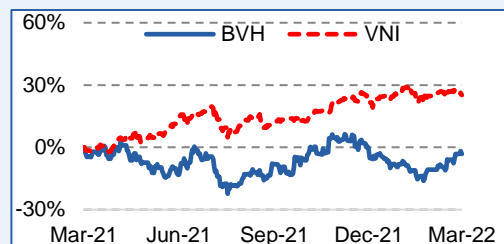


Bao Viet Holdings (BVH) [OUTPERFORM +10.2%]

Update Report

Industry:	Insurance		2021	2022F	2023F	2024F
Report Date:	March 7, 2022	Direct premium (y/y)	4.7%	14.4%	16.1%	16.0%
Current Price:	VND59,700	Net premium (y/y)	6.8%	14.4%	16.5%	16.2%
Target Price:	VND64,900	Life/total premium	74.3%	77.4%	78.4%	79.6%
Last Target Price:	VND65,800	Net ROI	5.7%	5.1%	5.3%	5.3%
Upside to TP:	8.7%	EPS growth (y/y)	18.3%	19.8%	16.4%	15.3%
Dividend Yield:	1.5%	P/E	23.5x	19.6x	16.8x	14.6x
TSR:	10.2%	P/B	2.1x	1.9x	1.8x	1.6x



Market Cap:	USD1.9bn		BVH	Peers	VNI	Company overview
Foreign Room:	USD433mn	P/E (ttm)	23.5x	8.2x	17.2x	BVH is a diversified financial group founded in 1965 as a wholly State-owned company in the general insurance industry. It began selling life insurance in 1996 and subsequently opened other subsidiaries and associates in brokerage, banking and fund management.
ADTV30D:	USD2.2mn	P/B (curr)	2.1x	1.1x	2.6x	
State Ownership:	68.0%	ROE	9.1%	13.4%	15.6%	
Outstanding Shares:	742 mn	ROA	1.3%	1.6%	2.6%	
Fully Diluted Shares:	742 mn					

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Faster premium growth, higher combined ratio in 2022F

- We decrease our target price (TP) by 1.4% to VND64,900/share but upgrade our rating for BVH from MARKET PERFORM to OUTPERFORM as the company's share price has decreased ~2.5% over the last three months.
- Our lower TP is due to (1) 2021 NPAT-MI tracking 1.6% behind our forecast and (2) trimming our 2022F NPAT-MI by 0.2% vs our previous forecast.
- We trim our 2022F net income forecasts by 0.2% primarily due to a 0.6% decrease in GWP that is driven by our 0.7%/0.2% cuts in the projected premiums for both the life and non-life sectors, respectively. Our cuts in projected premium are partly offset by (1) a 0.9% decrease in 2022F net claims and (2) 0.2% decrease in 2022F mathematical reserve expenses.
- Upside risk: (1) Lower-than-expected combined ratio; (2) higher premium growth.
- Downside risks: (1) Longevity of low Government bond yields could materially impact our valuation; (2) stiff competition in life and/or non-life that could negatively affect BVH's growth.

Strong recovery of premium growth in Q4 2021 was in line with our expectation. In Q4 2021, direct life premium was VND8.5tn (+15% QoQ; +5.2% YoY) while direct non-life premium was VND2.5tn (+31% QoQ; +1.3% YoY). As the main distribution network of BVH is its traditional agency channel, its life premium growth was stronger thanks to more favorable conditions to directly consult with clients and conduct health checks for insurance applications after social distancing measures were eased in early October 2021. We believe if COVID-19 is controlled in Vietnam, 2022F should deliver positive growth of 9% YoY in the non-life sector and 16% YoY in the life sector given that (1) social conditions mostly revert back to normal and demand for insurance rebounds and (2) management plans to launch new insurance products with competitive benefit offerings to strengthen BVH's market share in both life and non-life segments.

Combined ratio to climb in 2022F from period low in 2021. In 2021, BVH surprised with its lowest loss ratio over the last four years of 43.8%% (-13.6 ppts YoY). However, on a quarterly basis, the Q4 2021 loss ratio increased by 23.5 ppts compared to Q3 2021, which was in line with our assumption as there were delays in claim processing amid social distancing measures in Q3 2021. Given our forecast for renewed growth in non-life premium in 2022F, we forecast the 2022F loss ratio to increase 9.7 ppts YoY to 53.5% from a low base in 2021. In addition, we expect the expense ratio will increase 1.4 ppts YoY amid higher underwriting expenses and selling expenses to facilitate higher premium growth targets. We forecast 2022F combined ratio to reach 97.5% (+11.2 ppts YoY) from a six-year low of 86.3% in 2021.

Government bond yield continues to track close to historic lows, pressuring math reserve expenses. From March 2020 to March 2021, Vietnam's 10-year Government bond yield had been fluctuating around 2.1%. However, we maintain our expectation that the 10-year Government bond yield will recover in 2022F, thus easing pressure on BVH's earnings.

