

TCT CỔ PHẦN BẢO HIỂM BẢO LONG

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM

Số: 605...../2025/CV-BL

Độc lập - Tự do - Hạnh phúc

Tp.HCM, ngày 27 tháng 03 năm 2025

## CÔNG BỐ THÔNG TIN ĐỊNH KỲ BÁO CÁO TÀI CHÍNH

**Kính gửi: Sở Giao dịch Chứng khoán Hà Nội**

Thực hiện quy định tại khoản 3 Điều 14 Thông tư số 96/2020/TT-BTC ngày 16/11/2020 của Bộ Tài chính hướng dẫn công bố thông tin trên thị trường chứng khoán, Tổng Công ty Cổ phần Bảo hiểm Bảo Long thực hiện công bố thông tin báo cáo tài chính (BCTC) năm 2024 với Sở Giao dịch Chứng khoán Hà Nội như sau:

1. Tên tổ chức:

- Mã chứng khoán: BLI
- Địa chỉ: 185 Điện Biên Phủ, phường Đakao, quận 1, TpHCM
- Điện thoại liên hệ/Tel: (84.8) 3823 9219 Fax: (84.8) 3822 8967
- Email: [info@baohiembalong.vn](mailto:info@baohiembalong.vn) Website: <http://baohiembalong.vn>

2. Nội dung thông tin công bố:

- BCTC năm 2024:

☐ BCTC riêng (TCTY không có công ty con và đơn vị kế toán cấp trên có đơn vị trực thuộc);

☐ BCTC hợp nhất (TCTY có công ty con);

☒ BCTC tổng hợp (TCTY có đơn vị kế toán trực thuộc tổ chức bộ máy kế toán riêng);

- Các trường hợp thuộc diện phải giải trình nguyên nhân:

+ Tổ chức kiểm toán đưa ra ý kiến không phải là ý kiến chấp nhận toàn phần đối với BCTC (đối với BCTC được kiểm toán năm 2023):

☐ Có

☒ Không

Văn bản giải trình trong trường hợp tích có:

☐ Có

☒ Không

+ Lợi nhuận sau thuế trong kỳ báo cáo có sự chênh lệch trước và sau kiểm toán từ 5% trở lên, chuyển từ lỗ sang lãi hoặc ngược lại (đối với BCTC được kiểm toán năm 2023):

☐ Có

☒ Không

Văn bản giải trình trong trường hợp tích có:

☐ Có

☒ Không

+ Lợi nhuận sau thuế thu nhập doanh nghiệp tại báo cáo kết quả kinh doanh của kỳ báo cáo thay đổi từ 10% trở lên so với báo cáo cùng kỳ năm trước:



☒ Có

☐ Không

Văn bản giải trình trong trường hợp tích có:

☒ Có

☐ Không

+ Lợi nhuận sau thuế trong kỳ báo cáo có bị lỗ, chuyển từ lãi ở báo cáo cùng kỳ năm trước sang lỗ ở kỳ này hoặc ngược lại:

☐ Có

☒ Không

Văn bản giải trình trong trường hợp tích có:

☐ Có

☒ Không

Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày: 27/03/2025 tại đường dẫn: <https://baolonginsurance.com.vn/nha-dau-tu#>

Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin công bố.

Đại diện tổ chức

Người đại diện theo pháp luật/ Người UQCBTT

(Ký, ghi rõ họ tên, chức vụ, đóng dấu)

Tài liệu đính kèm:

- BCTC năm 2024
- Văn bản giải trình số 579../2025/CV-BL ngày 26/03/25



TỔNG GIÁM ĐỐC  
PHAN QUỐC DŨNG





**Bao Long Insurance Corporation**

Financial statements for the year ended  
31 December 2024





## Bao Long Insurance Corporation Corporate Information

### Establishment and Operation Licence No.

1529/GP-UB

11 July 1995

The Establishment and Operation Licence of the Corporation has been amended several times, the most recent of which is by Establishment and Operation Licence No. 71/GPDC19/KDBH dated 9 June 2017. The initial Establishment and Operation Licence was issued by People's Committee of Ho Chi Minh City and its updates were issued by the Ministry of Finance and is valid for 99 years from 11 July 1995.

### Business Registration Certificate No.

059614

2 August 1995

The Business Registration Certificate was issued by Planning Committee of Ho Chi Minh City.

### Board of Directors

Mr. Nguyen Thanh Long	Chairman
Mr. Phan Quoc Dung	Permanent Vice Chairman
Mr. Nguyen Van Hung	Vice Chairman
Mr. Lai Quoc Phong	Member
Ms. Pham Minh Cham	Member
Mr. Ha The Dinh	Member
	(from 27 June 2024)
Ms. Trinh Thi Thanh	Member
	(from 27 June 2024)
Ms. Nguyen Ho Thu Thuy	Member
	(from 27 June 2024)

### Board of Executive Officers

Mr. Phan Quoc Dung	Chief Executive Officer
Ms. Pham Minh Cham	Deputy Chief Executive Officer
	cum Director of Finance
Mr. Ha Minh Hieu	Chief Accountant
Ms. Nguyen Thuy Hang	Director of Support Division
	cum Head of Board of Directors' Office

### Board of Supervisors

Ms. Le Thi Thanh Binh	Head of Board of Supervisors
Ms. Nguyen Thi Tuong Vy	Member
Mr. Ton That Dien Khoa	Member
Mr. Nguyen Manh Hai	Member
	(from 27 June 2024)
Mr. Vo Hoang Duy Trinh	Member
	(until 27 June 2024)

### Registered Office

185 Dien Bien Phu Street  
Da Kao Ward, District 1  
Ho Chi Minh City  
Vietnam

### Auditor

KPMG Limited  
Vietnam



## **Bao Long Insurance Corporation**

### **Statement of the Board of Executive Officers**

The Board of Executive Officers of Bao Long Insurance Corporation ("the Corporation") presents this statement and the accompanying financial statements of the Corporation for the year ended 31 December 2024.

The Board of Executive Officers is responsible for the preparation and true and fair presentation of the financial statements 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 branches of foreign non-life insurance companies and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Executive Officers:

- (a) the financial statements set out on pages 5 to 64 give a true and fair view of the financial position of the Corporation as at 31 December 2024, and of its results of operations and its cash flows for the year ended 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 branches of foreign non-life insurance companies 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 Corporation will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of Executive Officers



*Phan Quoc Dung*  
*Chief Executive Officer*

Ho Chi Minh City, 26 March 2025



KPMG Limited Branch  
10th Floor, Sun Wah Tower  
115 Nguyen Hue Street, Ben Nghe Ward  
District 1, Ho Chi Minh City, Vietnam  
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## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders Bao Long Insurance Corporation

We have audited the accompanying financial statements of Bao Long Insurance Corporation ("the Corporation"), 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 Corporation's Board of Executive Officers on 26 March 2025, as set out on pages 5 to 64.

### Management's Responsibility

The Corporation's Board of Executive Officers is responsible for the preparation and true 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 issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and branches of foreign non-life insurance companies and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Executive Officers 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 Corporation's preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Corporation's Board of Executive Officers, 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 Bao Long Insurance 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 issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and branches of foreign non-life insurance companies and the relevant statutory requirements applicable to financial reporting.

**KPMG Limited's Branch in Ho Chi Minh City**  
Vietnam

Audit Report No.: 24-01-00542-25-1



Nelson Rodriguez Casihan  
Practicing Auditor Registration  
Certificate No. 2225-2023-007-1  
Deputy General Director

Ho Chi Minh City, 26 March 2025

Truong Vinh Phuc  
Practicing Auditor Registration  
Certificate No. 1901-2023-007-1



**Bao Long Insurance Corporation**  
**Balance sheet as at 31 December 2024**

**Form B 01 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

	Code	Note	31/12/2024 VND	1/1/2024 VND (Restated)
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>				
<b>(100 = 110 + 120 + 130 + 140 + 150 + 190)</b>	<b>100</b>		<b>2,406,280,444,477</b>	<b>1,969,449,538,810</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>137,852,240,575</b>	<b>87,229,256,976</b>
Cash	111		117,852,240,575	87,229,256,976
Cash equivalents	112		20,000,000,000	-
<b>Short-term financial investments</b>	<b>120</b>		<b>1,473,948,587,654</b>	<b>1,243,024,683,413</b>
Trading securities	121	5(a)	4,186,371,000	24,788,437,000
Allowance for diminution in value of trading securities	122	5(a)	(2,611,498,100)	(3,603,080,400)
Held-to-maturity investments	123	5(b)	1,426,122,904,439	1,190,513,671,233
Other short-term investments	128	5(c)	47,129,179,580	32,129,179,580
Provision for diminution in value of other short-term investments	129	5(c)	(878,369,265)	(803,524,000)
<b>Accounts receivable – short-term</b>	<b>130</b>	<b>6</b>	<b>411,257,397,571</b>	<b>393,522,181,539</b>
Accounts receivable	131		301,685,061,902	283,886,435,664
<i>Accounts receivable – insurance</i>	<i>131.1</i>		<i>301,685,061,902</i>	<i>283,886,435,664</i>
Other short-term receivables	135		132,616,331,420	144,117,375,323
Allowance for doubtful debts	139		(23,043,995,751)	(34,481,629,448)
<b>Inventories</b>	<b>140</b>		<b>389,404,189</b>	<b>416,267,599</b>
Inventories	141		389,404,189	416,267,599
<b>Other current assets</b>	<b>150</b>		<b>55,076,173,303</b>	<b>50,476,729,284</b>
Short-term prepaid expenses	151	7	55,076,173,303	50,476,729,284
<i>Deferred commission expenses</i>	<i>151.1</i>		<i>50,173,824,017</i>	<i>47,966,527,090</i>
<i>Other short-term prepaid expenses</i>	<i>151.2</i>		<i>4,902,349,286</i>	<i>2,510,202,194</i>
<b>Reinsurance assets</b>	<b>190</b>	<b>17(a)</b>	<b>327,756,641,185</b>	<b>194,780,419,999</b>
Unearned outward reinsurance premium reserve	191		105,421,632,419	124,368,717,797
Outward reinsurance claims reserve	192		222,335,008,766	70,411,702,202

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

**Bao Long Insurance Corporation**  
**Balance sheet as at 31 December 2024**  
**(continued)**

**Form B 01 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

	Code	Note	31/12/2024 VND	1/1/2024 VND (Restated)
<b>LONG-TERM ASSETS</b> <b>(200 = 210 + 220 + 250 + 260)</b>	<b>200</b>		<b>169,312,932,741</b>	<b>359,549,614,051</b>
<b>Accounts receivable – long-term</b>	<b>210</b>	<b>6</b>	<b>12,501,863,144</b>	<b>23,977,221,553</b>
Other long-term receivables	218		12,501,863,144	23,977,221,553
Statutory security deposit	218.1		12,000,000,000	12,000,000,000
Other long-term receivables	218.2		501,863,144	11,977,221,553
<b>Fixed assets</b>	<b>220</b>		<b>115,822,867,271</b>	<b>115,211,502,361</b>
Tangible fixed assets	221	8	17,130,844,630	17,814,655,623
Cost	222		46,523,416,092	45,072,114,092
Accumulated depreciation	223		(29,392,571,462)	(27,257,458,469)
Intangible fixed assets	227	9	91,593,810,141	76,014,546,416
Cost	228		111,561,026,627	86,194,826,627
Accumulated amortisation	229		(19,967,216,486)	(10,180,280,211)
Construction in progress	230	10	7,098,212,500	21,382,300,322
<b>Long-term financial investments</b>	<b>250</b>	<b>5(b)</b>	<b>-</b>	<b>182,000,000,000</b>
Held-to-maturity investments	255		1,503,000,000	183,503,000,000
Allowance for diminution in value of long-term financial investments	259		(1,503,000,000)	(1,503,000,000)
<b>Other long-term assets</b>	<b>260</b>		<b>40,988,202,326</b>	<b>38,360,890,137</b>
Long-term prepaid expenses	261	11	21,716,624,619	22,571,202,412
Deferred tax assets	262	12	5,654,346,263	6,160,053,675
Other long-term assets	268		13,617,231,444	9,629,634,050
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>2,575,593,377,218</b>	<b>2,328,999,152,861</b>

