



No:820/2025/BC-BSH-KH

Ha Noi, date 08 month 04 year 2025

REPORT

BUSINESS PERFORMANCE IN 2024

BUSINESS PLAN AND ORIENTATION FOR 2025

Saigon - Hanoi Insurance Corporation hereby submits its report on business performance for 2024 and its business orientation and plan for the year 2025, with the following details:

PART I: NON-LIFE INSURANCE MARKET

I. International Insurance Market

In 2024, the global situation continued to experience complex and unpredictable fluctuations with numerous risks and uncertainties: intensifying strategic competition among major powers, geopolitical tensions, natural disasters, and extreme weather events. Nevertheless, the world economy has shown signs of stabilization, with global merchandise trade recovering, inflationary pressures easing, financial conditions gradually loosening, and labor supply increasing. According to Swiss Re, global insurance premium revenue in 2024 grew by 3.2% compared to 2023. Specifically, the life insurance market expanded by 2.9%, driven primarily by Western Europe and Asia-Pacific, while the non-life insurance market grew by 3.3%, with significant contributions from emerging Asian countries (excluding China). Total estimated losses in 2024 rose by 17% from the previous year, reaching USD 135 billion, largely due to hurricanes in the U.S. (Helene and Milton) and flooding in Europe. This marks the fifth consecutive year with losses exceeding USD 100 billion.

II. Vietnam Insurance Market

2.1. Overview of the Vietnam Insurance Market in 2024

The Vietnam insurance market has made significant strides in scale, number of enterprises, and financial capacity, continuing to serve as an important capital mobilization channel for the economy. According to data from the Insurance Association of Vietnam (IAV), total insurance premium revenue in 2024 is estimated at VND 227,500 billion, a decrease of 0.25% compared to 2023. Of this, non-life insurance premium revenue reached VND 79,407 billion, an increase of 11.8%. Total assets and technical reserves are steadily rising, reflecting the improving financial capacity of insurance companies.

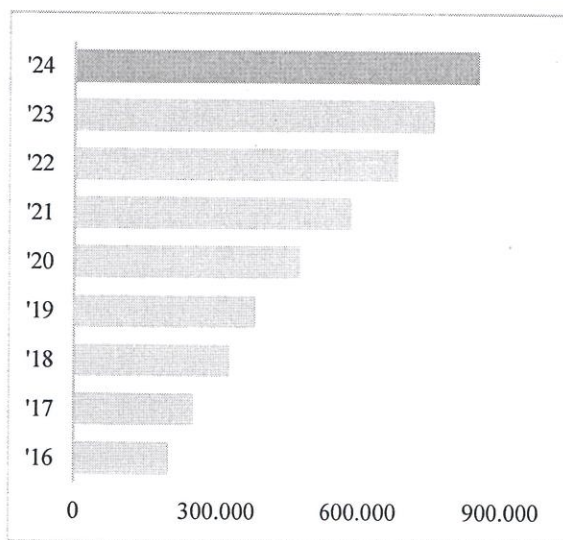


Figure 1: Capital Investment in the Economy 2016 – 2024 (VND billion)

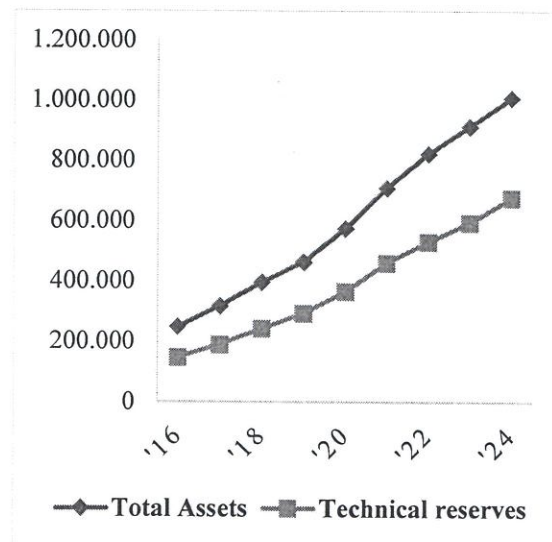


Figure 2: Total Assets and Technical Reserves 2016 – 2024 (VND billion)

Source: Insurance Association of Vietnam (IAV)

As of the end of 2024, the Vietnam insurance market comprised 86 insurance businesses (33 non-life insurers, 19 life insurers, 2 reinsurers, and 32 insurance brokers). Additionally, several decrees and circulars effective in 2024 have contributed to enhancing transparency, strengthening the market, and ensuring its stable and sustainable development.