2021 Recap: Lower combined ratio improves underwriting result

Figure 1: BVH's 2021 results

VND bn	2020	2021	YoY	%2021F	VCSC comments
Direct premium	37,727	39,504	4.7%	98.9%	* In Q4 2021, direct life premium was VND8.5tn (+15% QoQ; +5.2% YoY) while direct non-life premium was VND2.5tn (+31% QoQ; +1.3%YoY). Overall, premium in the life and non-life sectors bounced back quickly after lockdowns in Q3 2021. Non-life premium was in line with our expectation, but life premium growth tracked slightly behind our expectation.
- of which - Life	28,038	30,557	9.0%	98.7%	
- of which - Non-life	9,689	8,947	-7.7%	99.8%	
Inward reinsurance premium	179	159	-11.5%	98.3%	
Gross written premium (GWP)	37,906	39,663	4.6%	98.9%	
Outward reinsurance premium	(4,119)	(3,568)	-13.4%	94.3%	
Net written premium (NWP)	33,787	36,095	6.8%	99.4%	* NWP was VND36.1tn, implying a retention ratio of 91.0%.
Net earned premium (NEP)	33,444	36,378	8.8%	98.6%	
Other premiums earned	1,080	923	-14.6%	90.3%	
Claims and losses	(29,722)	(31,878)	7.3%	101.3%	
- of which - math expense	(17,544)	(18,982)	8.2%	95.8%	* We attribute the lower-than-expected mathematical reserve expenses to slightly lower 2021 life premium growth of 9.0% YoY vs our forecast of 10.4% YoY. * Though a breakdown of 2021 claim expenses has not been made available, based on Q3 2021 financial statements, we believe the 2021 loss ratio decreased 13.6 ppts YoY to 43.8% thanks to a drop in property insurance claim expenses, healthcare and personal accident insurance claim expenses.
Underwriting expense	(6,843)	(7,089)	3.6%	96.3%	
G&A expense	(3,757)	(4,017)	6.9%	94.6%	* G&A expense over NWP was flat at 11.1% compared to 2020.
Operating income	(5,797)	(5,683)	-2.0%	110.4%	
Financial income	9,496	8,910	-6.2%	100.8%	* Financial income decreased 6.2% YoY in 2021, which was mainly driven by (1) a 17.1% YoY decrease in income from deposits amid the low interest rate environment and (2) 16.5% YoY decrease in income from securities trading from a high base in 2020 when the company realized capital gains from bond investments. These two items were partly offset by a 14.3% YoY increase to VND2.8tn in interest on bonds and commercial bills.
Financial expense	(1,842)	(1,058)	-42.6%	76.5%	* 2021 financial expense declined 42.6% YoY due to (1) a 54.5% YoY drop in interest expenses amid the low-rate environment and (2) 62.9% YoY decline in other financial expenses.
Net financial income	7,654	7,852	2.6%	105.3%	
PBT	1,953	2,367	21.2%	97.9%	
NPAT-MI	1,598	1,882	17.8%	98.4%	
Combined ratio*	102.1%	86.3%	-15.7 ppts		* The combined ratio dropped 15.7 ppts YoY to 86.3% thanks to (1) a 13.7-ppt YoY decrease in the loss ratio and (2) a 2.1-ppt YoY decrease in the expense ratio.
Total investment	125,592	149,348	18.9%		
Gross ROI	8.1%	6.5%	-161 bps		
Total debt and bonds repo	14,896	15,997	7.4%		
Interest expense from debt and bonds repo	4.5%	2.0%	-2.5 ppts		

Source: BVH, VCSC. (*) Combined ratio here refers to the non-life business only.



2022F Outlook: Stronger premium growth but higher combined ratio

Figure 2: VCSC's 2022F forecast

VND bn	2021	2022F New	2022F Old	2022F New vs 2021	VCSC comments
Direct premium	39,504	45,194	45,476	14.4%	* We forecast a 14.4% YoY increase in 2022F direct premium that is derived from our expectation for a 16.0% YoY increase in 2022 life premium and 9.0% YoY increase in 2022 non-life premium. Given that 2021 was a low base as social distancing measures were applied in Vietnam for more than a quarter, we think that 2022F can deliver higher growth in both segments as the economy recovers and demand bounces back. Overall, 2021 was a challenging year for BVH to maintain its market-leader position in the non-life market; however, we believe BVH can achieve 2022F non-life premium growth of 9% as a new healthcare product with competitive benefit offerings will be launched soon.
- of which - Life	30,557	35,440	35,703	16.0%	
- of which - Non-life	8,947	9,754	9,774	9.0%	
Inward reinsurance premium	159	166	169	5.0%	
Gross written premium	39,663	45,360	45,645	14.4%	
Outward reinsurance premium	(3,568)	(4,069)	(4,077)	14.1%	* We assume a 2022F retention ratio of 91.0%.
Net written premium	36,095	41,291	41,568	14.4%	
Unearned premium reserve	283	(147)	(101)	-151.9%	
Net earned premium	36,378	41,144	41,467	13.1%	
Other premiums earned	923	1,139	1,142	23.4%	
Claims and losses	(31,878)	(35,277)	(35,585)	10.7%	* We trim claim expenses by 0.9% vs our previous forecast due to a 0.6% cut in our direct premium forecast. * We think the loss ratio could increase in 2022F given that (1) we believe non-life premium will deliver positive growth in 2022F and (2) surprisingly low level of claim expenses in the non-life sector could be partly due to delayed claim processes amid social distancing measures in Q3 2021. * We trim our forecast for 2022F math reserve expenses by 0.2% due to our 0.7% cut in our 2022 life premium forecast as 2021 results tracked slightly behind our previous forecast.
- of which - math expense	(18,982)	(22,261)	(22,301)	17.3%	
Underwriting expense	(7,089)	(8,109)	(8,331)	14.4%	
G&A expense	(4,017)	(4,637)	(4,863)	15.4%	
Operating income	(5,683)	(5,739)	(6,170)	1.0%	
Financial income	8,910	9,950	10,606	11.7%	* We assume a 2022F expense ratio of 44.0% (+1.4 pts YoY) to facilitate higher sales targets. * We cut our 2022F G&A expenses by 4.7% as 2021 expenses were better controlled than our expectation. * We cut our 2022F financial income forecast by 6.2% due to (1) lower-than-expected interest income from deposits in 2021 amid the low-interest-rate environment and (2) our 0.7% cut in direct premium assumption that results in a 0.9% decrease in deposit balances. * Our projection for 2022F net ROI is 5.1% vs 5.5% in our previous Update Report.
Financial expense	(1,058)	(1,599)	(1,700)	51.1%	
Net financial income	7,852	8,351	8,906	6.4%	
PBT	2,367	2,833	2,862	19.7%	
NPAT-MI	1,882	2,260	2,265	20.1%	
Combined ratio*	86.3%	97.5%	98.4%	11.2 pts	* Our assumption for the 2022F loss ratio is 53.5% (+9.7 pts YoY).
Total investment	149,348	178,005	173,513	19.2%	
Gross ROI	6.5%	6.1%	6.6%	-41 bps	
Total debt and bonds repo	15,997	16,290	17,525	1.8%	
Interest expense from debt and bonds repo	2.0%	3.9%	4.2%	1.9 pts	