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



**Bao Long Insurance Corporation**  
**Balance sheet as at 31 December 2024**  
**(continued)**

**Form B 01 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
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	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>1,675,362,908,877</b>	<b>1,492,094,426,463</b>
<b>Current liabilities</b>	<b>310</b>		<b>1,671,886,502,944</b>	<b>1,488,477,527,130</b>
Accounts payable	312		315,108,597,942	344,422,421,137
<i>Accounts payable – insurance</i>	312.1	13	315,108,597,942	344,422,421,137
Taxes and others payable to State				
Treasury	314	14	21,598,350,811	25,751,149,009
Payables to employees	315		7,062,928,667	16,542,308,971
Accrued expenses	316		21,560,749,002	20,390,963,551
Unearned revenue – short term	318		19,850,800,446	12,199,576,634
Other short-term payables	319	15	70,443,812,887	53,491,314,873
Unearned commission income	319.1	16	27,048,197,426	34,412,594,826
Technical reserves	329		1,189,213,065,763	981,267,198,129
<i>Unearned premium reserve</i>	329.1	17(a)	607,889,059,450	575,989,067,455
<i>Claims reserve</i>	329.2	17(a)	465,104,151,700	301,082,566,982
<i>Catastrophe reserve</i>	329.3	17(b)	116,219,854,613	104,195,563,692
<b>Long-term liabilities</b>	<b>330</b>		<b>3,476,405,933</b>	<b>3,616,899,333</b>
Other long-term payables	333		30,000,000	180,000,000
Provisions – long-term	342		3,446,405,933	3,436,899,333
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>900,230,468,341</b>	<b>836,904,726,398</b>
<b>Owners' equity</b>	<b>410</b>	<b>18</b>	<b>900,230,468,341</b>	<b>836,904,726,398</b>
Share capital	411		600,000,000,000	600,000,000,000
Share premium	412		(415,994,845)	(415,994,845)
Treasury shares	414		(5,260,000)	(5,260,000)
Statutory reserve	419		37,454,476,690	34,225,446,077
Other equity funds	420		17,750,679,958	17,750,679,958
Retained profits	421		245,446,566,538	185,349,855,208
<b>TOTAL RESOURCES</b> <b>(440 = 300 + 400)</b>	<b>440</b>		<b>2,575,593,377,218</b>	<b>2,328,999,152,861</b>

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



**Bao Long Insurance Corporation**  
**Balance sheet as at 31 December 2024**  
**(continued)**

**Form B 01 – DNPNT**  
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**OFF-BALANCE SHEET ITEMS**

	Note	31/12/2024	1/1/2024
Insurance policies not yet incurred insurance risk – gross premium – VND		136,350,425,089	150,425,876,794
Written off bad debts – VND		25,770,764,041	12,827,086,381
Foreign currencies – USD	32(b)	1,361,855	1,053,208

26 March 2025

Prepared by:



Chau Hau Doanh Doanh  
*Accountant*

Reviewed by:



Ha Minh Hieu  
*Chief Accountant*

Approved by:



Phan Quoc Dung  
*Chief Executive Officer*

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



**Bao Long Insurance Corporation**  
**Statement of income for the year ended**  
**31 December 2024**

**Form B 02 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**Part I – Summary statement of income**

	<b>Code</b>	<b>2024 VND</b>	<b>2023 VND</b>
Net revenue from insurance activities	10	1,250,751,633,361	1,257,810,418,444
Financial income	12	101,959,977,699	122,542,365,599
Other income	13	1,465,459,992	766,075,225
Total expenses for insurance activities	20	1,030,996,379,141	1,022,130,605,080
Financial expenses	22	6,972,712,463	2,699,581,064
General and administration expenses	23	233,449,089,277	244,743,208,584
Other expenses	24	683,120,898	526,855,312
<b>Accounting profit before tax</b> <b>(50 = 10 + 12 + 13 – 20 – 22 – 23 – 24)</b>	<b>50</b>	<b>82,075,769,273</b>	<b>111,018,609,228</b>
Income tax expense – current	51	16,989,449,609	23,021,141,102
Income tax expense/(benefit) – deferred	52	505,707,412	(939,938,049)
<b>Net profit after tax (60 = 50 – 51 – 52)</b>	<b>60</b>	<b>64,580,612,252</b>	<b>88,937,406,175</b>
<b>Basic earnings per share</b>	<b>70</b>	<b>1,076</b>	<b>1,413</b>

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

**Bao Long Insurance Corporation**  
**Statement of income for the year ended**  
**31 December 2024 (continued)**

**Form B 02 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**Part II – Statement of income by activities**

	Code	Note	2024 VND	2023 VND
<b>Premium revenue</b> <b>(01 = 01.1 + 01.2 – 01.3)</b>	<b>01</b>		<b>1,494,444,987,900</b>	<b>1,608,363,421,452</b>
In which:				
- Gross written premiums from direct insurance business	01.1	19(a)	1,357,031,379,358	1,262,966,824,585
- Gross written premiums from inward reinsurance	01.2	19(b)	169,313,600,537	257,854,792,591
- Increase/(decrease) in unearned premium reserve for direct insurance business and inward reinsurance	01.3	17(a)(ii)	31,899,991,995	(87,541,804,276)
<b>Outward reinsurance premiums</b> <b>(02 = 02.1 – 02.2)</b>	<b>02</b>		<b>342,862,973,191</b>	<b>480,020,000,262</b>
In which:				
- Outward reinsurance premiums	02.1	20	323,915,887,813	408,106,087,978
- Decrease in unearned outward reinsurance premium reserve	02.2	17(a)(ii)	(18,947,085,378)	(71,913,912,284)
<b>Net premium revenue</b> <b>(03 = 01 – 02)</b>	<b>03</b>		<b>1,151,582,014,709</b>	<b>1,128,343,421,190</b>
Commission income from outward reinsurance and other income from insurance activities (04 = 04.1 + 04.2)	04		99,169,618,652	129,466,997,254
In which:				
- Commission income from outward reinsurance	04.1	21	88,730,283,153	122,884,492,491
- Other income from insurance activities	04.2		10,439,335,499	6,582,504,763
<b>Net revenue from insurance activities</b> <b>(10 = 03 + 04)</b>	<b>10</b>		<b>1,250,751,633,361</b>	<b>1,257,810,418,444</b>
Claims paid (11 = 11.1 – 11.2)	11	22	567,311,526,467	728,480,770,876
In which:				
- Claims paid	11.1		575,142,396,261	737,692,053,654
- Deductions (third party claims and salvage recoveries)	11.2		7,830,869,794	9,211,282,778
Claims recovery from outward reinsurance	12	23	121,334,070,526	293,916,666,195
Increase/(decrease) in claims reserve for direct insurance business and inward reinsurance	13	17(a)(i)	164,021,584,718	(116,680,946,435)
Increase/(decrease) in outward reinsurance claims reserve	14	17(a)(i)	151,923,306,564	(91,585,344,384)
<b>Net claims expense</b> <b>(15 = 11 – 12 + 13 – 14)</b>	<b>15</b>		<b>458,075,734,095</b>	<b>409,468,502,630</b>

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



**Bao Long Insurance Corporation**  
**Statement of income for the year ended**  
**31 December 2024 (continued)**

**Form B 02 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

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

	Code	Note	2024 VND	2023 VND
Increase in catastrophe reserve	16	17(b)	12,024,290,921	11,127,155,292
Other operating expenses for insurance activities (17 = 17.1 + 17.2)	17	24	560,896,354,125	601,534,947,158
In which:				
- Commission on insurance activities	17.1		128,501,754,918	192,281,534,870
- Other insurance costs	17.2		432,394,599,207	409,253,412,288
<b>Total expenses for insurance activities (18 = 15 + 16 + 17)</b>	<b>18</b>		<b>1,030,996,379,141</b>	<b>1,022,130,605,080</b>
<b>Gross profit from insurance activities (19 = 10 – 18)</b>	<b>19</b>		<b>219,755,254,220</b>	<b>235,679,813,364</b>
Financial income	23	25	101,959,977,699	122,542,365,599
Financial expenses	24	26	6,972,712,463	2,699,581,064
<b>Profit from financial activities (25 = 23 – 24)</b>	<b>25</b>		<b>94,987,265,236</b>	<b>119,842,784,535</b>
General and administration expenses	26	27	233,449,089,277	244,743,208,584
<b>Net operating profit (30 = 19 + 25 – 26)</b>	<b>30</b>		<b>81,293,430,179</b>	<b>110,779,389,315</b>
Other income	31		1,465,459,992	766,075,225
Other expenses	32		683,120,898	526,855,312
<b>Results of other activities (40 = 31 – 32)</b>	<b>40</b>		<b>782,339,094</b>	<b>239,219,913</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>82,075,769,273</b>	<b>111,018,609,228</b>
Income tax expense – current	51	28	16,989,449,609	23,021,141,102
Income tax expense/(benefit) – deferred	52	28	505,707,412	(939,938,049)
<b>Net profit after tax (60 = 50 – 51 – 52)</b>	<b>60</b>		<b>64,580,612,252</b>	<b>88,937,406,175</b>
<b>Basic earnings per share</b>	<b>70</b>	<b>29</b>	<b>1,076</b>	<b>1,413</b>

26 March 2025

Prepared by:



Chau Hau Doanh Doanh  
Accountant

Reviewed by:



Ha Minh Hieu  
Chief Accountant

Approved by:



Phan Quốc Dũng  
Chief Executive Officer

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

**Bao Long Insurance Corporation**  
**Statement of cash flows for the year ended**  
**31 December 2024 (Direct method)**

**Form B 03 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

	Code	2024 VND	2023 VND (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash receipts</b>			
Cash receipts from insurance services rendered and other revenues	01	1,576,133,988,323	1,570,041,637,895
Cash receipts from other operating activities	06	196,249,216,475	185,352,466,619
<b>Cash payments</b>			
Payments of claims, commissions and other liabilities of insurance activities	02	(1,084,919,112,112)	(1,158,522,221,474)
Payments to employees	03	(251,771,611,732)	(218,564,478,255)
Taxes and others paid to the State Treasury	05	(23,049,824,702)	(24,847,395,119)
Payments of other operating liabilities	07	(391,386,913,730)	(399,708,479,153)
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>21,255,742,522</b>	<b>(46,248,469,487)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Payments for additions to fixed assets	21	(8,338,802,515)	(5,570,400,322)
Payments for term deposits at banks, purchase of debt instruments of other entities	23	(441,000,000,000)	(1,087,680,334,079)
Receipts from term deposits at banks, sales of debt instruments of other entities	24	417,254,071,223	879,250,531,742
Receipts of interests and dividends	27	64,103,328,336	73,644,356,403
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>32,018,597,044</b>	<b>(140,355,846,256)</b>

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





**Bao Long Insurance Corporation**  
**Statement of cash flows for the year ended**  
**31 December 2024 (Direct method – continued)**

**Form B 03 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

	Code	2024 VND	2023 VND (Restated)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments of dividends	36	(2,989,008,379)	(955,904,280)
<b>Net cash flows from financing activities</b>	<b>40</b>	<b>(2,989,008,379)</b>	<b>(955,904,280)</b>
<b>Net cash flows during the year</b> (50 = 20 + 30 + 40)	<b>50</b>	<b>50,285,331,187</b>	<b>(187,560,220,023)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>87,229,256,976</b>	<b>274,751,537,174</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>	<b>337,652,412</b>	<b>37,939,825</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 4)</b>	<b>70</b>	<b>137,852,240,575</b>	<b>87,229,256,976</b>

26 March 2025

Prepared by:   
Chau Hau Doanh Doanh  
Accountant

Reviewed by:   
Ha Minh Hieu  
Chief Accountant

Approved by:   
  
Phan Quoc Dung  
Chief Executive Officer



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

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

## **1. Reporting entity**

### **(a) Ownership structure**

Bao Long Insurance Corporation (“the Corporation”) is a joint stock company incorporated in Vietnam under the Establishment and Operation Licence No. 1529/GP-UB dated 11 July 1995 issued by the People’s Committee of Ho Chi Minh City, which was subsequently amended several times and the most recent of which is by Establishment and Operation Licence No. 71/GPDC19/KDBH dated 9 June 2017 issued by the Ministry of Finance.

