for direct insurances and inward reinsurance VND (1)	Claims reserve for outward reinsurance VND (2)	Net claims reserve VND (3)= (1) - (2)
Opening balance	244,082,013,294	54,794,591,559	189,287,421,735
Increases/(decreases) during the year (Note 24)	11,651,637,076	19,699,338,906	(8,047,701,830)
Closing balance	255,733,650,370	74,493,930,465	181,239,719,905

(d) Movements of catastrophe reserve

	2024 VND	2023 VND
Opening balance	178,492,158,259	160,584,557,319
Increases during the year	20,566,480,653	17,907,600,940
Closing balance	199,058,638,912	178,492,158,259

Included in the catastrophe reserve as at 31 December 2024 is the equalisation reserve for health care insurance contracts amounting to VND14,776 million (1/1/2024: VND12,452 million).

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21. Owners' equity

	Share capital VND	Share premium VND	Treasury shares VND	Investment and development fund VND	Statutory reserve VND	Retained profits VND	Total VND
Balance as at 1 January 2024 (Restated)	723,917,500,000	12,000,000,000	(13,898,400,000)	418,433,188,964	63,873,025,044	327,892,462,566	1,532,217,776,574
Profit after tax	-	-	-	-	-	204,717,146,978	204,717,146,978
Appropriation to bonus and welfare fund	-	-	-	-	-	(61,905,296,869)	(61,905,296,869)
Appropriation to statutory reserves	-	-	-	-	8,518,724,956	(8,518,724,956)	-
Dividends paid (i)	-	-	-	-	-	(142,467,100,000)	(142,467,100,000)
Sale of treasury shares	-	4,470,740,000	3,846,000,000	-	-	-	8,316,740,000
Other adjustments	-	-	-	-	-	(62,327,400)	(62,327,400)
Balance as at 31 December 2024	723,917,500,000	16,470,740,000	(10,052,400,000)	418,433,188,964	72,391,750,000	319,656,160,319	1,540,816,939,283
Balance as at 1 January 2023	515,574,170,000	12,000,000,000	(13,898,400,000)	418,433,188,964	51,557,417,000	408,944,730,482	1,392,611,106,446
Profit after tax (restated)	-	-	-	-	-	246,347,400,506	246,347,400,506
Appropriation to statutory reserves	-	-	-	-	12,315,608,044	(12,315,608,044)	-
Appropriation to bonus and welfare fund	-	-	-	-	-	(56,341,513,378)	(56,341,513,378)
Dividends paid	208,343,330,000	-	-	-	-	(258,742,547,000)	(50,399,217,000)
Balance as at 1 January 2023 (Restated)	723,917,500,000	12,000,000,000	(13,898,400,000)	418,433,188,964	63,873,025,044	327,892,462,566	1,532,217,776,574

- (i) The Company has paid dividends from 2023 profits in cash in the amount of VND 142,467,100,000 according to Resolution No. 346/TB-ABIC-CSNS of the General Meeting of Shareholders dated 11 July 2024.

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(a) Owners' contributed capital

	31/12/2024		1/1/2024	
	Number of shares	VND	Number of shares	VND
Share capital under license	72,391,750	723,917,500,000	72,391,750	723,917,500,000

The authorised and issued share capital of the Company is as follows:

	31/12/2024		1/1/2024	
	Number of shares	VND	Number of shares	VND
Authorised share capital	72,391,750	723,917,500,000	72,391,750	723,917,500,000
Issued share capital				
<i>Ordinary shares</i>	72,391,750	723,917,500,000	72,391,750	723,917,500,000
Treasury shares				
<i>Ordinary shares</i>	(837,700)	(2,385,000,000)	(1,158,200)	(11,582,000,000)
Shares in circulation				
<i>Ordinary shares</i>	71,554,050	721,532,500,000	71,233,550	712,335,500,000

Shareholders structure of the Company:

	31/12/2024		1/1/2024	
	VND	Percentage	VND	Percentage
Vietnam Bank for Agriculture and Rural Development	377,038,580,000	52.08%	377,038,580,000	52.08%
Vietnam National Reinsurance Corporation	61,872,990,000	8.55%	61,872,990,000	8.55%
Other shareholders	285,005,930,000	39.37%	285,005,930,000	39.37%
	723,917,500,000	100.00%	723,917,500,000	100.00%