In 2024, Typhoon Yagi caused severe economic damage in Vietnam, with the insurance sector, particularly non-life insurance, bearing significant losses. As of December 6, 2024, insurance companies recorded approximately 14,700 property, motor vehicle, and health insurance claims, with total estimated damages reaching VND 10,620 billion.

2.2. Investment Activities of Insurance Companies

Investment activities of Vietnamese insurance companies currently focus on three main channels: (i) deposits at credit institutions; (ii) stocks; (iii) capital contributions to other enterprises. Since Q2 2024, the economy has shown positive developments, with many banks beginning to raise deposit interest rates, typically by 0.5% – 1% across various terms. Given that profits of insurance companies primarily come from deposits (accounting for 70% – 80% of the investment portfolio), the adjustment in deposit rates has boosted their profitability. Return rates for the top 10 insurance companies include: (i) average deposit returns of 5%; (ii) bond returns ranging from 6.5% – 7.5%; (iii) short-term investment returns of approximately 10%.

2.3. Non-Life Insurance Market Revenue in 2024

In 2024, the non-life insurance market maintained stable growth, surpassing the GDP growth rate. According to IAV data, original premium revenue reached VND 79,407 billion, up 11.8% from 2023.

Table 1: Market Revenue by Business Line (VND billion, %)

No.	Line of Business	2024		2023		% Increase/Decrease
		Revenue	Proportion	Revenue	Proportion	
1	Personal Insurance	28.778	36,2%	3.737	33,4%	21,2%
2	Motor Vehicle Insurance	18.752	23,6%	17.805	25,1%	5,3%
3	Property & Engineering	25.301	31,9%	23.700	33,4%	6,8%
4	Marine Insurance	6.576	8,3%	5.797	8,2%	13,4%
Total		79.407	100,0%	71.038	100,0%	▲ 11,8%

Source: Insurance Association of Vietnam (IAV)

Personal insurance recorded impressive growth of 21.2%, driven by: (i) changes in insurance business laws, with long-term personal insurance policies shifted from 2023 to 2024; (ii) increasing demand for health insurance; (iii) a shift by customers/partners to non-life insurance following controversies in the life insurance sector.

Motor vehicle insurance grew by 5.3%, primarily due to revenue from SM Green Taxi and the government's Decree No. 109/2024/ND-CP, which reduced registration fees by 50% for domestically manufactured or assembled vehicles from September 1 to November 30, 2024.

2.4. Claims of the Non-Life Insurance Market in 2024

Table 2: Market Claims by Business Line (VND billion, %)

No.	Line of Business	2024			2023		
		Revenue	Claims	Claim Ratio	Revenue	Claims	Claim Ratio
1	Personal Insurance	28.778	8.577	29,8%	23.737	8.236	34,7%
2	Motor Vehicle Insurance	18.752	8.630	46,0%	17.805	9.369	52,6%
3	Property & Engineering	25.301	4.705	18,6%	23.700	4.355	18,4%
4	Marine Insurance	6.576	1.913	29,1%	5.797	1.999	34,5%
Total		79.407	23.825	30,0%	71.038	23.959	33,7%

Source: Insurance Association of Vietnam (IAV)

Note: The claim ratio per IAV data excludes claim reserves, so reserves for Typhoon Yagi will be reflected in 2025 and subsequent years.

According to IAV, the original claim ratio for motor vehicle insurance decreased by 6.6%, and personal insurance by 4.9% compared to 2023. The significant reduction in claim ratios for retail business lines indicates that many insurers have strengthened

risk management, controlled claims activities, and shifted their business focus from scale to efficiency.