Source: BVH, VCSC. (*) Combined ratio here refers to the non-life business only.

Figure 3: Life and non-life GWP (VND tn)

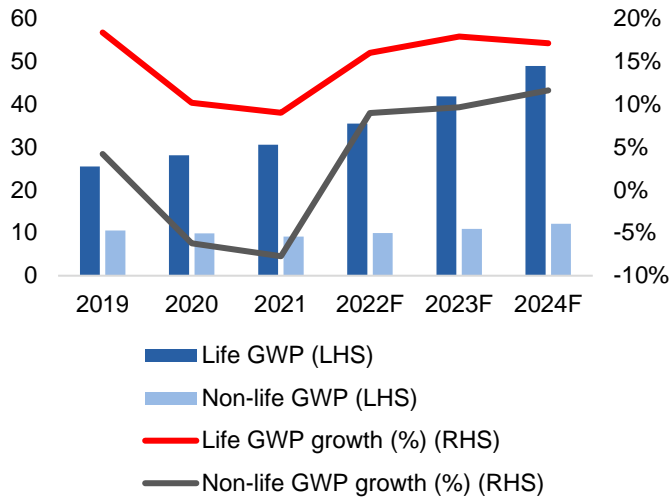
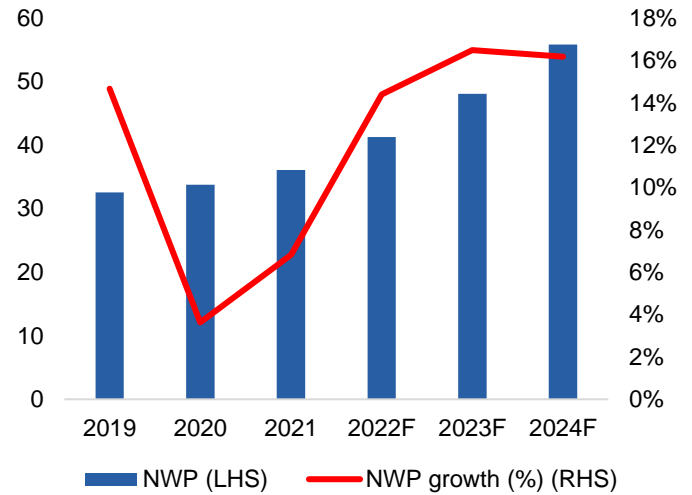


Figure 4: Net written premium (VND tn)



Source: BVH, VCSC

Figure 5: Mathematical reserve expense to life GWP

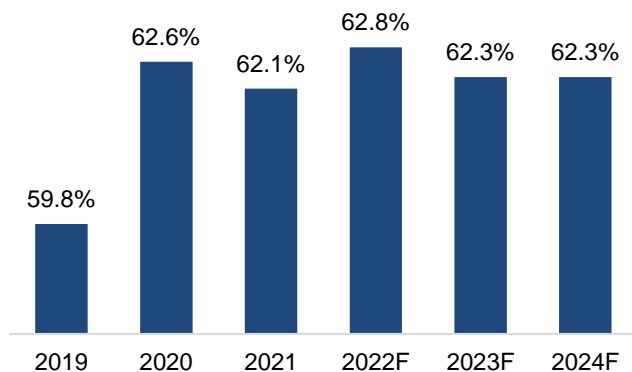
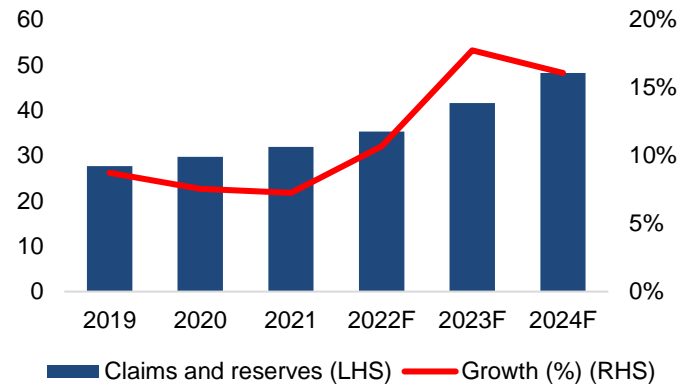