The shares of the Corporation have been registered for trading in the unlisted public company market (“UPCOM”) since 11 December 2015 with the ticker symbol as “BLI”.

### **(b) Principal activities**

The principal activities of the Corporation are to provide non-life insurance services and health insurance services in Vietnam including direct insurance services, reinsurance services, and carry out investment activities and other related activities in accordance with prevailing regulations in Vietnam.

### **(c) Corporation structure**

As at 31 December 2024, the Corporation has one (1) head office and forty six (46) member companies located in cities and provinces in Vietnam (1/1/2024: one (1) head office and forty six (46) member companies).

As at 31 December 2024, the Corporation had 970 employees (1/1/2024: 944 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 (“Circular 232”) issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and branches of foreign non-life insurance companies and the relevant statutory requirements applicable to financial reporting.

These standards and the relevant statutory requirements may differ in some material respects from International Financial Reporting Standards and the generally accepted accounting principles and accounting standards applicable to financial statements in other countries. Accordingly, the accompanying financial statements are not intended to present the financial position of the Corporation and of its 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 applicable to 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 Corporation is from 1 January to 31 December.

**(d) Accounting and presentation currency**

The Corporation'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 Corporation 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 actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively, at the end of the annual accounting period quoted by the commercial bank where the Corporation most frequently conducts transactions.

All foreign exchange differences are recorded in the statement of income.



**(b) Cash and cash equivalents**

Cash comprises cash on hand and demand deposits at banks. Cash equivalents are short-term highly liquid investments that are readily convertible to known amount 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) Trading securities**

Trading securities are those held by the Corporation for trading purpose i.e. purchase for resale with the aim of making short-term profits. Trading securities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, they are measured at cost less allowance for diminution in value. An allowance is made for diminution in value of trading securities if 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 securities' carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

For listed securities, the market prices are the closing prices of securities in the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange at the latest trading date until the annual accounting period.

For unlisted securities that have been registered for trading on Unlisted Public Company Market ("UPCOM"), the market price is the average price of the most recent 30 trading dates until the end of the annual accounting period quoted by the Stock Exchange. If there is no transaction within 30 days until the end of the accounting period, allowance for diminution in value of these securities is made if the investees have suffered losses. The allowance for diminution in value is equal to the difference between the total capital contributed by all investors and the owner's equity of the investee multiplied (x) the Corporation's actual percentage of equity ownership in the investee at the end of the annual accounting period.

For unlisted securities and not yet registered for trading on the UPCOM, the allowance is made if the investees have suffered losses. The allowance for diminution in value is equal to the difference between the total capital contributed by all investors and the owner's equity of the investee multiplied (x) the Corporation's actual percentage of equity ownership in the investee at the end of the annual accounting period.

**(ii) Held-to-maturity investments**

Held-to-maturity investments are those that the Corporation's Board of Executive Officers has the intention and ability to hold until maturity. Held-to-maturity investments comprise term deposits at banks and bonds. These investments are stated at cost less allowance for doubtful debts.



**(d) Accounts receivable – insurance and other receivables**

Accounts receivable – insurance and other receivables are stated at cost less allowance for doubtful debts.

Allowance for doubtful debts is made based on the overdue status of debts or expected losses on undue debts which may occur when an economic organisation is bankrupted or liquidated; or debtor is missing, running away, being prosecuted, in prison, under a trial or pending execution of sentences or deceased.

The allowance for doubtful debts based on overdue status as follows:

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

Allowance for doubtful debts based on the expected losses of undue debts is determined by the Corporation's Board of Executive Officers after giving consideration to the recovery of these debts.

**(e) Deferred commission expenses**

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

**(f) Statutory security deposit**

In accordance with Decree No. 46/2023/ND-CP dated 1 July 2023 ("Decree 46") issued by the Government of Vietnam on the promulgation of implementation guidance for certain articles of Law on Insurance Business, the Corporation is required to place a statutory security deposit of 2% minimum charter capital at a commercial bank in Vietnam. This statutory security deposit is only used to meet any commitments made to policyholders when the Corporation is unable to meet its financial obligations and the approval from the Ministry of Finance has been obtained. This statutory security deposit can only be fully withdrawn upon ceasing the business operations.

Statutory security deposit is stated at cost less allowance for doubtful debts.

**(g) 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, 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 tangible fixed assets have been put into operation, such as repairs, maintenance and overhaul costs, is charged to the statement of income in the year in which the cost is 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 tangible fixed assets beyond their 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 tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	20 – 25 years
▪ motor vehicles	6 – 10 years
▪ machinery and equipment	6 – 13 years
▪ office equipment	4 – 5 years

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**(h) Intangible fixed assets**

**(i) Land use rights**

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over 13 years. Land use rights with indefinite term are not amortised.

**(ii) Software**

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

**(i) Construction in progress**

Construction in progress represents the costs of tangible fixed assets 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.



**(j) Long-term prepaid expenses**

**(i) Tools and instruments**

Tools and instruments include assets held for use by the Corporation 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 the prevailing regulation. Costs of tools and instruments are amortised on a straight-line basis over a period ranging from over 1 year to 3 years.

**(ii) Other prepaid expenses**

Other long-term prepaid expenses mainly include renovation, improvement and office fittings expenses which are initially stated at cost and amortised on a straight-line basis over a period ranging from over 1 year to 3 years.

**(k) Insurance and other payables**

Insurance and other payables are stated at their cost.

**(l) Provisions**

A provision, except for the technical reserves mentioned in other notes, is recognised if, as a result of a past event, the Corporation 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.

**Severance allowance**

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more (“the eligible employees”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their average salary for the year ended prior to the end of the accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Corporation are excluded.

**(m) Technical reserves**

Technical reserves are established in accordance with requirements and guidance of Circular No. 67/2023/TT-BTC dated 2 November 2023 (“Circular 67”) issued by the Ministry of Finance providing implementation guidance for certain articles of Law on Insurance Business No. 08/2022/QH15 dated 16 June 2024 passed by the National Assembly, Decree No. 46/2023/ND-CP dated 1 July 2023 issued by the Government of Vietnam on the promulgation of implementation guidance for certain articles of Law on Insurance Business and Official Letter No. 792/BTC-QLBH dated 19 January 2018 (“OL 792”) issued by the Ministry of Finance approving the technical reserves calculation method of the Corporation.

The Corporation’s technical reserves comprise technical reserves for non-life insurance policies and technical reserves for health insurance policies.

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

***Unearned premium reserve***

Unearned premium reserve is the proportion of unearned written premiums that are related to risk assumed after the end of the annual accounting period and is included as a liability in the balance sheet.

The unearned premium reserve is calculated using pro-rata method on policy term as stipulated in Article 35 of Circular 67, specifically as follows:

- Method 1/24: this calculation method assumes that premiums from all policies underwritten in a month of the Corporation are evenly distributed during the month, in other words, all insurance policies of a specific month are assumed to be effective from the middle of that month.

Unearned premium reserve is calculated and presented separately for the gross premiums from direct insurance business and inward reinsurance and for outward reinsurance premiums.

***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 annual accounting period as stipulated in Article 36 of Circular 67.

“Incurred but not reported” (“IBNR”) claims are claims which have incurred but have not yet been notified to the insurer at the end of annual accounting period. IBNR reserve is calculated at the rate of 3% of premium for each type of insurance product in accordance with the guidance in OL 792.

Claims reserve is calculated and presented separately for direct insurance business and inward reinsurance business and for outward reinsurance business.

***Catastrophe reserve***

Catastrophe reserve is made at the rate of 1% of the retained premium for each type of insurance product according with the guidance in OL 792.

Catastrophe reserve is made until the reserve reaches 100% of the retained premium of the current annual accounting period.



**(ii) Technical reserves for health insurance policies**

***Mathematical reserve***

Mathematical reserve for health insurance policies is applied for health insurance policies (direct insurance and reinsurance) with term of more than 1 year which is calculated using pro-rata method on policy term as stipulated in Article 35 of Circular 67, specifically as follows:

- Method 1/8: applied for health insurance policies (except for health insurance policies covering death or total permanent disability). This calculation method assumes the premiums of all insurance policies underwritten by the Corporation and inward reinsurance received within the quarter are evenly distributed between three months of each quarter, in other words, all insurance policies of a particular quarter are assumed to be effective in the middle of that quarter;
- Method 1/365 (daily): applied for health insurance policies covering death or total permanent disability. This calculation method assumes the premiums of all insurance policies underwritten by the Corporation and inward reinsurance received within a day are evenly distributed during the day, in other words, all insurance policies of a particular day are assumed to be effective at the end of that day.

***Unearned premium reserve***

Unearned premium reserve is applicable to health insurance policies with term of not more than 1 year. Unearned premium reserve is calculated using pro-rata on policy term as stipulated in Article 35 of Circular 67, specifically as follows:

- Method 1/24: This calculation method assumes that premiums of all policies underwritten in a month of the Corporation are evenly distributed during the month, in other words, all insurance policies in a specific month are assumed to be effective from the middle of that month.

Unearned premium reserve is calculated and presented separately for the gross premiums from direct insurance business and inward reinsurance and for outward reinsurance premiums.

***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 annual accounting period as stipulated in Article 36 of Circular 67.

“Incurred but not reported” (“IBNR”) claims are claims which have incurred but have not yet been notified to the insurer at the end of the annual accounting period. IBNR reserve is calculated at the rate of 3% of premium for each type of insurance product in according with the guidance in OL792.

Claims reserve is calculated and presented separately for direct insurance business and inward reinsurance business and for outward reinsurance business.

***Equilization reserve***

Equilization reserve is made annually at 1% of the retained premium of each type of insurance product with guidance in OL 792.

**(n) Share capital**

**(i) Ordinary shares**

Ordinary shares are recognised at par value. Costs directly attributable to the issue of shares, net of tax effects, are recognised as deduction from share premium.