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

22. Premiums revenue

	2024 VND	2023 VND
Gross written premiums from direct insurance	2,320,705,320,038	2,014,486,211,469
<i>Health insurance</i>	1,572,866,930,350	1,342,907,130,937
<i>Property insurance</i>	152,643,199,483	178,758,412,596
<i>Cargo insurance</i>	11,077,986,119	10,232,725,872
<i>Motor vehicle insurance</i>	380,707,268,439	337,128,143,722
<i>Fire and explosion insurance</i>	125,132,152,074	98,798,781,610
<i>Hull and P&I insurance</i>	52,186,219,533	36,962,435,142
<i>General liability insurance</i>	5,413,566,204	1,886,976,672
<i>Credit and financial risk insurance</i>	17,580,270,909	4,766,160,000
<i>Business interruption insurance</i>	2,002,651,116	719,072,515
<i>Agriculture insurance</i>	1,095,075,811	2,326,372,403
Deduction from premiums from direct insurance	(19,391,979,505)	(16,380,871,936)
	<hr/> 2,301,313,340,533	<hr/> 1,998,105,339,533
Gross written premiums from inward reinsurance	130,186,642,615	60,526,743,344
<i>Health insurance</i>	17,750,979,541	14,436,195,705
<i>Property insurance</i>	4,749,603,230	6,128,820,065
<i>Cargo insurance</i>	95,457,010	572,366,379
<i>Aviation insurance</i>	(19,600,408)	4,454,468
<i>Motor vehicle insurance</i>	99,745,441,538	35,275,201,630
<i>Fire and explosion insurance</i>	4,746,150,806	3,269,980,102
<i>Hull and P&I insurance</i>	610,207,966	357,659,367
<i>General liability insurance</i>	656,993,889	439,741,965
<i>Business interruption insurance</i>	177,838,387	42,323,663
<i>Agriculture insurance</i>	1,673,570,656	-
(Decrease)/increase in unearned premium reserve for direct insurance and inward reinsurance (Note 20(b))	(39,285,131,794)	116,329,948,302
	<hr/> 2,392,214,851,354	<hr/> 2,174,962,031,179

23. Outward reinsurance premiums

	2024 VND	2023 VND
Total outward reinsurance premiums	374,851,917,747	267,871,988,436
<i>Health insurance</i>	101,707,698,182	103,681,226,747
<i>Property insurance</i>	87,867,139,789	64,510,944,975
<i>Cargo insurance</i>	3,014,924,212	3,075,674,372
<i>Motor vehicle insurance</i>	52,326,787,342	10,612,181,513
<i>Fire and explosion insurance</i>	96,566,339,953	71,172,755,315
<i>Hull and protection and indemnity (“P&I”) insurance</i>	14,260,641,834	7,943,343,877
<i>General liability insurance</i>	3,942,270,963	993,418,568
<i>Credit and financial risk insurance</i>	12,623,621,561	4,287,727,469
<i>Business interruption insurance</i>	2,130,585,590	687,146,353
<i>Agriculture insurance</i>	411,908,321	907,569,247
Increase unearned premium reserve for outward reinsurance (Note 20(b))	(35,914,321,445)	(40,554,824,424)
	338,937,596,302	227,317,164,012

24. Net claims expense

	2024 VND	2023 VND (Restated)
Claims paid	785,695,077,494	728,122,550,809
<i>Health insurance</i>	519,240,194,263	492,646,476,394
<i>Property insurance</i>	17,024,106,504	20,297,124,810
<i>Cargo insurance</i>	2,480,675,181	695,049,866
<i>Aviation insurance</i>	12,741,946	2,280,579
<i>Motor vehicle insurance</i>	203,898,156,900	178,287,080,875
<i>Fire and explosion insurance</i>	8,983,219,427	30,164,709,006
<i>Hull and P&I insurance</i>	32,373,183,140	5,008,726,325
<i>General liability insurance</i>	413,639,532	7,079,855
<i>Credit and financial risk insurance</i>	616,678,319	298,243,099
<i>Agriculture insurance</i>	652,482,282	715,780,000
Claims recovery	(5,222,130,409)	(1,511,194,890)
	780,472,947,085	726,611,355,919
Claims receipts from ceded policies	(93,213,258,200)	(63,265,173,939)
Increase in claims reserve for direct insurance and inward reinsurance (Note 20(c))	193,138,440,138	11,651,637,076
Increase in claims reserve for outward reinsurance (Note 20(c))	(158,468,344,852)	(19,699,338,906)
	721,929,784,171	655,298,480,150