2.5. Market Share and Growth Rate of Insurance Companies

Table 3: Revenue and Market Share of Top 10 Insurers (VND billion, %)

Rank		Insurer	Primary insurance revenue			
2024	Change vs 2023		2024	2023	%Growth	Market Share
1	(-)	PVI	13.326	11.002	21,1%	16,8%
2	(-)	Bao Viet	10.457	10.147	3,1%	13,2%
3	(-)	Bảo Minh	5.961	5.560	7,2%	7,5%
4	▲ 1	MIC	5.017	4.678	7,2%	6,3%
5	▲ 1	BIC	4.880	4.558	7,1%	6,1%
6	▲ 1	Pjico	4.397	4.023	9,3%	5,5%
7	▲ 1	VBI	4.160	3.553	17,1%	5,2%
8	▼ 4	PTI	4.010	5.077	-21,0%	5,0%
9	(-)	BSH	3.131	2.985	4,9%	3,9%
10	(-)	VNI	2.895	2.547	13,7%	3,6%
Overall insurance market			79.407	71.038	11,8%	100,0%

Source: Insurance Association of Vietnam (IAV)

Since 2022, PVI and Bao Viet have maintained their top two positions with market shares of 16.8% and 13.2% respectively (2024 figures). Given their substantial revenue lead, they are expected to retain these rankings in the coming years.

From ranks 3 to 8, competition is fierce between established players (Bảo Minh, Pjico) and emerging DNBHs backed by strong parent banks (BIC, MIC, VBI). Notably, PTI dropped four places (from 4th in 2023 to 8th in 2024), with a 21.0% revenue decline across all lines due to a strategic shift.

BSH and VNI held steady at 9th and 10th, with BSH focusing on efficiency over scale by adjusting rates and limiting unprofitable products, achieving 4.9% growth. VNI posted a strong 13.7% growth, driven by: (i) new sales channels, especially in Korea and brokerage; and (ii) expanded revenue from linked banks, leading the motor vehicle insurance segment (up from 5th in 2023). However, both face intense competition from DNBHs like Opes, ABIC, and GIC, particularly Opes and ABIC, supported by VPBank and Agribank.

PART II: BSH BUSINESS PERFORMANCE IN 2024

III. Business Performance Results in 2024

1.1. Achievement of 2024 Business Plan Targets

No	Indicator	Plan 2024	2024	2023	% Growth	% Plan Achieved
1	Retained insurance premium	3.165.000	3.248.496	3.061.669	6,1%	102,6%
1.1	Primary insurance revenue	3.075.000	3.130.981	2.985.146	4,9%	101,8%
1.2	Reinsurance premium received	90.000	117.515	76.522	53,6%	130,6%
2	Profit before tax	10.500	11.016	8.022	37,3%	104,9%
3	Market Share Ranking	9	9	9		

- Primary premium revenue reached VND 3.131 trillion, up 4.9%, achieving 101.8% of the plan;
- Reinsurance revenue hit VND 117.5 trillion, up 53.6%, achieving 130.6% of the plan.
- Profit before tax reached VND 11 trillion, up 37.3%, achieving 104.9% of the plan.

1.2. Revenue Performance by Business Line

No.	Line of Business	Plan 2024	2024	2023	%Growth	% Plan Achieved
1	Personal Insurance	625.000	800.116	654.986	22,2%	128,0%
2	Motor Vehicle Insurance	1.756.000	1.712.032	1.775.625	-3,6%	97,5%
3	Property & Engineering	560.000	501.344	440.693	13,8%	89,5%
4	Marine Insurance	134.000	117.488	113.842	3,2%	87,7%
Total		3.075.000	3.130.981	2.985.146	4,9%	101,8%

- Personal Insurance: Achieved an impressive 22.2% growth, exceeding the plan by 128.0%.
- Motor Vehicle Insurance: Declined 3.6%, achieving 97.5% of the plan due to rate increases and cuts to high-cost products (e.g., passenger accident coverage).
- Property & Engineering: Grew 13.8%, achieving 89.5% of the plan.
- Marine Insurance: Grew 3.2%, achieving 87.7% of the plan.