Share premium is the difference between the issue price and the par value of share.

**(ii) Repurchase and reissue of ordinary shares (treasury shares)**

Treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the company issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased odd-lots of shares as requested by the shareholders. In all other cases, when shares recognized as equity are repurchased, their par value amount is recognized as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium.

**(o) Reserves and funds**

**(i) Statutory reserve**

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

**(ii) Other equity funds**

Other equity funds are appropriated from profit after tax after the deduction of statutory reserve and appropriation and remunerations payable to the Board of Directors and Board of Supervisors. Other equity funds are not required by laws and are fully distributable and classified as part of equity.

**(p) Classification of financial instruments**

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



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**(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 the Board of Executive Officers 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
  - it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Corporation 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 Corporation has the positive intention and ability to hold to maturity, other than:

- those that the Corporation upon initial recognition designates as at fair value through profit or loss;
- those that the Corporation 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 Corporation intends to sell immediately or in the near term, which are classified as held for trading, and those that the Corporation on initial recognition designates as at fair value through profit or loss;
- that the Corporation upon initial recognition designates as available-for-sale; or
- for which the Corporation 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 the Board of Executive Officers 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
  - it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Corporation 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.



**(q) Taxation**

Income tax on the profit or loss 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 amount 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.

**(r) Premium revenue**

Premium revenue from direct insurance is recognised in accordance with the requirements and guidance of Circular 67.

Premium revenue from direct insurance is recognised in the statement of income when insurance risk is assumed, specifically as follows:

- when the insurance contract has been entered into by the Corporation 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;
- when insurance contract has been entered into by the Corporation and there is agreement between the Corporation and the insured for delayed payment of insurance premium, the Corporation recognises premium revenue for the unpaid premium when the insurance risk is assumed;
- when insurance contract has been entered into by the Corporation and there is agreement between the Corporation and the insured for insurance premium being paid on instalment basis, the Corporation recognises the due premiums and does not recognise undue premiums as specified in the insurance contract.

When a risk is cancelled and a refund of premium is necessary, premiums are adjusted by deducting the amount of the arising refunded premium, as appropriate.

**(s) Revenue from investment activities**

**(i) Revenue from securities trading**

Revenue from securities trading is recognised in the statement of income upon receipt of the matching order reports of securities trading transaction from Vietnam Securities Depository and Clearing Corporation (for listed securities) and completion of the agreement on transfer of assets (for unlisted securities) and when most the risks and benefits associated with ownership of securities are transferred to the buyer (for unlisted securities).

**(ii) Interest income**

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

**(iii) Dividend income**

Dividend income is recognised when the Corporation's right to receive the dividend is established. Share dividends are not recognised as an income in the statement of income.

**(t) Reinsurance activities**

**(i) Outward reinsurance**

Outward reinsurance premiums under treaty and facultative reinsurance agreements are recognised when gross written premiums within the scope of the treaty and facultative agreements are recognised.

Outward reinsurance recoveries are recognised when there is evidence of liability portion assumed by the reinsurer.

Commission income from outward reinsurance is recognised in the statement of income on the same basis as the allocation basis of unearned premium reserve as described in Note 3(m)(i). The balance of unearned commission income at the reporting date represents the commission income relating to unearned premium.

**(ii) Inward reinsurance**

Income and expenses other than commission expenses relating to inward reinsurance are recognised when the statements of accounts are received by the Corporation from the cedants.

Commission expenses on inward reinsurance business are recognised in accordance with accounting policy as described in Note 3(e).



**(u) Claims expense**

Claims and loss adjustment expenses are recognised in the statement of income when the insured events incur. The charges for claims, loss adjustment expenses incurred for the accounting period are based on the estimated ultimate costs of settling the claims and related loss adjustment expenses.

Changes in estimates of claim costs (claims and loss adjustment expenses) resulting from the ongoing review process and differences between the estimates and payments for claims are recognised in the statement of income of the year in which the estimates are changed or the payments are made.

The charges for claims, loss adjustment expenses incurred for the year therefore comprise amounts paid during the year in respect of claims incurring during that year, reserves for the claims that are outstanding or incurred but not reported (“IBNR”) at the end of the annual accounting period and adjustments made in current year to the claims reserve brought forward from the previous periods.

Recoveries on claims, such as salvage or subrogation, are evaluated based on their actual realisable values and deducted from the claims expense during the year.

**(v) Acquisition costs**

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

**(w) Leases**

**(i) Leased assets**

Assets held under lease contracts of which the Corporation, as lessee, does not assume substantially the risks and rewards of ownership are classified as operating leases and are not recognised in the Corporation’s balance sheet.

**(ii) Leased 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.

**(x) Earnings per share**

The Corporation presents basic and diluted earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Corporation by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options. During the year, the Corporation had no potential ordinary shares and therefore does not present diluted EPS.

**(y) Segment reporting**

A segment is a distinguishable component of the Corporation 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 Corporation's primary for segment reporting is based on geographical segments and the Corporation's secondary segment reporting is based on business segments. Currently, the Corporation has only one business segment, which is non-life insurance business, and only operates in one geographical segment, which is Vietnam.

**(z) Related parties**

Parties are considered to be related to the Corporation 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 Corporation 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.

Related companies refer to the parent company and its subsidiaries and associates.

**(aa) Nil balances**

Items or balances required by Circular 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 branches of foreign non-life insurance companies and the relevant statutory requirements applicable to financial reporting that are not shown in these financial statements indicate nil balances.

**(bb) 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 Corporation's financial position, results of operation or cash flows for the prior year.



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**4. Cash and cash equivalents**

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b> <b>(Restated)</b>
Cash on hand	3,209,185,519	2,046,928,427
Cash in banks	114,643,055,056	85,182,328,549
Cash equivalents (i)	20,000,000,000	-
	<hr/>	
Cash and cash equivalents in the statement of cash flows	137,852,240,575	87,229,256,976
	<hr/>	

- (i) As at 31 December 2024, cash equivalents represent term deposits at banks denominated in VND with original terms to maturities of not more than 3 months and earned annual interest rate of 1.50% (1/1/2024: nil).

**Bao Long Insurance Corporation**

**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
(Issued under Circular No.  
232/2012/TT-BTC dated 28 December 2012  
of the Ministry of Finance)

**5. Financial investments**

**(a) Trading securities**

	31/12/2024			1/1/2024				
	Number of shares	Cost VND	Fair value VND	Allowance for diminution in value VND	Number of shares	Cost VND	Fair value VND	Allowance for diminution in value VND
<i>Shares registered for trading on UPCOM</i>								
PEG	199,351	4,186,371,000	1,574,872,900	(2,611,498,100)	199,351	4,186,371,000	877,144,400	(3,309,226,600)
PCF		-	-	-	43,800	444,000,000	216,810,000	(227,190,000)
PND		-	-	-	19,607	196,070,000	129,406,200	(66,663,800)
		4,186,371,000	1,574,872,900	(2,611,498,100)		4,826,441,000	1,223,360,600	(3,603,080,400)
<i>Unlisted fund certificates</i>								
Dividend Focus Equity Fund (formerly known as “Vietnam Blue- chips Investment Fund”)		-	-	-	1,153,173	19,961,996,000	19,961,996,000	-
		4,186,371,000	1,574,872,900	(2,611,498,100)		24,788,437,000	21,185,356,600	(3,603,080,400)



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

Movements of allowance for diminution in value of trading securities during the year were as follows:

	<b>2024 VND</b>	<b>2023 VND</b>
Opening balance	3,603,080,400	12,352,954,630
Allowance reversed during the year (Note 26)	(991,582,300)	(8,749,874,230)
Closing balance	2,611,498,100	3,603,080,400

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

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND (Restated)</b>
Held-to-maturity investments – short-term		
▪ Short-term deposits at banks (i)	1,426,122,904,439	1,190,513,671,233
Held-to-maturity investments – long-term		
▪ Long-term deposits at banks	-	182,000,000,000
▪ Bonds (ii)	1,503,000,000	1,503,000,000
	1,503,000,000	183,503,000,000
Allowance for diminution in value of long-term financial investments (iii)	(1,503,000,000)	(1,503,000,000)
	-	182,000,000,000

- (i) This balance represents term deposits at banks denominated in VND with original terms to maturity of more than three months and remaining terms to maturities of not more than twelve months at the end of the annual accounting period and earned annual interest rates ranging from 3.04% to 10.00% (1/1/2024: from 4.32% to 11.48%).
- (ii) This balance represents the investment in bonds of Vietnam Shipbuilding Industry Corporation.
- (iii) This allowance balance represents allowance for the investment in bonds of Vietnam Shipbuilding Industry Corporation.

**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**(c) Other short-term investments**

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Other short-term investments		
▪ Entrusting investments (i)	47,129,179,580	32,129,179,580
Allowance for diminution in value of other short-term investments (ii)	(878,369,265)	(803,524,000)
	<u>46,250,810,315</u>	<u>31,325,655,580</u>

(i) This balance represents the entrusting investments under the Entrusting Investment Agreement signed with Thanh Cong Fund Management Company Limited with the original term of 12 months in which the Corporation assumes the risk arising from for the investments under this Entrusting Investment Agreement.

(ii) This allowance balance presents allowance for diminution in value of securities under the Entrusting Investment Agreement signed with Thanh Cong Fund Management Company Limited.

Movements in the allowance for diminution in the value of short-term investments during the year were as follows:

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Opening balance	803,524,000	-
Allowance made during the year (Note 26)	74,845,265	803,524,000
Closing balance	<u>878,369,265</u>	<u>803,524,000</u>

**6. Accounts receivable**

**(a) Accounts receivable – insurance**

Accounts receivable – insurance comprise:

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Premiums receivable from direct insurance business	38,871,489,118	48,102,857,500
Receivables from inward reinsurance	90,984,010,602	58,706,604,306
Receivables from outward reinsurance	163,893,173,324	169,277,102,420
Premiums receivable from co-insurers	7,830,531,481	7,703,637,061
Other insurance receivables	105,857,377	96,234,377
	<u>301,685,061,902</u>	<u>283,886,435,664</u>
Allowance for doubtful debts (Note 6(d))	(17,459,153,935)	(30,026,850,787)
Accounts receivable – insurance, net	<u>284,225,907,967</u>	<u>253,859,584,877</u>



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**(b) Other short-term receivables**

	<b>31/12/2024</b>	<b>1/1/2024</b>
	<b>VND</b>	<b>VND</b>
Interest receivables from short-term deposits at banks	55,094,727,288	61,251,170,839
Advances for operating expenses	35,776,778,997	40,112,997,612
Claim advances	21,697,089,301	31,256,740,216
Interest receivable from entrusting investments	6,121,729,257	212,284,685
Dividend receivable	3,082,992,000	387,875,000
Short-term security deposits	2,120,624,509	2,991,716,925
Other receivables	8,722,390,068	7,904,590,046
	<hr/>	<hr/>
	132,616,331,420	144,117,375,323
Allowance for doubtful debts (Note 6(d))	(5,584,841,816)	(4,454,778,661)
	<hr/>	<hr/>
Other short-term receivables, net	127,031,489,604	139,662,596,662

**(c) Other long-term receivables**

	<b>31/12/2024</b>	<b>1/1/2024</b>
	<b>VND</b>	<b>VND</b>
Other long-term receivables		
▪ Statutory security deposit (i)	12,000,000,000	12,000,000,000
▪ Interest receivables from long-term deposits at banks	501,863,144	11,977,221,553
	<hr/>	<hr/>
	12,501,863,144	23,977,221,553

- (i) The Corporation maintained the statutory security deposit at Saigon Joint Stock Commercial Bank – Pham Ngoc Thach Branch and earned annual interest rate of 4.3% as at 31 December 2024 (1/1/2024: 9.25%).