25. Other expenses for insurance activities

	2024 VND	2023 VND
Amortised commission expense (Note 11(i))	376,075,493,227	334,128,824,661
Other insurance expenses	340,282,591,000	294,099,510,941
- <i>Loss assessment expenses</i>	4,852,028,889	5,874,684,626
- <i>Expenses for rewarding, training and supporting agents</i>	132,337,204,793	99,617,321,749
- <i>Others</i>	203,093,357,318	188,607,504,566
	716,358,084,227	628,228,335,602

26. Financial income

	2024 VND	2023 VND
Interest income from term deposits	149,409,185,490	172,236,721,653
Interest income from current deposits	229,074,276	319,790,297
Foreign exchange gains	296,529,200	14,314,957
Income from sale of securities	48,198	-
	149,934,837,164	172,570,826,907

27. General and administration expenses

	2024 VND	2023 VND (Restated)
Staff cost	290,792,589,552	296,042,815,089
Expenses for management materials	11,446,934,799	10,749,828,606
Office equipment	8,029,903,230	12,730,092,403
Depreciation and amortisation expenses	16,469,693,780	13,771,924,128
Taxes, fees and charges	31,027,537,003	30,274,337,568
Outside services	63,796,555,896	52,259,331,371
Other cash expenses	167,486,273,851	165,680,889,874
Reversal of allowance for doubtful debts (Note 10)	(327,337,141)	(254,204,078)
	588,722,150,970	581,255,014,961

28. Income tax

(a) Recognised in the statement of income

	2024 VND	2023 VND (Restated)
Current tax expense		
Current year	51,427,157,920	61,763,272,320

(b) Reconciliation of effective tax rate

	2024 VND	2023 VND (Restated)
Accounting profit before tax	256,144,304,898	308,110,672,826
Tax at the Company's tax rate	51,228,860,980	61,622,134,565
Non-deductible expenses	198,296,940	141,137,755
	51,427,157,920	61,763,272,320

(c) Applicable tax rates

The Company has an obligation to pay the Government income tax at the rate of 20% of taxable profits. The income tax computation is subject to review and approval by tax authorities.

29. Basic earnings per share

The calculation of basic earnings per share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares, calculated as follows:

(a) Net profit attributable to ordinary shareholders

	2024 VND	2023 VND (Restated)	2023 VND (As previously reported)
Net profit for the year	204,717,146,978	246,347,400,506	246,312,160,876
Appropriation to bonus and welfare fund (*)	(61,905,296,869)	(61,905,296,869)	(56,341,513,378)
Net profit attributable to ordinary shareholders	<u>142,811,850,109</u>	<u>184,442,103,637</u>	<u>189,970,647,498</u>

(*) The Board of Management of the Company estimated the appropriation for bonus and welfare fund from the profit after tax of the year ended 31 December 2024 to be equal to the amount appropriated from the profit of 2023.

(b) Weighted average number of ordinary shares

	2024 Shares	2023 Shares	2023 (As previously reported) Shares
Number of ordinary shares issued last year carried forward	71,233,550	71,233,550	71,233,550
Impact of selling treasury shares	5,766	-	-
Weighted average number of ordinary shares for the year	<u>71,239,316</u>	<u>71,233,550</u>	<u>71,233,550</u>

(c) Basic earnings per share

	2024 VND	2023 VND (Restated)	2023 VND (As previously reported)
Basic earnings per share (VND/share)	<u>2,005</u>	<u>2,589</u>	<u>2,667</u>

The basic earnings per share for the year ended 31 December 2023 has been restated because the net profit attributable to ordinary shareholders for the year ended 31 December 2023 was restated according to the State Audit's results, and because the amount appropriated to the Bonus and welfare fund for 2023 was restated as per the actual amount approved in the Resolution by the General Meeting of Shareholders in 2023.

30. Commitments

Operating lease commitments

The Company has operating lease commitment related to office leasing, the committed future minimum lease payment at the end of the accounting period is as follows:

	31/12/2024	1/1/2024
	VND	VND
1 year or less	1,827,631,817	10,695,636,835
From 1 year to 5 years	26,374,788,686	20,495,821,687
More than 5 years	2,970,000,000	1,620,000,000
	31,172,420,503	32,811,458,522

31. Significant transactions with related parties

In the normal course of operation, the Company carries out transactions with related parties.