Figure 6: Total claims and reserves (VND tn)



Source: BVH, VCSC

Figure 7: Total cost structure

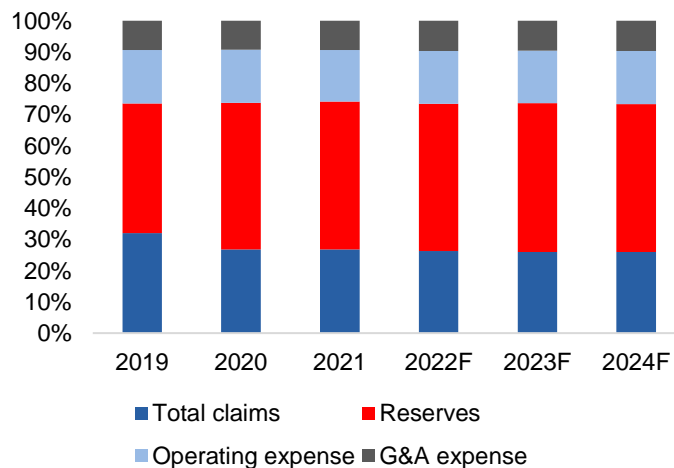
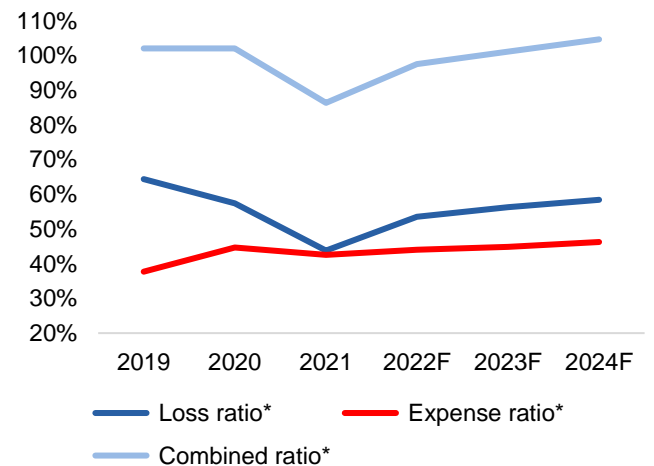


Figure 8: Loss, expense and combined ratio (for non-life only)



Source: BVH, VCSC. (*) Loss ratio is calculated as the total claims and reserve expenses of non-life business over net earned premium; expense ratio is calculated based on the assumption that underlying expense for the non-life business over total underlying expense (including both life and non-life) is proportional to the percentage of non-life premium over total premium and is calculated as the underlying expense over net written premium; combined ratio is calculated as the sum of the loss ratio and expense ratio.

Figure 9: Vietnam Government yield curve (%)

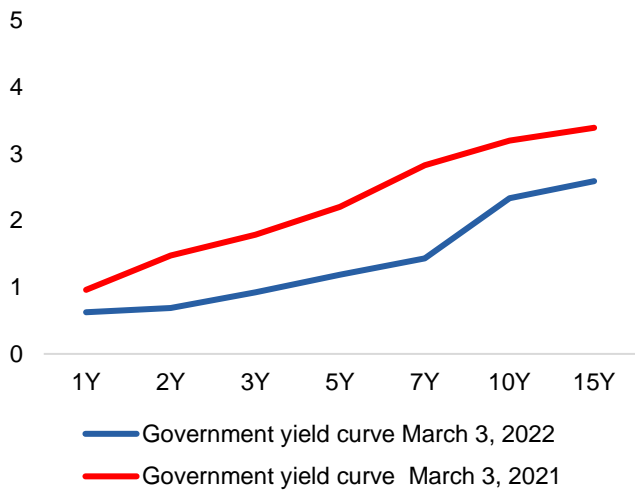
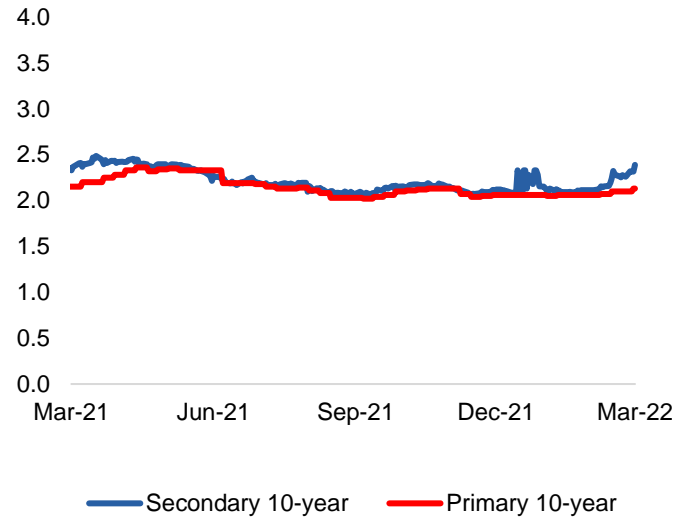


Figure 10: Vietnam Govt. 10-year bond yields (%)