**Bao Long Insurance Corporation**

**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
(Issued under Circular No.  
232/2012/TT-BTC dated 28 December 2012  
of the Ministry of Finance)

**(d) Allowance for doubtful debts – short-term**

	31/12/2024		1/1/2024	
	Cost VND	Recoverable amount VND	Allowance VND	Recoverable amount VND
<b>Accounts receivable – short-term</b>				
Accounts receivable – insurance	19,684,927,214	2,225,773,279	30,026,850,787	3,757,241,576
Other short-term receivables	5,584,841,816	-	4,454,778,661	-
	25,269,769,030	2,225,773,279	34,481,629,448	3,757,241,576

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

	2024 VND	2023 VND
Opening balance	34,481,629,448	42,022,269,918
Allowance made/(reversed) during the year (Note 27)	1,506,043,963	(7,598,489,832)
Allowance utilised during the year	(12,943,677,660)	-
Other adjustment	-	57,849,362
Closing balance	23,043,995,751	34,481,629,448



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**7. Short-term prepaid expenses**

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Deferred commission expenses (i)	50,173,824,017	47,966,527,090
Other short-term prepaid expenses	4,902,349,286	2,510,202,194
	<hr/>	<hr/>
	55,076,173,303	50,476,729,284
	<hr/>	<hr/>

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

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Opening balance	47,966,527,090	80,717,843,780
Additions during the year	130,709,051,845	159,530,218,180
Amortisation during the year (Note 24)	(128,501,754,918)	(192,281,534,870)
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Closing balance	50,173,824,017	47,966,527,090
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**Bao Long Insurance Corporation**

**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
(Issued under Circular No.  
232/2012/TT-BTC dated 28 December 2012  
of the Ministry of Finance)

**8. Tangible fixed assets**

**Year ended 31 December 2024**

**Cost**

Opening balance	28,971,897,765	7,604,225,652	1,481,297,319	7,014,693,356	45,072,114,092
Additions	-	-	-	1,451,302,000	1,451,302,000

**Closing balance**

	28,971,897,765	7,604,225,652	1,481,297,319	8,465,995,356	46,523,416,092
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**Accumulated depreciation**

Opening balance	14,748,070,731	4,712,007,183	1,351,297,099	6,446,083,456	27,257,458,469
Charge for the year	1,029,797,412	423,581,664	130,000,220	551,733,697	2,135,112,993

**Closing balance**

	15,777,868,143	5,135,588,847	1,481,297,319	6,997,817,153	29,392,571,462
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**Net book value**

Opening balance	14,223,827,034	2,892,218,469	130,000,220	568,609,900	17,814,655,623
Closing balance	13,194,029,622	2,468,636,805	-	1,468,178,203	17,130,844,630



**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**8. Tangible fixed assets (continued)**

**Year ended 31 December 2023**

**Cost**

	Buildings and structures (i) VND	Motor vehicles VND	Machinery and equipment VND	Office equipment VND	Total VND
Opening balance	28,971,897,765	8,724,438,088	1,481,297,319	6,887,723,356	46,065,356,528
Additions	-	-	-	126,970,000	126,970,000
Written off	-	(1,120,212,436)	-	-	(1,120,212,436)
Closing balance	28,971,897,765	7,604,225,652	1,481,297,319	7,014,693,356	45,072,114,092

**Accumulated depreciation**

Opening balance	13,718,273,319	5,542,802,026	1,177,963,803	6,146,666,639	26,585,705,787
Charge for the year	1,029,797,412	289,417,593	173,333,296	299,416,817	1,791,965,118
Written off	-	(1,120,212,436)	-	-	(1,120,212,436)
Closing balance	14,748,070,731	4,712,007,183	1,351,297,099	6,446,083,456	27,257,458,469

**Net book value**

Opening balance	15,253,624,446	3,181,636,062	303,333,516	741,056,717	19,479,650,741
Closing balance	14,223,827,034	2,892,218,469	130,000,220	568,609,900	17,814,655,623

Included in tangible fixed assets were assets costing VND11,012 million which were fully depreciated as of 31 December 2024 (1/1/2024: VND9,621 million), but which are still in active use.

- (i) These items include a house with a net book value of VND4,180 million for which ownership is in the process of being transferred to another party. The Corporation has ceased depreciating this asset, however, it has not been derecognised at the end of the annual accounting period since the ownership transfer procedure has not been completed (Note 9 and Note 15(i)).

**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**9. Intangible fixed assets**

<b>Year ended 31 December 2024</b>	<b>Land use rights (i) VND</b>	<b>Software VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening balance	81,509,726,627	4,685,100,000	86,194,826,627
Transfer from construction in progress (Note 10)	-	22,504,230,000	22,504,230,000
Additions	-	2,861,970,000	2,861,970,000
Closing balance	81,509,726,627	30,051,300,000	111,561,026,627
<b>Accumulated amortisation</b>			
Opening balance	5,959,257,383	4,221,022,828	10,180,280,211
Charge for the year	184,300,656	9,602,635,619	9,786,936,275
Closing balance	6,143,558,039	13,823,658,447	19,967,216,486
<b>Net book value</b>			
Opening balance	75,550,469,244	464,077,172	76,014,546,416
Closing balance	75,366,168,588	16,227,641,553	91,593,810,141
<b>Year ended 31 December 2023</b>			
	<b>Land use rights (i) VND</b>	<b>Software VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening balance	81,509,726,627	4,676,100,000	86,185,826,627
Additions	-	9,000,000	9,000,000
Closing balance	81,509,726,627	4,685,100,000	86,194,826,627
<b>Accumulated amortisation</b>			
Opening balance	5,774,956,727	3,945,067,669	9,720,024,396
Charge for the year	184,300,656	275,955,159	460,255,815
Closing balance	5,959,257,383	4,221,022,828	10,180,280,211
<b>Net book value</b>			
Opening balance	75,734,769,900	731,032,331	76,465,802,231
Closing balance	75,550,469,244	464,077,172	76,014,546,416

Included in intangible fixed assets were assets costing VND8,607 million which were fully amortised as of 31 December 2024 (1/1/2024: VND8,607 million), but which are still in active use.

- (i) These items include a land use right with a net book value of VND4,471 million for which ownership is in the process of being transferred to another party. As at the end of the annual accounting period, the Corporation has not yet derecognised this asset since the ownership transfer procedure has not been completed (Note 8 and Note 15(i)).



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**10. Construction in progress**

	<b>2024 VND</b>	<b>2023 VND</b>
Opening balance	21,382,300,322	15,947,870,000
Additions during the year	8,405,868,015	5,434,430,322
Transfer to intangible fixed assets (Note 9)	(22,504,230,000)	-
Decreases during the year	(185,725,837)	-
Closing balance	7,098,212,500	21,382,300,322

Major items of construction in progress are as follows:

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Digital insurance system expenses (Stage 1)	-	10,793,620,322
Digital insurance system expenses (Stage 2)	-	4,863,430,000
Digital insurance system expenses (Stage 3)	4,392,212,500	3,245,250,000
Fast Business online management system	2,706,000,000	2,480,000,000
	7,098,212,500	21,382,300,322

**11. Long-term prepaid expenses**

	<b>Insurance fees for employees VND</b>	<b>Tools and instruments VND</b>	<b>Office renovation expenses VND</b>	<b>Others VND</b>	<b>Total VND</b>
Opening balance	18,859,775,000	1,087,341,344	1,980,555,419	643,530,649	22,571,202,412
Additions	20,982,940,000	1,097,382,853	721,323,860	516,944,750	23,318,591,463
Amortisation during the year	(20,608,353,333)	(1,118,586,213)	(1,840,611,568)	(605,618,142)	(24,173,169,256)
Closing balance	19,234,361,667	1,066,137,984	861,267,711	554,857,257	21,716,624,619

**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**12. Deferred tax assets**

	<b>Tax rate</b>	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Deductible temporary differences	20%	5,654,346,263	6,160,053,675

**13. Accounts payable – insurance**

	<b>31/12/2024 VND</b>	<b>1/1/2024 VND</b>
Outward reinsurance premiums payables	200,554,932,532	235,185,821,864
Claim payables for direct insurance business	17,293,951,435	37,907,169,492
Inward reinsurance claim payables	72,470,849,466	51,657,534,242
Commission payables for direct insurance business	18,817,989,356	16,227,281,269
Other payables relating to direct insurance business	4,985,121,065	2,809,546,765
Payables to co-insurers	985,754,088	635,067,505
	<b>315,108,597,942</b>	<b>344,422,421,137</b>

**14. Taxes and others payable to State Treasury**

	<b>1/1/2024 VND</b>	<b>Incurred VND</b>	<b>Paid/Net-off VND</b>	<b>31/12/2024 VND</b>
Value added tax	7,527,558,367	56,802,669,595	(55,484,435,758)	8,845,792,204
Corporate income tax	13,079,585,849	16,989,449,609	(23,049,824,702)	7,019,210,756
Personal income tax	4,669,951,256	16,677,410,921	(16,116,302,652)	5,231,059,525
Other taxes	474,053,537	1,431,925,529	(1,403,690,740)	502,288,326
	<b>25,751,149,009</b>	<b>91,901,455,654</b>	<b>(96,054,253,852)</b>	<b>21,598,350,811</b>



## 15. Other short-term payables

	31/12/2024 VND	1/1/2024 VND
Dividend payables	6,360,958,073	9,349,966,452
Payables relating to a landed house transfer agreement (i)	9,136,363,636	9,136,363,636
Payables to reinsurers (ii)	10,668,734,958	6,222,914,527
Provisionally collected fees pending allocation	15,167,687,522	7,759,625,930
Payable to the Insurance Supervisory Management Fund	3,492,705,446	3,034,801,953
Employee insurance payables	1,288,141,789	2,295,764,603
Over-withheld personal income tax of agents	682,203,692	673,010,108
Contribution to Fire prevention fund	123,665,653	286,671,542
Other payables	23,523,352,118	14,732,196,122
	<b>70,443,812,887</b>	<b>53,491,314,873</b>

- (i) This balance represents the amount received from the buyer relating to the landed house transfer agreement. At the end of the annual accounting period, the procedure of transferring ownership has not been completed, the Corporation has not recorded the asset disposal transaction (Note 8 and Note 9).
- (ii) This balance presents claim payables allocated to reinsurers relating to claim advances to customers but claim files were not finalised at the end of the annual accounting period.