1.3. Revenue Performance by Distribution Channel

- Bancassurance channel surged by 35.7% compared to 2023, mainly from health insurance products.
- Showroom & Garage channel grew 18.6%, driven by: (i) a 50% registration fee reduction policy boosting car sales; (ii) effective incentive programs for motor

vehicle insurance; and (iii) flexible management by sales points/channels/customers.

- Vehicle Inspection channel dropped 20.4% due to intense competition from insurers like Tasco, MIC, and LPBank insurance

1.4. Investment Performance

TT	Indicator	Plan 2024			2024		
		Investment	Profit	Rate of Return	Investment	Profit	Rate of Return
1	Stock Investment Income	300	28	9,3%	82,6	26,5	32,1%
2	Deposit Income	2.700	164	6,1%	2.671,4	180,2	6,7%
3	Long-term Investment		(6)		98,8	6,7	6,8%
4	Exchange Rate Gains					10,9	
Total		3.000	186	6,2%	2.852,9	224,3	7,9%

- Investment profit reached VND 224.3 billion, achieving 120.6% of the plan, with stock investments contributing VND 26.5 billion and deposits VND 180.2 billion.

IV. Evaluation of Business Performance

2.1. Achievements

2.3.1. Financial Performance

- Original premium revenue: VND 3.131 trillion, achieving 101.8% of the plan.
- Investment profit: VND 224.3 trillion, achieving 120.6% of the plan.
- Profit before tax: VND 11 trillion, achieving 104.9% of the plan.

2.3.2. Distribution Channels

- Bancassurance revenue exceeded VND 500 billion, achieving 130% of the plan.
- Tender & Project channel revenue reached VND 90 billion, achieving 105% of the plan.
- Brokerage channel revenue surpassed VND 80 billion, up 37%, achieving 108% of the plan.

2.3.3. Operations Management and Operating Policies

- Maintained motor vehicle insurance market share (4th in the market).
- Outpaced the market in resolving Yagi storm claims (34% vs. 20% market average, based on claim volume).
- Flexible business policies by customer/channel/sales point: Over 95% of policies were evaluated for efficiency.
- Established KPIs for member units balancing scale and efficiency.

2.3.4. Human Resources

- Average labor productivity increased by 7% compared to 2023.

- Revised bonus policies focusing on employee welfare

2.3.5. *Service Quality*

- Implemented a centralized claims assessment system and call center.
- Introduced an online claims assessor system.

2.2. **Shortcomings and Limitations**

2.2.1. *Tài chính:*

- Market share decreased by 0.3%

2.2.2. *Distribution Channels*

- Limited number of partner banks (6 banks).
- Low revenue from Property & Engineering and Marine insurance via banks: 5.8%.
- Few brokerage units utilized: 8 out of 52.
- Distribution channels lack diversity, heavily reliant on direct retail (44.1% of revenue)

2.2.3. *Operations*

- No centralized management of affiliated garages.
- Lack of exploitation strategy or business structure by unit/region.
- Inconsistent quality among claims assessors.
- No reinsurance management system.

2.2.4. *Human Resources*

- No succession planning or training for future personnel.
- No KPIs for employee evaluation.
- Inadequate salary structure.
- Insufficient focus on staff training.

2.2.5. *Information Technology*

- Slow integration with partners.
- No customer-facing application platform.
- Despite sales tools, revenue from these tools accounts for only 0.4% of total revenue.

2.2.6. *Management and Operations*

- Inconsistent service quality, lacking strict oversight from headquarters to units.
- Unclear workflows and inter-departmental interactions.
- Insufficient database, hindering data analysis, customer care, and renewals.

PART III: 2025 BUSINESS ORIENTATION

I. Vietnam Insurance Market in 2025

1.1. Vietnam Insurance Market Forecast

The non-life insurance market in Vietnam has recorded an average growth rate of about 10% over the past 5 years. With continued economic growth expected in the future (projected to rank among the top 20 global economies by 2040, per the CEBR report from the UK), demand for insurance is rising. Thus, the insurance market is expected to maintain high growth in the coming years.

