



REPORT

2025 BUSINESS PERFORMANCE AND 2026 BUSINESS PLAN ORIENTATION

Sai Gon - Hanoi Insurance Corporation hereby presents its report on the 2025 business performance and the orientation for the 2026 business plan, as follows:

PART I: PROPERTY & CASUALTY INSURANCE MARKET OVERVIEW

I. Global Insurance Market

In 2025, the global insurance market continues to be shaped by a volatile economic and geopolitical landscape. While inflation has eased, it remains elevated, whereas interest rates have begun to trend downward following a period of sharp increases. Concurrently, geopolitical tensions and climate change—particularly extreme weather events—persist in posing significant challenges to the industry.

Despite these headwinds, the market maintains steady growth, driven by a rising demand for financial protection and risk management. According to Swiss Re [1], global premium growth is projected to reach 3.1% in 2025. Emerging markets continue to serve as the primary growth engine with an estimated increase of 5.6%, with China notably reaching 7.6%.

In addition, the insurance industry is confronting several significant risks. Natural catastrophe losses remain high, with total insured losses estimated at approximately \$107 billion in 2025. These costs are primarily driven by large-scale wildfires in the United States and extreme weather events such as hurricanes and thunderstorms. Furthermore, the growing trend of global economic fragmentation is impacting claims costs and the overall operational efficiency of insurers.

Against this backdrop, the industry is accelerating the adoption of technology, strengthening risk management capabilities, and enhancing resilience to ensure sustainable long-term growth.

II. Vietnam Insurance Market

2.1. Vietnam Insurance Market Overview in 2025

In 2025, the Vietnam insurance market showed signs of recovery following a period of decline in 2024. According to data from the Insurance Association of Vietnam (IAV), total insurance premium revenue in 2025 is estimated at VND 237.2 trillion, representing a 4.0% increase year-on-year.

Notably, non-life insurance maintained its positive growth momentum, with revenue reaching VND 88,066 billion, an increase of 10.7%. The market scale continued to expand with rising total assets and technical reserves, further affirming the vital role



of insurance as a channel for medium and long-term capital mobilization for the economy.

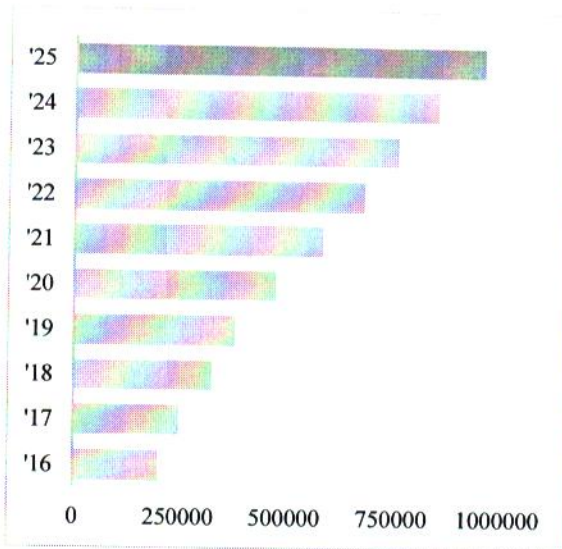


Figure 1: Investment Capital into the Economy 2016 – 2025 (VND Billion)

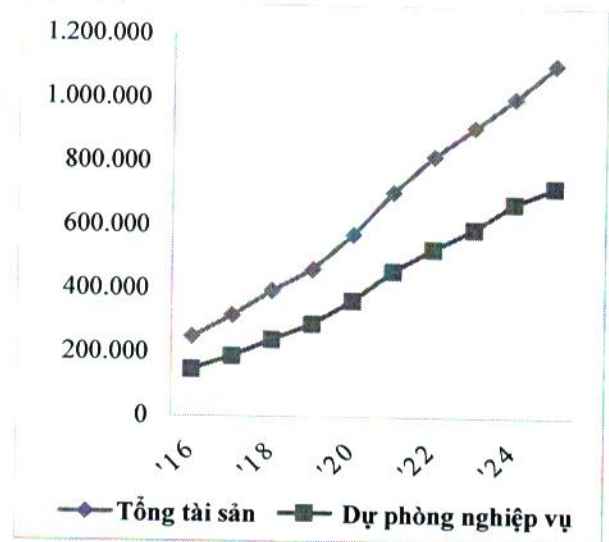


Figure 2: Total Assets and Technical Reserves 2016 – 2025 (VND Billion)