## 16. Unearned commission income

Movements of unearned commission income during the year were as follows:

	2024 VND	2023 VND
Opening balance	34,412,594,826	58,895,295,871
Additions during the year	81,365,885,753	98,401,791,446
Allocations during the year (Note 21)	(88,730,283,153)	(122,884,492,491)
	<b>27,048,197,426</b>	<b>34,412,594,826</b>

**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**17. Technical reserves**

**(a) Claims reserve and unearned premium reserve**

<b>As at 31 December 2024</b>	<b>Reserves for direct insurance business and inward reinsurance VND (1)</b>	<b>Reserves for outward reinsurance VND (2)</b>	<b>Net reserve VND (3) = (1) – (2)</b>
Claims reserve (i)	465,104,151,700	222,335,008,766	242,769,142,934
▪ <i>Outstanding claims reserve</i>	419,313,802,304	212,617,532,122	206,696,270,182
▪ <i>IBNR reserve</i>	45,790,349,396	9,717,476,644	36,072,872,752
Unearned premium reserve (ii)	607,889,059,450	105,421,632,419	502,467,427,031
	1,072,993,211,150	327,756,641,185	745,236,569,965
<b>As at 1 January 2024</b>	<b>Reserves for direct insurance business and inward reinsurance VND (1)</b>	<b>Reserves for outward reinsurance VND (2)</b>	<b>Net reserve VND (3) = (1) – (2)</b>
Claims reserve (i)	301,082,566,982	70,411,702,202	230,670,864,780
▪ <i>Outstanding claims reserve</i>	255,457,918,467	58,168,519,553	197,289,398,914
▪ <i>IBNR reserve</i>	45,624,648,515	12,243,182,649	33,381,465,866
Unearned premium reserve (ii)	575,989,067,455	124,368,717,797	451,620,349,658
	877,071,634,437	194,780,419,999	682,291,214,438



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

(i) Movements of claims reserve during the year were as follows:

<b>Year ended 31 December 2024</b>	<b>Claims reserve for direct insurance business and inward reinsurance VND (1)</b>	<b>Claims reserve for outward reinsurance VND (2)</b>	<b>Net claims reserve VND (3) = (1) – (2)</b>
Opening balance	301,082,566,982	70,411,702,202	230,670,864,780
Reserve made during the year	164,021,584,718	151,923,306,564	12,098,278,154
Closing balance	465,104,151,700	222,335,008,766	242,769,142,934

<b>Year ended 31 December 2023</b>	<b>Claims reserve for direct insurance business and inward reinsurance VND (1)</b>	<b>Claims reserve for outward reinsurance VND (2)</b>	<b>Net claims reserve VND (3) = (1) – (2)</b>
Opening balance	417,763,513,417	161,997,046,586	255,766,466,831
Reserve reversed during the year	(116,680,946,435)	(91,585,344,384)	(25,095,602,051)
Closing balance	301,082,566,982	70,411,702,202	230,670,864,780

(ii) Movements of unearned premium reserve during the year were as follows:

<b>Year ended 31 December 2024</b>	<b>Unearned premium reserve for direct insurance business and inward reinsurance VND (1)</b>	<b>Unearned outward reinsurance premium reserve VND (2)</b>	<b>Net unearned premium reserve VND (3) = (1) – (2)</b>
Opening balance	575,989,067,455	124,368,717,797	451,620,349,658
Reserve made/(reversed) during the year	31,899,991,995	(18,947,085,378)	50,847,077,373
Closing balance	607,889,059,450	105,421,632,419	502,467,427,031

**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

<b>Year ended 31 December 2023</b>	<b>Unearned premium reserve for direct insurance business and inward reinsurance VND (1)</b>	<b>Unearned outward reinsurance premium reserve VND (2)</b>	<b>Net unearned premium reserve VND (3) = (1) – (2)</b>
Opening balance	663,530,871,731	196,282,630,081	467,248,241,650
Reserve reversed during the year	(87,541,804,276)	(71,913,912,284)	(15,627,891,992)
Closing balance	575,989,067,455	124,368,717,797	451,620,349,658

**(b) Catastrophe reserve**

	<b>2024 VND</b>	<b>2023 VND</b>
Opening balance	104,195,563,692	93,068,408,400
Reserve made during the year	12,024,290,921	11,127,155,292
Closing balance	116,219,854,613	104,195,563,692





**Bao Long Insurance Corporation**

**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**

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

**18. Owners' equity**

**(a) Statement of changes in equity**

	Share capital VND	Share premium VND	Treasury shares VND	Statutory reserve VND	Other equity funds VND	Retained profits VND	Total VND
<b>Balance at 1 January 2023</b>	600,000,000,000	(415,994,845)	(5,260,000)	29,778,575,768	13,578,079,395	105,031,919,905	747,967,320,223
Net profit for the year	-	-	-	-	-	88,937,406,175	88,937,406,175
Appropriation to other equity funds (i)	-	-	-	-	4,172,600,563	(4,172,600,563)	-
Appropriation to statutory reserve	-	-	-	4,446,870,309	-	(4,446,870,309)	-
<b>Balance at 1 January 2024</b>	600,000,000,000	(415,994,845)	(5,260,000)	34,225,446,077	17,750,679,958	185,349,855,208	836,904,726,398
Net profit for the year	-	-	-	-	-	64,580,612,252	64,580,612,252
Appropriation to statutory reserve	-	-	-	3,229,030,613	-	(3,229,030,613)	-
Appropriation to bonus fund for the Board of Directors	-	-	-	-	-	(1,254,870,309)	(1,254,870,309)
<b>Balance at 31 December 2024</b>	600,000,000,000	(415,994,845)	(5,260,000)	37,454,476,690	17,750,679,958	245,446,566,538	900,230,468,341

- (i) According to the Resolution of the General Meeting of Shareholders, depending on the actual business performance in years from 2016 to 2022, the Corporation will appropriate 5% – 20% of net profit after tax (after appropriating reserves and funds and remuneration payable to the members of Board of Directors and Board of Supervisors) of each year to establish source for employee stock option program (ESOP) of the Corporation. Accordingly, the Corporation appropriated an amount of VND4,172,600,563, equivalent to 5% of net profit after tax of 2022 after appropriating reserves and funds and remuneration payable to the members of Board of Directors and Board of Supervisors. The bonus shares have not been granted to employees and are still recorded in other equity funds as at 31 December 2024 and 1 January 2024.

**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**(b) Share capital**

The Corporation's authorised and issued share capital are:

	31/12/2024		1/1/2024	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	60,000,000	600,000,000,000	60,000,000	600,000,000,000
<b>Issued share capital</b>				
Ordinary shares	60,000,000	600,000,000,000	60,000,000	600,000,000,000
<b>Treasury shares</b>				
Ordinary shares	(526)	(5,260,000)	(526)	(5,260,000)
<b>Shares in circulation</b>				
Ordinary shares	59,999,474	599,994,740,000	59,999,474	599,994,740,000

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

As at 31 December 2024 and 1 January 2024, the Corporation's shareholders were as follows:

	Number of shares	%
Saigon Commercial Joint Stock Bank	49,082,342	81.80%
Vietnam Export Import Commercial Joint Stock Bank	3,903,651	6.51%
Other individual shareholders	7,013,481	11.69%
	59,999,474	100%



## **19. Premium revenue**

### **(a) Gross written premiums from direct insurance business**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Motor vehicles insurance	503,130,850,670	483,832,554,223
Human insurance	387,752,503,401	299,483,363,065
Fire, technical and other risks insurance	254,723,912,066	269,326,152,179
Cargo insurance	101,499,000,123	100,533,156,145
Marine insurance	56,229,162,643	54,320,417,769
Construction and installation insurance	47,090,202,839	49,345,909,064
Crew insurance	6,605,747,616	6,125,272,140
	<hr/>	<hr/>
	1,357,031,379,358	1,262,966,824,585
	<hr/>	<hr/>

### **(b) Gross written premiums from inward reinsurance**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Motor vehicles insurance	9,672,441,532	32,275,685,750
Human insurance	8,202,906,393	84,630,930,079
Fire, technical and other risks insurance	132,081,818,523	121,565,174,422
Cargo insurance	754,611,817	835,493,195
Marine insurance	164,619,568	171,369,066
Construction and installation insurance	18,437,202,704	18,376,140,079
	<hr/>	<hr/>
	169,313,600,537	257,854,792,591
	<hr/>	<hr/>

**20. Outward reinsurance premiums**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Motor vehicles insurance	685,345,124	71,663,857,905
Human insurance	106,921,442,987	90,991,094,849
Fire, technical and other risks insurance	146,009,346,700	168,395,104,450
Cargo insurance	32,492,835,671	33,972,980,333
Marine insurance	16,489,823,244	16,717,163,703
Construction and installation insurance	20,491,597,564	25,654,220,374
Crew insurance	825,496,523	711,666,364
	<hr/>	<hr/>
	323,915,887,813	408,106,087,978
	<hr/>	<hr/>

**21. Commission income from outward reinsurance**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Motor vehicles insurance	8,274,930,119	42,747,160,811
Human insurance	17,390,782,677	19,551,268,152
Fire, technical and other risks insurance	49,288,963,379	45,788,972,428
Cargo insurance	6,749,643,928	7,592,150,765
Marine insurance	2,263,272,230	2,571,623,494
Construction and installation insurance	4,762,690,820	4,633,316,841
	<hr/>	<hr/>
	88,730,283,153	122,884,492,491
	<hr/>	<hr/>



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**22. Claims paid**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
<i>Claims paid</i>		
▪ Claims paid for direct insurance business (i)	497,577,756,554	571,443,699,761
▪ Claims paid for inward reinsurance (ii)	77,564,639,707	166,248,353,893
	<hr/>	<hr/>
	575,142,396,261	737,692,053,654
<i>Less claim deductions</i>		
▪ Salvage and subrogation recoveries	(7,830,869,794)	(9,211,282,778)
	<hr/>	<hr/>
	567,311,526,467	728,480,770,876
	<hr/>	<hr/>

(i) Claims paid for direct insurance business

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Motor vehicles insurance	230,996,576,701	258,836,200,345
Human insurance	149,073,989,359	131,952,881,900
Fire, technical and other risks insurance	52,149,753,796	108,973,949,134
Cargo insurance	29,384,782,628	33,184,178,903
Marine insurance	27,096,501,068	33,487,352,497
Construction and installation insurance	8,321,369,002	4,245,838,540
Crew insurance	554,784,000	763,298,442
	<hr/>	<hr/>
	497,577,756,554	571,443,699,761
	<hr/>	<hr/>

(ii) Claims paid for inward reinsurance

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Motor vehicles insurance	5,851,853,601	25,981,846,494
Human insurance	29,608,419,979	102,609,629,130
Fire, technical and other risks insurance	39,487,964,432	35,365,719,844
Cargo insurance	317,459,007	110,609,875
Marine insurance	927,215,590	1,813,314,683
Construction and installation insurance	1,371,727,098	367,233,867
	<hr/>	<hr/>
	77,564,639,707	166,248,353,893
	<hr/>	<hr/>

**23. Claims recovery from outward reinsurance**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Motor vehicles insurance	15,865,540,096	102,104,195,679
Human insurance	51,595,526,039	78,190,727,196
Fire, technical and other risks insurance	34,626,413,436	90,192,957,505
Cargo insurance	8,760,905,111	12,380,525,337
Marine insurance	4,953,433,056	9,831,479,040
Construction and installation insurance	5,532,252,788	1,216,781,438
	<hr/>	<hr/>
	121,334,070,526	293,916,666,195

**24. Other operating expenses for insurance activities**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Commission on insurance activities (Note 7(i))	128,501,754,918	192,281,534,870
Other insurance costs		
▪ <i>Business development expenses</i>	139,867,540,324	152,760,678,416
▪ <i>Personnel expenses</i>	176,390,320,457	114,960,678,619
▪ <i>Outsourced services expenses</i>	64,104,032,609	78,867,527,103
▪ <i>Loss adjustment expenses</i>	18,402,051,851	20,343,296,087
▪ <i>Tools and supplies</i>	2,703,302,534	4,046,392,823
▪ <i>Other expenses</i>	30,927,351,432	38,274,839,240
	<hr/>	<hr/>
	432,394,599,207	409,253,412,288
	<hr/>	<hr/>
	560,896,354,125	601,534,947,158