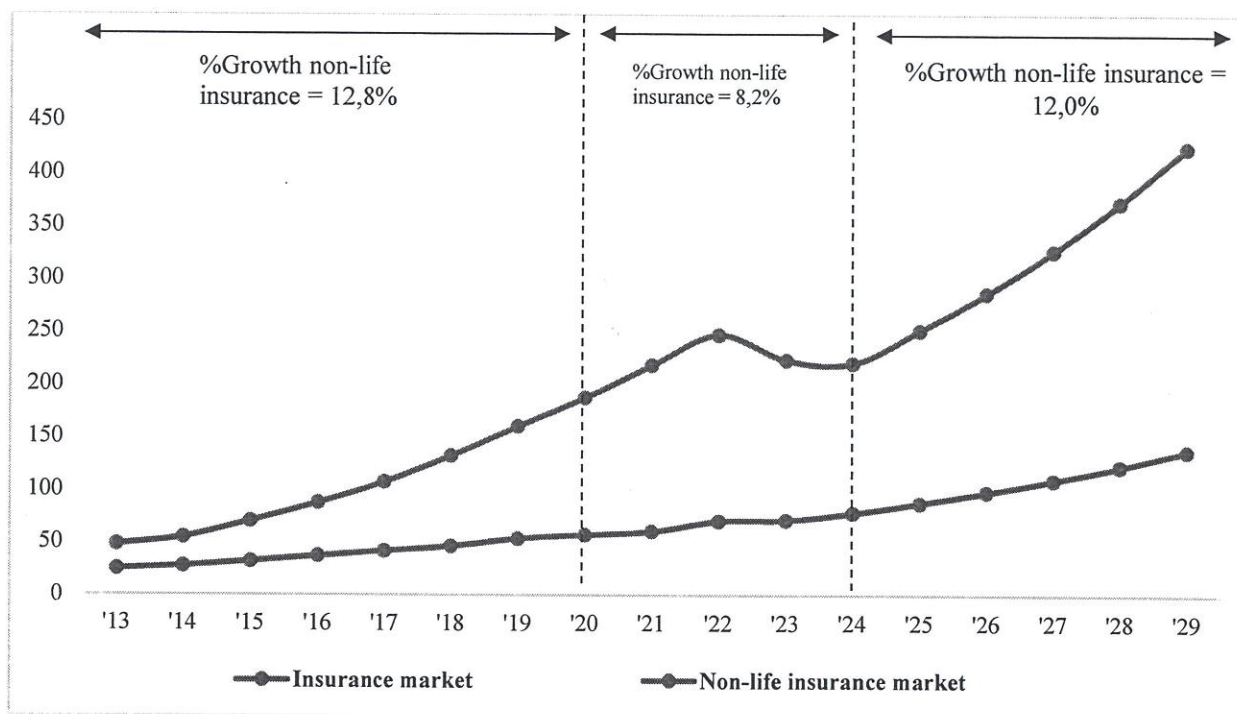


Figure 9: Vietnam Insurance Market Forecast

1.2. Factors Affecting the Vietnam Insurance Market

1.2.1. Economy

Vietnam's economy is projected to remain stable and robust, creating favorable conditions for insurers. International organizations have praised Vietnam's economic performance and outlook, driven by public investment, FDI, and export-import activities. The Asian Development Bank (ADB) forecasts GDP growth of 6.6% in 2025; the World Bank (WB) predicts 6.8%; and the International Monetary Fund (IMF) ranks Vietnam among the top 20 fastest-growing economies in 2025, surpassing regional peers like China, Indonesia, Thailand, and Malaysia.

Investment activities of insurers are also improving due to: (i) a slight increase in deposit rates to 6.0% – 6.5%; (ii) a growing and improving stock market, with the VN-Index ranging from 1,180 – 1,350 points.

1.2.2. Legal

Decree 168/2024/ND-CP, effective January 1, 2025, increases penalties for failing to carry mandatory motorcycle liability insurance, significantly boosting motorcycle insurance revenue.