Source: Bloomberg as of November 29, 2021, VCSC

Figure 11: Gross and net investment income (VND tn)

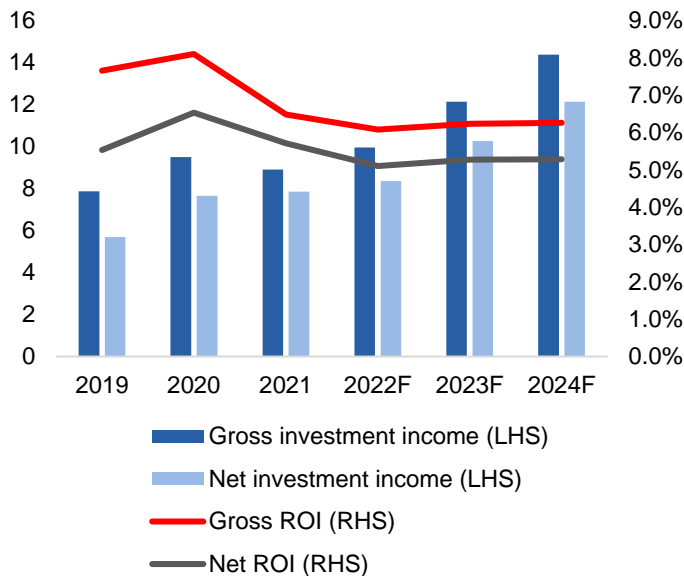
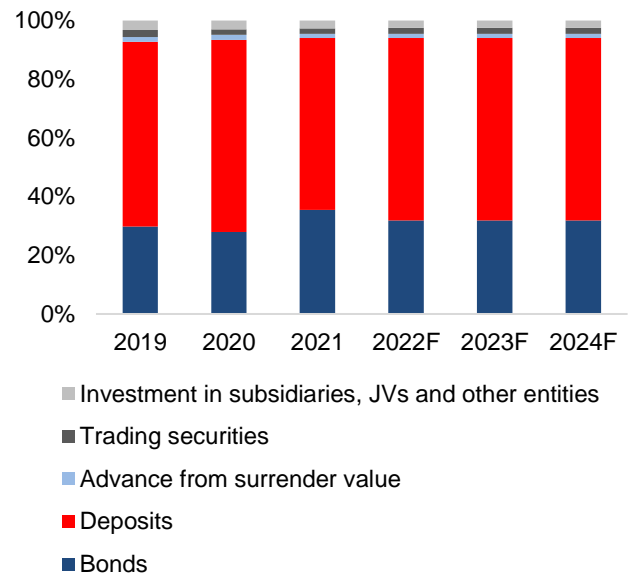


Figure 12: Investment portfolio



Source: BVH, VCSC

Figure 13: EPS (VND) and EPS growth

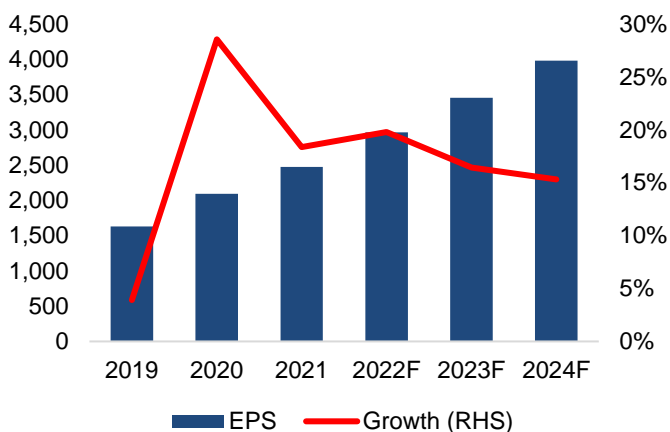
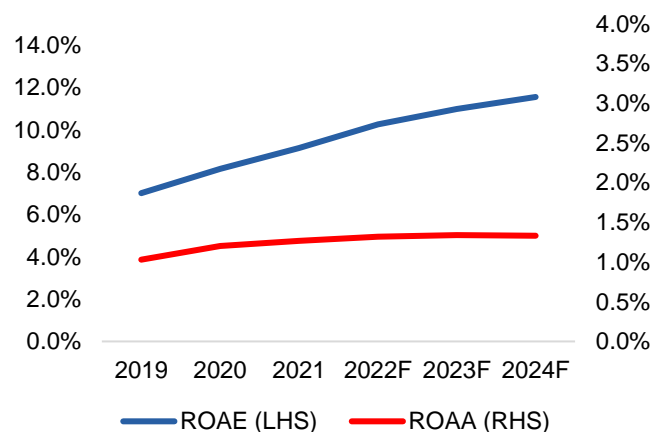


Figure 14: ROAE, ROAA



Source: BVH, VCSC



Valuation

Our lower TP is due to (1) 2021 NPAT-MI tracking 1.6% behind our forecast and (2) trimming our 2022F NPAT-MI by 0.2% vs our previous forecast.

We continue to use a P/B approach to derive our TP for BVH for end-2022. Our target P/B is the same as the current P/B of 2.1x as of March 3, 2022. In addition, we expect the economy will recover in early 2022; however, we adopt a target P/B for BVH of 2.1x, which reflects our concerns regarding (1) BVH's top-line growth over the next three years amid strong penetration of the bancassurance channel in the life insurance sector as well as intense competition in the non-life insurance sector, along with (2) the longevity of low Government bond yields that will negatively affect BVH. Nevertheless, BVH cooperated with PG Bank in 2021 to push its bancassurance channel, which is positive news for the company; nevertheless, the size of PG Bank is relatively small to make a significant impact on top-line growth, in our view.