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**25. Financial income**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Interest income from term deposits and demand deposits at banks	76,569,957,335	108,008,644,630
Gains from securities trading	11,205,978,533	1,231,057,386
Interest income from bonds investments	-	1,846,854,452
Dividend income	2,895,117,000	2,202,250,000
Foreign exchange gains	5,390,612,896	5,374,795,242
Profit derived from Entrusting Investment Agreement	5,898,311,935	3,878,763,889
	<b>101,959,977,699</b>	<b>122,542,365,599</b>

**26. Financial expenses**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Losses from securities trading	2,189,468,436	6,882,196,155
Foreign exchange losses	5,699,981,062	3,763,735,139
Allowance reversed for diminution in the value of trading securities (Note 5(a))	(991,582,300)	(8,749,874,230)
Allowance made for diminution in value of securities under Entrusting Investment Agreement (Note 5(c))	74,845,265	803,524,000
	<b>6,972,712,463</b>	<b>2,699,581,064</b>

**27. General and administration expenses**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Personnel expenses	158,291,431,988	186,185,289,196
Outsourced services expenses	46,776,448,515	49,805,958,208
Allowance for doubtful debts (Note 6(d))	1,506,043,963	(7,598,489,832)
Tools and supplies	8,907,475,555	7,590,356,815
Non-deductible value added tax	5,961,948,870	6,411,073,480
Depreciation and amortisation	11,922,049,268	2,252,220,933
Taxes, duties and fees	83,691,118	96,799,784
	<b>233,449,089,277</b>	<b>244,743,208,584</b>

**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**28. Income tax**

**(a) Recognised in the statement of income**

	<b>2024 VND</b>	<b>2023 VND</b>
<b>Current income tax</b>		
Current year	16,521,566,009	23,460,341,102
Under/(over) provision in prior years	467,883,600	(439,200,000)
	<hr/> 16,989,449,609	<hr/> 23,021,141,102
<b>Deferred tax expense/(benefit)</b>		
Origination and reversal of temporary differences	505,707,412	(939,938,049)
	<hr/> 17,495,157,021	<hr/> 22,081,203,053

**(b) Reconciliation of effective tax rate**

	<b>2024 VND</b>	<b>2023 VND</b>
Accounting profit before tax	82,075,769,273	111,018,609,228
Tax at the Corporation's tax rate	16,415,153,855	22,203,721,846
Non-deductible expenses	1,191,142,966	757,131,207
Tax exempt income (dividends)	(579,023,400)	(440,450,000)
Under/(over) provision in prior years	467,883,600	(439,200,000)
	<hr/> 17,495,157,021	<hr/> 22,081,203,053

**(c) Applicable tax rates**

The Corporation's income tax rate is 20%. The income tax computation is subject to the review and approval of the tax authorities.





## 29. Basic earnings per share

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

### (i) Net profit attributable to ordinary shareholders

	2024 VND	2023 VND
Net profit for the year	64,580,612,252	88,937,406,175
Appropriation to other equity funds (*)	-	(4,172,600,563)
Net profit attributable to ordinary shareholders	64,580,612,252	84,764,805,612

(\*) Appropriation to other equity funds to establish source for employee stock option program (ESOP) with an amount of 5% of profit after tax of 2022 after appropriating reserves and funds and remuneration payable to the members of Board of Directors and Board of Supervisors.

### (ii) Weighted average number of ordinary shares

	2024 Shares	2023 Shares
Issued ordinary shares at the beginning of the year	59,999,474	59,999,474
Effect of shares issued in the year	-	-
Weighted average number of ordinary shares for the year ended 31 December	59,999,474	59,999,474

### (iii) Basic earnings per share

	2024 VND/share	2023 VND/share
Basic earnings per share	1,076	1,413

### **30. Financial instruments**

#### **(a) Financial risk management**

##### **Overview**

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

- credit risk
- liquidity risk
- market risk

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

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

#### **(b) Credit risk**

Credit risk is the risk of financial loss to the Corporation if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's accounts receivable, investments in bonds and short-term and long-term deposits at banks.

##### **Exposure to credit risk**

The total of carrying amounts of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	Note	31/12/2024 VND	1/1/2024 VND (Restated)
Cash in banks and cash equivalents	(i)	134,643,055,056	85,182,328,549
Short-term deposits at banks	(i)	1,426,122,904,439	1,190,513,671,233
Entrusting investment – cash in banks	(i)	3,482,294,127	2,270,000,921
Accounts receivable – insurance – gross	(iii)	301,685,061,902	283,886,435,664
Interest receivables from short-term deposits at banks	(iii)	55,094,727,288	61,251,170,839
Short-term security deposits	(iii)	2,120,624,509	2,991,716,925
Other receivables	(iii)	53,703,890,322	48,617,747,343
Statutory security deposit	(i)	12,000,000,000	12,000,000,000
Interest receivables from long-term deposits at banks	(iii)	501,863,144	11,977,221,553
Long-term deposits at banks	(i)	-	182,000,000,000
Investments in bonds – long-term	(ii)	1,503,000,000	1,503,000,000
Other financial assets	(iii)	13,617,231,444	9,629,634,050
		<b>2,004,474,652,231</b>	<b>1,891,822,927,077</b>



**(i) Cash in banks, cash equivalents, entrusting investment – cash in banks, short-term and long-term deposits at banks and statutory security deposit**

Cash in banks, cash equivalents, entrusting investment – cash in banks, short-term and long-term deposits at banks and statutory security deposit of the Corporation are mainly held with well-known financial institutions. The Board of Executive Officers does not foresee any significant credit risk from these deposits and do not expect that these financial institutions may default and cause losses to the Corporation.

**(ii) Held-to-maturity investments**

The Corporation limits credit risk by investing only in debt securities issued by the entities with equal or higher credit ratings than the Corporation.

**(iii) Insurance and other receivables**

The Corporation'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 Board of Executive Officers of the Corporation has established a credit policy under which each new customer is analysed individually for creditworthiness before the Corporation's standard payment and service delivery terms and conditions are offered. Receivables are due within 30 days from the date of billing. No collateral is received from the customers.

Insurance and other receivables that are neither past due nor impaired are mostly from companies with good collection tracking records with the Corporation. The Board of Executive Officers believes that those receivables are of high credit quality.

The aging of insurance receivables at reporting date that were past due but not impaired is as follows:

	<b>31/12/2024</b>	<b>1/1/2024</b>
	<b>VND</b>	<b>VND</b>
Past due 1 – 30 days	25,368,468,917	29,734,900,604
Past due 31 – 180 days	3,897,795,314	1,817,012,239
Past due over 180 days	312,834,443	379,775,906
	<hr/>	<hr/>
	<b>29,579,098,674</b>	<b>31,931,688,749</b>

Receivables that are past due and have been made allowance at the reporting date are disclosed in Note 6(d).

**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**(c) Liquidity risk**

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation'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 conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation.

The financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments:

<b>As at 31 December 2024</b>	<b>Carrying amount VND</b>	<b>Contractual cash flows VND</b>	<b>Up to 1 year VND</b>
Accounts payable – insurance	315,108,597,942	315,108,597,942	315,108,597,942
Dividend payables	6,360,958,073	6,360,958,073	6,360,958,073
Accrued expenses	21,560,749,002	21,560,749,002	21,560,749,002
Other short-term payables	27,821,926,909	27,821,926,909	27,821,926,909
	<hr/>	<hr/>	<hr/>
	370,852,231,926	370,852,231,926	370,852,231,926
	<hr/>	<hr/>	<hr/>
<b>As at 1 January 2024</b>	<b>Carrying amount VND</b>	<b>Contractual cash flows VND</b>	<b>Up to 1 year VND</b>
Accounts payable – insurance	344,422,421,137	344,422,421,137	344,422,421,137
Dividend payables	9,349,966,452	9,349,966,452	9,349,966,452
Accrued expenses	20,390,963,551	20,390,963,551	20,390,963,551
Other short-term payables	18,726,679,725	18,726,679,725	18,726,679,725
	<hr/>	<hr/>	<hr/>
	392,890,030,865	392,890,030,865	392,890,030,865
	<hr/>	<hr/>	<hr/>



**(d) Market risk**

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and share prices, will affect the Corporation's income 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**

The Corporation is exposed to currency risk on transactions that are denominated in foreign currencies other than VND, the Corporation's accounting currency. The currency giving rise to this risk is primarily USD.

The Corporation's exposure to currency risk is managed by keeping the exposure to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short-term imbalances. The Board of Executive Officers does not enter into currency hedging transactions since it considers that the cost of such instruments outweigh the potential risk of exchange rate fluctuations.

As at 31 December 2024 and 1 January 2024, the Corporation's exposure to currency risk is not significant.

**(ii) Interest rate risk**

At the reporting date, the interest rate profile of the Corporation's interest-bearing financial instruments was:

	Carrying amount	
	31/12/2024 VND	1/1/2024 VND (Restated)
<i>Fixed rate financial instruments</i>		
Cash in banks and cash equivalents	134,643,055,056	85,182,328,549
Short-term deposits at banks	1,426,122,904,439	1,190,513,671,233
Entrusting investment – cash in banks	3,482,294,127	2,270,000,921
Statutory security deposit	12,000,000,000	12,000,000,000
Long-term deposits at banks	-	182,000,000,000
Investments in bonds – long-term	1,503,000,000	1,503,000,000

**(iii) Equity price risk**

Equity price risk arises from trading securities held by the Corporation. The Board of Executive Officers of the Corporation monitors equity securities in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the Investment Committee.

As at 31 December 2024 and 1 January 2024, the equity price risk is insignificant because the Corporation holds an immaterial equity investment portfolio.

**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**(e) Fair value**

**(i) Fair values versus carrying amounts**

The fair values of financial assets and liabilities, together with the carrying amounts shown in the balance sheet, are as follows:

	31/12/2024		1/1/2024	
	Carrying amount VND	Fair value VND	Carrying amount VND	Fair value VND
				(Restated)
<i>Categorised as financial assets at fair value through profit or loss:</i>				
▪ Trading shares securities – shares registered for trading on UPCOM	1,574,872,900	1,574,872,900	1,223,360,600	1,223,360,600
▪ Trading securities – unlisted fund units	-	-	19,961,996,000	(*)
<i>Categorised as held-to-maturity investments:</i>				
▪ Short-term deposits at banks	1,426,122,904,439	(*)	1,190,513,671,233	(*)
▪ Long-term deposits at banks	-	(*)	182,000,000,000	(*)
▪ Investments in bonds – long-term	-	(*)	-	(*)
<i>Categorised as loans and receivables:</i>				
▪ Cash in banks and cash equivalents	137,852,240,575	137,852,240,575	87,229,256,976	87,229,256,976
▪ Accounts receivable – insurance	284,225,907,967	(*)	253,859,584,877	(*)
▪ Interest receivables from short-term deposits at banks	55,094,727,288	(*)	61,251,170,839	(*)
▪ Short-term deposits	2,120,624,509	(*)	2,991,716,925	(*)
▪ Other receivables	53,703,890,322	(*)	48,617,747,343	(*)
▪ Statutory security deposit	12,000,000,000	(*)	12,000,000,000	(*)
▪ Interest receivables from long-term deposits at banks	501,863,144	(*)	11,977,221,553	(*)
▪ Other long-term assets	13,617,231,444	(*)	9,629,634,050	(*)



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

	31/12/2024		1/1/2024	
	Carrying amount VND	Fair value VND	Carrying amount VND	Fair value VND
<i>Categorised as financial asset available-for-sale:</i>				
▪ Other short-term investments	46,250,810,315	(*)	31,325,655,580	(*)
<i>Categorised as liabilities at amortised cost:</i>				
▪ Accounts payable – insurance	(315,108,597,942)	(*)	(344,422,421,137)	(*)
▪ Dividend payables	(6,360,958,073)	(*)	(9,349,966,452)	(*)
▪ Accrued expenses	(21,560,749,002)	(*)	(20,390,963,551)	(*)
▪ Other short-term payables	(27,821,926,909)	(*)	(18,726,679,725)	(*)

**(ii) Basis for determining fair values**

The fair value of equity instruments is determined by reference to the closing price Ho Chi Minh City Stock Exchange and Hanoi Stock Exchange at the reporting date. For unlisted securities that have been registered for trading on Unlisted Public Company Market (“UPCOM”), the fair value is the average price of the most recent 30 trading dates until the end of the annual accounting period quoted by the Stock Exchange. The fair value of equity securities is determined for disclosure purposes only.