Regulations limiting costs for personal and motor vehicle insurance indicate a shift from non-technical competition (fees and mechanisms) to service quality competition.

The new VAT Law reduces individual agent income tax and enforces stricter input invoice controls, prompting insurers to shift cost structures from entertainment to agent/salary expenses.

1.2.3. Technology

Insurers are increasingly investing in technology to enhance efficiency through: (i) artificial intelligence (AI) and automation; (ii) multi-channel data analytics; (iii) digital transformation; (iv) Insurtech.

1.2.4. Society

Customer behavior in purchasing products and services has shifted significantly, with a rise in online transactions.

Public awareness and demand for insurance, especially health care products, are growing.

II. 2025 Business Orientation

2.1. 2025 Business Orientation

- Leverage the T&T ecosystem by restructuring the business model between BSH and T&T to enhance exploitation efficiency, while expanding partnerships with strategic partners and T&T-related corporate clients.
- Develop a co-insurance strategy with other insurers, gradually increasing co-insurance ratios and revenue over the years.
- Focus on Korean clients: (i) Co-insurance with major firms like LG and Samsung; (ii) Direct business; (iii) In-house agency model; (iv) Expand services to Chinese companies.
- Enhance brokerage exploitation: Analyze and strategize partnerships with each brokerage firm, recruit dedicated brokerage staff in Hanoi and Ho Chi Minh City, establish a specialized unit for enterprise insurance (EB), and expand Property & Engineering insurance via brokers.
- Improve BSH reinsurance operations: Increase retention levels and expand insurance capacity.
- Develop distribution channels: (i) Expand and strengthen the General Agency (GA) network, leveraging life insurance agents for cross-selling; (ii) Expand online channels like Lazada, Shopee, Facebook, Zalo, Finance, etc., and Telesales, Website.

2.2. Plan Targets

No.	Indicator	Plan 2025	Actual 2024
1	Retained Premium	1.914.829	2.554.160

No.	Indicator	Plan 2025	Actual 2024
1.1	Primary insurance revenue	1.745.100	3.130.981
1.2	Reinsurance Premium Received	449.350	117.515
1.3	Reinsurance Premium Ceded	279.621	694.335
2	Pre-tax Profit	16.333	11.016
3	After-tax Profit	16.333	8.920

Note: BSH shifts its strategy toward becoming a mid-to-small-scale insurer focused on profitability.

2.3. Key Solutions

2.3.1. Human Resources

- Build a lean organizational model aligned with BSH's scale and strategic orientation.
- Define roles and responsibilities for departments under the new model.
- Develop and digitize processes based on the new structure.
- Review, reorganize, and recruit personnel suited to the model and strategy.
- Establish KPIs for departments and individuals.

2.3.2. Claims and Service Quality

- Complete the call center, ensuring adequate staffing and a missed call rate below 10%.
- Manage assessor payroll, establish KPIs, and monitor metrics like on-site response, pending case ratios, and average cost control)
- Centralize claims handling for Property & Engineering and Personal Insurance to improve service quality.

2.3.3. Operations

- Digitize the system of operational;
- Diversify the portfolio of Property & Casualty (P&C) and Personal insurance products; Establish operational standards tailored to specific sales channels and target markets;
- Strengthen P&C business development/underwriting through channels like Bancassurance and Brokers;
- Implement centralized policy issuance and claims handling for P&C operations;
- Increase BSH's retention level and expand capacity for reinsurance activities.

2.3.4. Business Development

- Develop a business model for corporate clients focused on high service quality standards;
- Develop and train the sales/business team according to the new strategic direction;

- Deepen engagement with and expand the customer base and the T&T Group's ecosystem

2.3.5. Information Technology

- Ensure partner integration time is under 10 days per partner;
- Develop systems for sales, electronic certificates, and electronic contracts (e-contracts);
- Develop a reinsurance management system through the digitalization of reinsurance management reports; Research and build a new reinsurance core system.

Recipients:

- As above

-Archives:Administration
Office, Board Office

SAI GON – HA NOI INSURANCE CORPORATION

CHIEF EXECUTIVE OFFICER



ĐOAN KIEN