Balances with related parties

	31/12/2024	1/1/2024
	Receivable/(Payable)	
	VND	VND
Vietnam Bank for Agriculture and Rural Development		
<i>(The Parent bank)</i>		
Demand deposits	121,303,313,440	110,724,153,108
Short-term deposits	3,183,247,291,700	3,004,247,291,700
Statutory deposits	8,000,000,000	6,000,000,000
Accrued interest income from deposits	60,705,951,078	82,990,221,582
Direct insurance premium receivable	12,948,033,242	13,100,774,612
Capital contribution	(377,038,580,000)	(377,038,580,000)
Commission payables for direct insurance	(34,742,571,984)	(36,007,681,838)
Agent support payables	(10,724,732,521)	(10,836,194,434)
Agribank Banking Services Company Limited		
<i>(Subsidiary of the Parent bank)</i>		
Direct insurance premium receivable	152,652,775	236,440,000
Agribank Securities Corporation		
<i>(Subsidiary of the Parent bank)</i>		
Long-term financial investments	-	58,302

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Transactions	Revenue/(Expense)		
	2024 VND	2023 VND	
Vietnam Bank for Agriculture and Rural Development <i>(The Parent bank)</i>			
Direct insurance premium incomes	231,505,154,694	186,420,421,855	
Direct insurance commission expenses	(301,365,665,067)	267,620,138,602	
Agent support and reward expenses	(96,505,390,234)	88,190,618,270	
Interest income from deposits	149,638,259,766	172,556,511,950	
Dividends paid	(75,407,716,000)	(136,954,580,000)	
Agribank Banking Services Company Limited <i>(Subsidiary of the Parent bank)</i>			
Direct insurance premium income	8,485,671,620	9,996,859,772	
Purchase of goods	(6,600,000,000)	(5,256,000,000)	
Agribank Securities Corporation <i>(Subsidiary of the Parent bank)</i>			
Issue consulting fee	(75,000,000)	-	
Remuneration and salaries of Board of Directors, Supervisory Board and Board of Management			
<i>Board of Directors – Remuneration and salaries</i>			
Nguyen Tien Hai	Chairman	(784,999,000)	(927,685,407)
Le Hong Quan	Member	(761,425,000)	(864,480,263)
Do Minh Hoang	Member	(752,050,000)	(872,375,000)
Tran Anh Tuan	Member	(144,000,000)	(144,000,000)
Hoang Thanh Tung	Member <i>(from 27 June 2024)</i>	(73,200,000)	-
<i>Supervisory Board - Remuneration</i>			
Truong Dinh Canh	Chairman	(770,800,000)	(863,000,000)
Nguyen Ngoc Kien	Member <i>(until 28 May 2024)</i>	(745,020,000)	(691,184,211)
Duong Van Thanh	Member	(25,000,000)	(60,000,000)
<i>Board of Management - Salaries</i>			
Nguyen Hong Phong	General Director	(794,351,317)	(350,619,047)
Quach Ta Khang	Deputy General Director	(770,800,000)	(818,000,000)
Nguyen Hong Thai	Deputy General Director	(770,800,000)	(855,105,263)
Nguyen Duc Tuan	Deputy General Director	(669,581,818)	(91,181,818)
Dau Ngoc Linh	Deputy General Director	(649,154,546)	(43,454,545)

32. Financial instruments

(a) Financial risk management

(i) Overview

The Company has exposure to the following risks from their use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

The Company's Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(ii) Risk management framework

The purpose of the risk and financial management framework is to protect the shareholders of the Company from events that prevent the Company from achieving financial objectives steadily. The Board of Directors and the Board of Management recognise the importance of an effective risk management framework.

The Company has established a risk management unit with regulations in agreement with the Board of Directors. This unit is supplemented by a clear organisation structure in writing that specifies duties and rights from Board of Directors to Board of Management. A policy framework has been developed and applied, which indicates significant risks of the Company, standards on risk management, control and business in operations of the Company. For each policy, a member of Board of Management will be responsible for its compliance across the Company.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Company's receivables from customers. The maximum exposure to credit risk at the reporting date was as follows:

	Note	31/12/2024 VND	1/1/2024 VND (Restated)
Cash and cash equivalents	(i)	149,019,820,440	110,724,758,471
Short-term financial investments	(i)	3,157,247,291,700	3,004,247,291,700
Statutory security deposit	(i)	8,000,000,000	6,000,000,000
Accounts receivable – short-term	(ii)	155,371,996,884	146,027,141,003
Other short-term receivables	(ii)	60,755,138,719	83,514,351,700
Other long-term receivables	(ii)	6,194,703,249	4,978,415,162
		3,536,588,950,992	3,355,491,958,036

(i) Cash in banks, term deposits and statutory security deposit

Cash in banks, cash in transit, term deposits and statutory security deposit of the Company are mainly held with well-known financial institutions. Management does not foresee any significant credit risk from these deposits and does not expect that these financial institutions may default and cause losses to the Company.