Figure 15: Valuation summary

	Fair value
Target P/B (x)	2.10
2022F equity value (VND bn)	22,940
Target market value of equity	48,174
Number of outstanding shares (billion)	0.742
2022 BVPS (VND)	30,916
Target Price, TP (VND)	64,900
Current share price (VND)	59,700
Upside	8.7%
Dividend yield	1.5%
TSR	10.2%
Rating	OUTPERFORM

Source: VCSC

Compared to our chosen peers¹, BVH is currently trading at a P/B premium despite a relatively low ROE, which implies a relatively expensive valuation for BVH's stock. However, we believe that BVH's ROE is suppressed due to strict regulations regarding the insurance reserve calculation in Vietnam. Specifically, a more conservative discount rate used for the insurance reserve calculation in Vietnam has put upward pressure on BVH's reserve expenses, thereby lowering its earnings capability and ROE. Below are the differences in discount rates used in different countries:

- China regulates a discount rate for the insurance reserve calculation based on a 750-day moving average yield curve of treasury bills issued by the country's Ministry of Finance, plus a premium of not more than 120 bps (risk free rate with a premium).
- Malaysia regulates a discount rate for the insurance reserve calculation based on a zero-coupon spot yield of Malaysian Government Securities (MGS) with matching duration (direct carry over of risk-free rate).
- Vietnam regulates a discount rate for its reserve calculation based on (1) **80%** of a maximum **80%** of the average interest rate of Government bonds with a term of more than 10 years that were issued **24 months** before the reserve is set aside and (2) **20%** of a maximum **70%** of the average interest rate of Government bonds with a term of more than 10 years that were issued **six months** before the reserve is set aside (**only applies for 2021**). **For 2022 onward**, the discount rate for the reserve calculation will be based on **100% of a maximum 80%** of the average interest rate of Government bonds with a term of more than 10 years that were issued within **24 months** before the reserve is set aside.

If a more favorable discount rate is allowed, the gap between BVH's ROE and the chosen peers would narrow (see **Figure 17**).

In addition, though the 2020 penetration ratios for both life and non-life insurance in Vietnam approached the median levels for our sample of emerging economies shown in **Figures 18 & 19**, we believe that Vietnam's insurance industry outlook remains attractive as the country has a stable

¹ Comparable peers selected have to satisfy two conditions: (1) operating in emerging markets and (2) exposure to both the life and non-life sectors.

political and economic environment, an aging population and projected growth in GDP per capita that could support the future demand for insurance products.

Figure 16: Comparable peers

	Country	Mkt Cap (USD mn)	Net debt/Equity	ROE TTM	ROA TTM	2021 P/E	2022F P/E	2023F P/E	2021 P/B	2022F P/B	2023F P/B
Bajaj Finserv LTD	India	32,860	170%	13.3%	1.7%	55.9	53.7	38.9	7.0	6.4	5.5
Ping An Insurance Group	China	141,333	221%	14.7%	1.2%	7.2	7.2	5.7	1.0	1.3	1.2
China Pacific Insurance Group	China	36,048	38%	13.0%	1.5%	9.1	9.1	8.1	1.1	1.1	1.0
Allianz Malaysia BHD	Malaysia	540	-37%	13.5%	2.1%	4.7	6.5	5.8	0.6	0.5	0.4
Average		52,695	98%	13.6%	1.6%	19.2	19.1	14.6	2.4	2.3	2.0
Median		34,454	104%	13.4%	1.6%	8.2	8.1	7.0	1.1	1.2	1.1
Bao Viet Holdings	Vietnam	1,908	48%	9.0%	1.2%	23.5	22.0	19.2	2.1	1.9	1.7

Source: Bloomberg as of March 3, 2022, VCSC; BVH data shown is Bloomberg consensus

Figure 17: P/B value adjustment

Item	VND bn	Note
2021 mathematical reserve expenses	22,261	
Duration assumption (years)	18	VCSC assumption.
Discount rate assumption	1.95%	VCSC estimation based on Circular 1/2019/TT-BTC.
FV of 2021 mathematical reserve expenses	31,518	
10-yr secondary Gov yield, one-year average*	2.25%	We take the one-year average to smooth out short-term volatility in yields.
Adjusted mathematical reserve expenses	21,117	
Difference	1,145	
Tax rate	20%	
After tax difference	916	Lower math reserves would flow through the income statement in the form of a lower math reserve expense.
2019 Equity value differences between International Financial Reporting Standards (IFRS) and Vietnamese Accounting Standards (VAS)	9.4%	
Implied 2021 equity value following IFRS	23,159	For comparative purposes, it may be appropriate to adjust the book value of BVH to reconcile VAS with IFRS. The company reports the differences between the two accounting standards in its annual report. We apply 2019 equity differences to estimate implied 2021 equity value following IFRS.
Adjusted 2021 equity value (inc. math reserves difference and IFRS difference)	24,074	
Market cap (03/03/2022)	43,426	
Adjusted 2021 PB	1.8	

Source: VCSC; (*) from December 31, 2020 to December 31, 2021.