- (\*) The Corporation has not determined fair values of these financial instruments for disclosure in the financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards and the Vietnamese Accounting System for enterprises. The fair values of these financial instruments may differ from their carrying amounts.

**31. 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.

Technical reserves are made in accordance with the requirements and guidance in Circular 67 and OL 792.

Claims reserve comprises reserve for outstanding claims at the end of the annual accounting period and reserve for claim 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 accounting period; and
- “Incurred but not reported” (“IBNR”) claims are claims which have incurred but have not yet been notified to the insurer at the end of accounting period. IBNR reserve is calculated at the rate of 3% of retained premium for each type of insurance product in accordance with the guidance in OL 792.

The Corporation underwrites non-life insurance contracts such as cargo insurance, marine insurance, engineering insurance, fire insurance, health insurance and human insurance, general indemnity and automobile insurance. Risks under general insurance contracts usually cover twelve-month (12) duration.

The Corporation is exposed to risk of accumulation in view of the economic development across the country and flow of foreign investment in manufacturing and real estates, especially in the major economic hubs such as Ho Chi Minh City, Hanoi, Hai Phong, Da Nang and Dong Nai.

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 high severity and insured losses. In view of the exposures, the Corporation has arranged the reinsurance contracts/policies for property, automobile, cargo and hull and fishing vessels portfolios against the catastrophe events to minimize the risks.

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.



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

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

The Corporation maintains the minimum solvency margin in accordance with the requirements of Decree 46.

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

- 25.0% total retained premiums at the time of calculating solvency margin;
- 12.5% of total gross premiums from direct insurance business and premiums from inward reinsurance at the time of calculating solvency margin.

The table below summarises the minimum regulatory solvency margin for the Corporation and the solvency capital held against each of them. Insurance Supervisory Authority – Ministry of Finance ("ISA") is primarily interested in protecting the rights of policyholders and monitor closely to ensure that the insurance companies are satisfactorily managing affairs for their benefit. At the same time, ISA is also interested in ensuring that the Corporation maintains appropriate solvency position to meet unforeseen insurance obligations arising from economic shocks or natural disasters.

	<b>The Corporation's Solvency Margin VND</b>	<b>Minimum Solvency Margin VND</b>	<b>Solvency Margin Ratio %</b>
As at 31 December 2024	687,702,442,632	300,607,273,021	229%
As at 31 December 2023	627,645,351,795	278,178,882,300	226%

## 32. Off balance sheet items

### (a) Leases

The future minimum lease payments under non-cancellable operating leases were:

	31/12/2024 VND	1/1/2024 VND
Within one year	8,726,197,158	10,931,805,028
Within two to five years	14,448,353,345	10,535,874,001
More than five years	741,000,000	-
	23,915,550,503	21,467,679,029

### (b) Foreign currencies

	31/12/2024		1/1/2024	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	1,361,855	34,407,661,722	1,053,208	25,289,907,307

## 33. Significant transactions with related parties

As at the year-end and during the year, the Corporation had the following significant balances and transactions with related parties:

### (a) Balances with related parties

	Receivable/(Payable)	
	31/12/2024 VND	1/1/2024 VND
<i>The parent company</i>		
<b>Saigon Commercial Joint Stock Bank</b>		
Demand deposits	35,114,720,460	25,456,238,612
Term deposits	1,172,122,904,439	1,105,259,600,000
Interest receivables from term deposits	45,488,183,868	60,758,922,973
<i>Other related parties</i>		
<b>Vietnam Export Import Commercial Joint Stock Bank</b>		
Demand deposits	8,411,924,190	9,478,127,795
Term deposits	43,000,000,000	52,000,000,000
Interest receivables from term deposits	1,508,935,015	2,655,999,763
<b>Members of Board of Supervisors</b>		
Remuneration	-	(47,100,000)
<b>Members of Board of Executive Officers</b>		
Salaries, bonus and other benefits	(608,200,000)	(608,200,000)



**Bao Long Insurance Corporation**  
**Notes to the financial statements for the year**  
**ended 31 December 2024 (continued)**

**Form B 09 – DNPNT**  
*(Issued under Circular No.*  
*232/2012/TT-BTC dated 28 December 2012*  
*of the Ministry of Finance)*

**(b) Transactions with related parties**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
<i><b>Parent company</b></i>		
<b>Saigon Joint Stock Commercial Bank</b>		
Placement of term deposits	300,000,000,000	1,105,259,600,000
Withdrawal of term deposits	277,339,941,901	874,340,393,249
Interest income from bank deposits	59,330,948,330	92,402,405,553
Banking service fees	10,912,000	13,808,920
<i><b>Other related companies</b></i>		
<b>Vietnam Export Import Commercial Joint Stock Bank</b>		
Placement of term deposits	43,000,000,000	55,000,000,000
Withdrawal of term deposits	52,000,000,000	36,000,000,000
Interest income from bank deposits	2,922,232,691	3,783,943,196
Banking service fees	307,780,166	222,199,371
<i><b>Remunerations, salaries, bonus and other benefits of key management personnel</b></i>		
<b>Members of the Board of Directors</b>		
Remunerations	4,062,870,309	2,556,000,000
<b>Members of the Board of Supervisors</b>		
Remunerations	264,000,000	898,260,000
<b>Members of the Board of Executive Officers</b>		
Salary, bonus and other benefits	7,982,340,000	7,982,100,000

**34. Fees paid and payable to the auditor**

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Fees for financial statement audit	325,737,500	260,590,000
Fees for other services (including non-assurance services and reviews of financial information)	169,950,000	135,960,000

The above fees are inclusive of value added tax.

### 35. Comparative information

Except for the below adjustments, comparative information as at 1 January 2024 was derived from the balances and amounts reported in the Corporation's financial statements as at and for the year ended 31 December 2023.

During the preparation of the Corporation's financial statements for the year ended 31 December 2024, the Corporation discovered error in presenting term deposits at banks with remaining term to maturity of not more than 3 months in cash equivalents instead of in held-to-maturity investments – short-term in the financial statements for the year ended 31 December 2023 and decided to correct this error by restating certain comparative information items for the year ended 31 December 2023. A comparison of the amounts previously reported and as restated is as follows:

#### Balance sheet

	Code	1/1/2024 VND (As previously reported)	Adjustments VND	1/1/2024 VND (As restated)
Cash equivalents	112	485,000,000,000	(485,000,000,000)	-
Held-to-maturity investments – short-term	123	705,513,671,233	485,000,000,000	1,190,513,671,233

#### Statement of cash flows

	Code	2023 VND (As previously reported)	Adjustments VND	2023 VND (As restated)
Receipts from term deposits at banks, sales of debt instruments of other entities	24	995,615,294,537	(116,364,762,795)	879,250,531,742
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>(23,991,083,461)</b>	<b>(116,364,762,795)</b>	<b>(140,355,846,256)</b>
<b>Net cash flows during the year</b>	<b>50</b>	<b>(71,195,457,228)</b>	<b>(116,364,762,795)</b>	<b>(187,560,220,023)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>643,386,774,379</b>	<b>(368,635,237,205)</b>	<b>274,751,537,174</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>70</b>	<b>572,229,256,976</b>	<b>(485,000,000,000)</b>	<b>87,229,256,976</b>

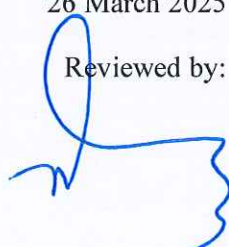
26 March 2025

Prepared by:



Chau Hau Doanh Doanh  
Accountant

Reviewed by:



Ha Minh Hieu  
Chief Accountant

Approved by:



Phan Quoc Dung  
Chief Executive Officer



Ho Chi Minh City, 26<sup>th</sup> March 2025

**BAO LONG INSURANCE CORPORATION**

Ref : 539...../2025/CV-BL

Subject: Explanation for Business performance results for the Year 2024

**To: STATE SECURITIES COMMISSION OF VIETNAM  
HA NOI STOCK EXCHANGE**

- Pursuant to Circular No. 96/2020/TT-BTC dated 16<sup>th</sup> November 2020, of the Ministry of Finance regarding Information Disclosure in the Securities Market.
- Based on the business performance results presented in the Audited Financial Statements for the year 2024 of Bao Long Insurance Corporation.

Firstly, Bao Long Insurance Corporation ("Bao Long") would like to extend our respectful greetings and express our gratitude for your continued support and cooperation.

According to the Audited Financial Statements for year 2024, the summarized business results of Bao Long are as follows:

Indicators (Million VND)	Year 2024	Year 2023	% different
1. Net premium revenue	1,250,752	1,257,810	1%
2. Financial income	101,960	122,542	17%
3. Other income	1,465	766	91%
4. Total expenses for insurance activities	1,030,996	1,022,131	1%
5. Financial expenses	6,973	2,700	158%
6. General and administration expenses	233,449	244,743	5%
7. Other expenses	683	527	30%
8. Accounting profit before tax	82,076	111,019	26%
9. Income tax expense - current	16,989	23,021	26%
10. Income tax benefit - deferred	506	(940)	154%
11. Net profit after tax	64,581	88,937	27%

Insurance premium revenue for year 2024 reached VND 1,494,445 million, decreasing by 7% compared to the same period in 2023. Consequently, net premium revenue from insurance activities for year 2024 was VND 1,250,752 million, declining by 1% compared to the same period in 2023.

Regarding insurance business expenses, total expenses for insurance activities for year 2024 amounted to VND 1,030,996 million, increasing by 1% compared to the same period in 2023.

Regarding to financial activities, financial income for year 2024 was VND 101,960 million, decreasing by 17% compared to the same period in 2023. Accordingly, profit from financial activities was VND 94.987 million for year 2024, decreasing by 21% compared to the same period in 2023.

General and administration expenses for year 2024 were VND 233,449 million, decreasing by 5% compared to the same period last year.

As the result of the reduction in profit from financial activities, profit before tax for year 2024, which amounted to VND 82,076 million, declined 26% in comparison with 2023. Similarly, profit after tax for year 2024 amounted to VND 64,581 million, a decrease of 27% compared to year 2023.

Sincerely,

**Recipients:**

- As above;
- Archives: Ad Office, Finance Department.



**CHIEF EXECUTIVE OFFICER**

**PHAN QUOC DUNG**