(ii) Accounts receivable, other short-term and long-term receivables

The Company's exposure to credit risk in relation with receivables is mainly influenced by the individual characteristics of each customer. In response to the risk, the Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and service delivery terms and conditions are offered.

Receivables from customers under credit risk include receivables from insurance, reinsurance, and other receivables. The Company manages credit risk by policies, procedures and control process that are related to management of credit risk from customers.

Receivables from customers and other receivables that are neither past due nor impaired are mostly companies with good collection track records with the Company. The Board of Management believes that those receivables are of high credit quality.

The aging of accounts receivable from customers with provision made is as follows:

	Overdue and with provision made	Allowance for doubtful debts
	<i>Over 360 days</i> VND	VND
As at 31 December 2024		
Accounts receivable – short-term	2,410,267,719	2,410,267,719
As at 1 January 2024		
Accounts receivable – short-term	2,859,479,860	2,859,479,860

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed financial conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The financial liabilities with fixed or determinable payments have the following contractual maturities as follows:

As at 31 December 2024	Carrying amount VND	Contractual cash flows VND	Within 1 year VND
Accounts payable	300,855,016,266	300,855,016,266	300,855,016,266
Other short-term payables	27,055,971,216	27,055,971,216	27,055,971,216
	327,910,987,482	327,910,987,482	327,910,987,482

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<i>As at 1 January 2024</i>	Carrying amount VND	Contractual cash flows VND	Within 1 year VND
Accounts payable	236,072,496,013	236,072,496,013	236,072,496,013
Other short-term payables	19,686,036,731	19,686,036,731	19,686,036,731
	255,758,532,744	255,758,532,744	255,758,532,744

(d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, and interest rates will affect the Company's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in exchange rates.

As at 31 December 2024 and 1 January 2024, the Company has no balance of financial instruments in foreign currency.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Company's financial instrument will fluctuate because of changes in market interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was.

	Carrying amount	
	31/12/2024 VND	1/1/2024 VND
Fixed rate instruments		
Cash in banks	149,019,820,440	110,724,758,471
Term deposits	3,157,247,291,700	3,004,247,291,700
Statutory security deposit	8,000,000,000	6,000,000,000
	3,314,267,112,140	3,120,972,050,171

33. Insurance risks

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 items affecting the ultimate costs of the 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.

The Company makes technical reserve in accordance with the regulations and guidelines in Circular 67 and Official Letter 358.

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

- Reserve for claims incurred but not reported (IBNR) is made according to Official Letter 358 on approving the method of appropriation at the rate of 3% of the insurance premiums for each insurance transaction.
- Reserve for outstanding case claims is made 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 year-end; and

The Company issues non-life insurance contracts such as property insurance, cargo insurance, hull and P&I insurance, motor vehicle insurance, fire and explosion insurance, human insurance, general indemnity and credit and financial risk insurance. Risks under general insurance contracts usually cover twelve-month (12) duration.

For non-life insurance contracts, the most significant risks arise from climate changes and natural disasters. Vietnam has suffered heavily from catastrophe 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 Company has arranged the reinsurance contracts/policies for property, motor vehicles, cargo and hull portfolios against the catastrophe events to minimize the risks. The Company also applies a maximum liability level for certain specific policies, as well as reinsurance arrangements to limit the risk of catastrophic events.

For longer tail claims that take over one year to settle, there is also inflation risk. These risks do not vary significantly in relation to the location of the risk insured by the general insurance, type of risk insured and industry.



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 Company. The Company 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 Company's risk appetite as decided by the Board of Management. The Board of Management may decide to increase or decrease the maximum tolerances based on market conditions and other factors.

Capital management and statutory requirements

The first and foremost objective of the Company in capital management is to always maintain a sufficient source of capital to support its business development and ensure compliance with the requirements on legal capital. The Company has realised the impacts on profits attributable to shareholders corresponding to their ratio of capital contribution and has always sought to maintain a prudent balance.

Legal capital requirements arise from the Company's business activities and require the Company to have a sufficient capital to service its debts and meet relevant regulations on liquidity margin in Vietnam. The Company maintains a minimum solvency margin in its insurance business operations as prescribed by Decree 46.