Figure 18: Penetration ratio of life insurance in select emerging markets (2010-2020)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PR China	2.35%	1.78%	1.65%	1.60%	1.70%	1.91%	2.36%	2.62%	2.30%	2.30%	2.40%
India	4.05%	3.28%	2.89%	2.80%	2.63%	2.66%	2.72%	2.68%	2.67%	2.77%	3.20%
Thailand	2.44%	2.49%	3.18%	2.94%	3.55%	3.67%	3.66%	3.59%	3.53%	3.28%	3.40%
Malaysia	3.10%	2.97%	3.12%	3.04%	3.26%	3.02%	3.33%	3.39%	3.28%	3.34%	4.00%
Indonesia	0.95%	1.15%	1.43%	1.15%	1.20%	1.38%	1.58%	1.56%	1.51%	1.41%	1.40%
Vietnam	0.64%	0.48%	0.57%	0.65%	0.72%	0.87%	1.10%	1.30%	1.53%	1.80%	1.60%
Philippines	0.67%	0.85%	1.15%	1.44%	1.22%	1.38%	1.27%	1.23%	1.27%	1.13%	1.20%
Sri Lanka	0.49%	0.49%	0.43%	0.45%	0.47%	0.49%	0.53%	0.53%	0.56%	0.57%	0.50%
Bangladesh	0.20%	N/A	N/A	0.20%	0.20%	0.20%	0.16%	0.16%	0.36%	0.34%	0.30%

Source: Swiss Re, World Bank, VCSC

Figure 19: Penetration ratio of non-life insurance in select emerging markets (2010-2020)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PR China	1.18%	1.16%	1.22%	1.33%	1.45%	1.60%	1.83%	1.84%	1.92%	2.01%	2.10%
India	0.63%	0.68%	0.72%	0.71%	0.70%	0.72%	0.85%	0.90%	0.90%	0.93%	1.00%
Thailand	1.55%	1.67%	1.43%	2.05%	1.77%	1.76%	1.70%	1.66%	1.68%	1.71%	1.90%
Malaysia	1.52%	1.67%	1.60%	1.70%	1.66%	1.61%	1.57%	1.51%	1.41%	1.37%	1.50%
Indonesia	0.46%	0.48%	0.43%	0.55%	0.45%	0.50%	0.47%	0.45%	0.55%	0.58%	0.50%
Vietnam	0.79%	0.84%	0.70%	0.68%	0.69%	0.73%	0.80%	0.82%	0.95%	1.01%	0.70%
Philippines	0.40%	0.47%	0.44%	0.46%	0.48%	0.52%	0.48%	0.55%	0.53%	0.44%	0.50%
Sri Lanka	0.74%	0.60%	0.57%	0.59%	0.62%	0.60%	0.61%	0.61%	0.70%	0.72%	0.60%
Bangladesh	0.63%	N/A	N/A	0.59%	0.56%	0.56%	0.45%	0.41%	0.14%	0.15%	0.10%

Source: Swiss Re, World Bank, VCSC

Figure 20: GDP per capita of select emerging markets (USD) (2010-2020)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
PR China	3,832	4,550	5,618	6,317	7,051	7,651	8,033	8,079	8,759	10,262	10,500
India	1,102	1,358	1,458	1,444	1,450	1,574	1,606	1,729	1,981	2,104	1,901
Thailand	4,213	5,076	5,492	5,861	6,168	5,952	5,840	5,979	6,578	7,808	7,189
Malaysia	7,292	9,041	10,399	10,817	10,970	11,319	9,799	9,671	10,118	11,415	10,402
Indonesia	2,261	3,122	3,643	3,694	3,624	3,492	3,332	3,563	3,837	4,136	3,870
Vietnam	1,217	1,318	1,525	1,735	1,887	2,030	2,085	2,192	2,366	2,715	2,786
Philippines	1,822	2,124	2,345	2,573	2,749	2,831	2,867	2,941	2,982	3,485	3,299
Sri Lanka	2,090	2,800	3,201	3,351	3,610	3,819	3,844	3,886	4,105	3,853	3,682
Bangladesh	702	781	862	883	982	1,119	1,248	1,402	1,564	1,856	1,969

Source: World Bank, VCSC

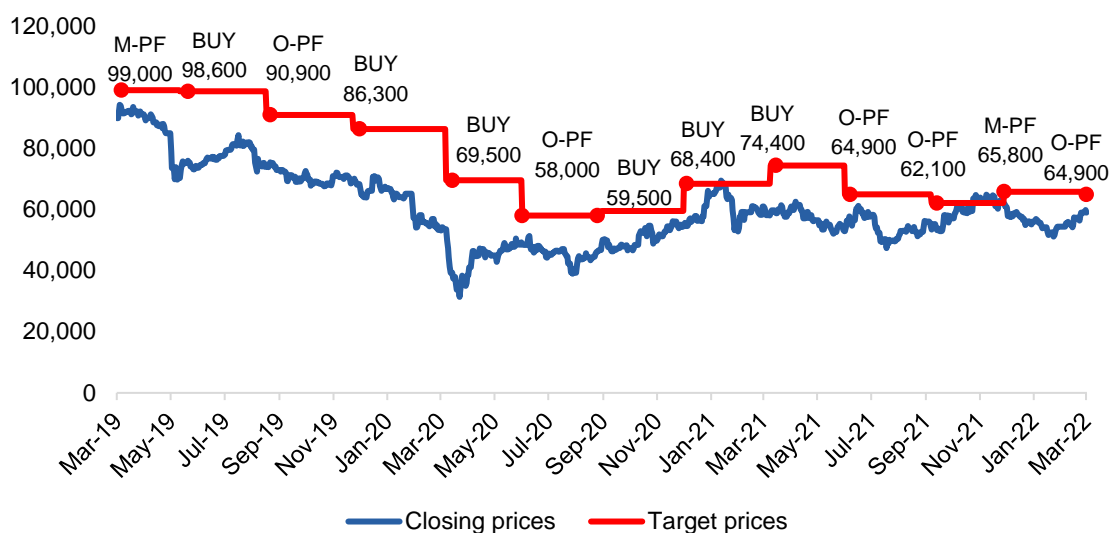
Figure 21: BVH's one-year forward P/B ratio (Bloomberg consensus)