The minimum level of solvency margin of the insurance companies shall be higher amount of the following amounts:

- 25.0% total retained premium at the time of calculation of solvency margin;
- 12.5% of total direct premium and reinsurance premium assumed at the time of calculation of solvency margin.

The following table provides the minimum solvency margin and the Company's solvency margin. Policy makers focus on protecting rights of insurance buyers and monitor to ensure the strong performance of insurance companies for the benefit of insurance buyers. Policy makers also pay attention to ensuring that insurance companies sustain their appropriate liquidity positions to respond to unexpected insurance liabilities due to economic recession or natural disasters.



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	31/12/2024 VND	1/1/2024 VND (Restated)
I. Solvency margin (I = (1)-(2)-(3)-(4))	1,237,958,750,735	1,221,330,488,810
1. Difference between value of assets and liabilities	1,540,816,939,283	1,532,217,776,574
2. Value of assets entirely excluded in solvency calculation	231,379,715,840	238,219,908,069
3. Value of assets partially excluded in solvency calculation	71,478,472,708	72,667,379,695
II. Minimum solvency margin [the higher of (a) and (b)]	514,162,016,350	447,690,023,610
(a) 25% total retained insurance premiums	514,162,016,350	447,690,023,610
(b) 12.5% total premiums from direct insurance and inward reinsurance	303,937,497,894	257,329,010,360
III. Compare (I) and (II)		
Absolute value	723,796,734,385	773,640,465,200
Percentage	240,77%	272,81%

The solvency margin calculation as at 31 December 2024 was made in accordance with Circular No. 50/2017/TT-BTC.

34. Post balance sheet events

There have been no significant events occurring after the balance sheet date which require adjustments and disclosures to be made in the financial statements for the year ended 31 December 2024.

35. Comparative information

Except for the adjustments below, the comparative information as at 1 January 2024 is carried forward from the amounts presented in the Company's financial statements as at and for the year ended 31 December 2023.

The Company has restated certain corresponding figures in the financial statements for the year ended 31 December 2023 based on the results of the State Audit in its Notification of Audit Results No. 385/TB-KTNN dated 6 August 2024. Details are as follows:

(a) Balance sheet

	Code	1/1/2024 VND (As previously reported)	Adjust VND	1/1/2024 VND (Restated)
Other short-term receivables	135	83,466,471,768	47,879,932	83,514,351,700
Taxes and others payable to State Treasury	314	17,131,594,951	12,640,302	17,144,235,253
Retained profit after tax	421	327,857,222,936	35,239,630	327,892,462,566



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(b) Statement of income

Part I – Summary statement of income

	Code	1/1/2024 VND (As previously reported)	Adjust VND	1/1/2024 VND (Restated)
Total expenses for insurance activities	20	1,301,482,296,624	(47,879,932)	1,301,434,416,692
General and administration expenses	23	581,251,184,566	3,830,395	581,255,014,961
Accounting profit before tax	50	308,066,623,289	44,049,537	308,110,672,826
Income tax expense – current	51	61,754,462,413	8,809,907	61,763,272,320
Net profit after tax	60	246,312,160,876	35,239,630	246,347,400,506

Part II – Statement of income (by activities)

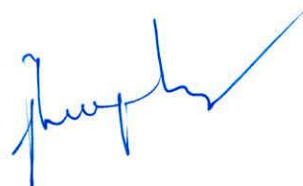
	Code	1/1/2024 VND (As previously reported)	Adjust VND	1/1/2024 VND (Restated)
Claims paid	11	726,659,235,851	(47,879,932)	726,611,355,919
In which:				
- <i>Claims paid</i>	11.1	728,170,430,741	(47,879,932)	728,122,550,809
General and administration expenses	26	581,251,184,566	3,830,395	581,255,014,961
Net operating profit	30	308,219,796,261	44,049,537	308,263,845,798
Accounting profit before tax	50	308,066,623,289	44,049,537	308,110,672,826
Income tax expense – current	51	61,754,462,413	8,809,907	61,763,272,320
Net profit after tax	60	246,312,160,876	35,239,630	246,347,400,506

36. Approval of the financial statements

These financial statements were approved by the Board of Management of the Company on 6 March 2025.

6 March 2025

Prepared by:



Le Thi Thanh Huyen
Accountant

Reviewed by:



Pham Minh Tri
Chief Accountant

Approved by:



Nguyen Hong Phong
General Director