Source: Bloomberg, VCSC

Historical Recommendations

Figure 22: Historical target prices (VND/share)



Source: Bloomberg, VCSC

Financial Statements

P&L (VND bn)	2021	2022F	2023F	2024F
Direct premium	39,504	45,194	52,468	60,858
- of which - Life	30,557	35,440	41,768	48,907
- of which - Non-life	8,947	9,754	10,700	11,952
Re-insurance premium	159	166	175	184
Gross written premium	39,663	45,360	52,642	61,042
Outward re-insurance	(3,568)	(4,069)	(4,540)	(5,157)
Net written premium	36,095	41,291	48,102	55,885
Unearned premium reserve	283	(147)	(173)	(202)
Net earned premium	36,378	41,144	47,929	55,683
Other premiums earned	923	1,139	1,294	1,495
Claims and losses	(31,878)	(35,277)	(41,529)	(48,198)
- of which - math expense	(18,982)	(22,261)	(26,028)	(30,476)
Underwriting expense	(7,089)	(8,109)	(9,485)	(11,168)
G&A expense	(4,017)	(4,637)	(5,401)	(6,387)
Operating profit	(5,683)	(5,739)	(7,192)	(8,575)
Investment income	8,910	9,950	12,129	14,381
Financial expense	(1,058)	(1,599)	(1,864)	(2,242)
Income from affiliates	71	100	105	110
Other income	128	121	126	132
PBT	2,367	2,833	3,304	3,806
NPAT	1,989	2,380	2,776	3,198
Minority interest	(107)	(121)	(145)	(164)
NPAT-MI	1,882	2,260	2,631	3,034
EPS (VND)	2,473	2,962	3,449	3,976
DPS (VND)	900	1,000	1,000	1,000

RATIOS	2021	2022F	2023F	2024F
Efficiency				
Loss ratio*	43.8%	53.5%	56.3%	58.4%
Expense ratio*	42.6%	44.0%	44.9%	46.3%
Combined ratio*	86.3%	97.5%	101.1%	104.6%
Retention ratio	91.0%	91.0%	91.4%	91.6%
Balance sheet				
Investment portfolio/equity	7.04	7.77	8.43	9.03
Investment portfolio/reserves	1.19	1.20	1.20	1.20
Assets/equity	7.93	8.41	8.86	9.40

B/S (VND bn)	2021	2022F	2023F	2024F
Cash & equivalents	5,354	8,434	3,584	1,582
ST investments	82,007	96,619	114,365	134,910
LT investments	67,341	81,386	96,334	113,640
Net receivables	9,308	84	97	112
Net fixed assets	2,375	2,850	3,420	4,104
Other assets	3,076	3,512	4,016	4,591
Total assets	169,461	192,886	221,816	258,937
Reserve for outstanding claim and loss	2,432	2,829	3,282	3,809
Premium reserve	4,637	4,842	5,080	5,355
Math reserve	112,073	134,334	160,362	190,839
Other insurance reserves	6,118	6,132	6,621	6,841
Short term borrowing	2,506	2,306	2,206	2,106
Other short-term liabilities	17,655	18,087	17,668	20,637
Long term borrowings	268	100	100	100
Other long-term liabilities	285	390	400	469
Total liabilities	145,974	169,020	195,719	230,156
Shareholder equity	21,177	22,939	25,026	27,546
Minority interest	806	926	1,071	1,235
Total liabilities and equity	167,957	192,886	221,816	258,937
Y/E shares out (mn)	742	742	742	742
BVPS (VND)	28,527	30,902	33,714	37,107

RATIOS	2021	2022F	2023F	2024F
Profitability				
ROAA	1.3%	1.3%	1.3%	1.3%
ROAE	9.1%	10.2%	11.0%	11.5%
Investment performance				
Gross ROI	6.5%	6.1%	6.2%	6.3%
Net ROI	5.7%	5.1%	5.3%	5.3%
Solvency ratio (estimated)				
Life business	117%	117%	117%	117%
Non-life business	138%	137%	138%	139%

Source: BVH, VCSC. (*) Loss ratio, expense ratio and combined ratio is for non-life insurance only; loss ratio is calculated as net claims and net claim reserve expense over net earned premium; expense ratio is calculated based on the assumption that underlying expense for non-life business over total underlying expense (including both life and non-life) is proportional to the percentage of non-life premium over total premium and is calculated as the underlying expense over net written premium; combined ratio is calculated as the sum of loss ratio and expense ratio.



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