Source: Insurance Association of Vietnam (IAV)

By the end of 2025, the Vietnam insurance market comprised 86 insurance entities, including 33 non-life insurers, 19 life insurers, 02 reinsurers, and 32 insurance brokerage firms. Furthermore, several Decrees and Circulars taking effect throughout the year have significantly enhanced transparency and market integrity, fostering a more stable and sustainable development landscape for the industry.

In 2025, natural disasters continued to inflict substantial damage on the Vietnamese economy, with the insurance industry—particularly the non-life sector—being among the most heavily impacted. Specifically, due to the effects of Typhoon No. 10 (Bualoi) and Typhoon No. 11 (Matmo), insurers recorded approximately 3,700 claims, with total estimated losses reaching nearly VND 1,700 billion.

2.2. Investment Activities of Insurance Companies

In 2025, the investment activities of Vietnamese insurers maintained steady growth, with total reinvestment into the economy estimated at nearly VND 960 trillion, a 10.3% increase compared to 2024. The investment portfolios remained concentrated in three primary channels: (i) Term deposits at credit institutions; (ii) Equities (stocks); and (iii) Capital contributions to other enterprises. However, against a backdrop of declining interest rate floors, investment yields have trended downward, with deposit returns averaging only 4% – 5% per annum and bond yields fluctuating between 6% – 7%.

2.3. Non-Life Insurance Market Revenue in 2025

In 2025, the non-life insurance market continued to maintain a steady growth rate, outpacing GDP growth. According to IAV data, direct written premiums (DWP) in the non-life sector reached VND 88,066 billion, representing a 10.7% increase compared to 2024.

TT	Nghịệp vụ	Năm 2025		Năm 2024		Tăng trưởng
		Doanh thu	Tỷ trọng	Doanh thu	Tỷ trọng	
1	BH Con người	31.671	36,0%	28.816	36,2%	9,9%
2	BH Xe cơ giới	20.972	23,8%	18.782	23,6%	11,7%
3	BH TSKT-HH	35.423	40,2%	31.931	40,2%	10,9%
Tổng cộng		88.066	100,0%	79.529	100,0%	10,7%

Source: Insurance Association of Vietnam (IAV)

Personal Lines (Human Insurance): This segment grew by 9.9%, driven by: (i) the rising demand for health insurance, specifically healthcare insurance which surged by 19.9%—serving as the primary engine for the overall growth of Personal Lines; (ii) the acceleration of digitalization in policy issuance and claims settlement, which has enhanced customer experience and product accessibility.

Motor Vehicle Insurance: This segment grew by 11.7%, driven by: (i) a significant surge of 31.9% in Motorcycle Insurance, resulting from stricter penalties for failing to possess Compulsory Civil Liability (CCL) certificates, as mandated by Decree 168/2024/ND-CP (effective January 1, 2025); (ii) a 10.7% increase in Auto Insurance, primarily fueled by revenue from Xanh SM and a rise in new vehicle sales (according to VAMA, new car sales reached an estimated 375,736 units, up 10.5% year-on-year).

Property, Engineering, and Cargo (PEC) Insurance: This segment grew by 10.9%, accounting for the largest share (40.2%) of the market, thanks to: (i) rising demand for property and construction insurance aligned with manufacturing expansion and the recovery of infrastructure and construction sectors; (ii) growth in global trade and logistics; and (iii) enhanced risk management awareness among enterprises.

2.4 Market Share and Growth Rates of Insurers

VND Billion, %

Ranking		Name	Direct Written Premiums			
2025	Vs. 24		2025	2024	%	Market share
1	(-)	PVI	14.908	13.346	11,7%	16,9%
2	(-)	Bao Viet	11.132	10.435	6,7%	12,6%
3	(-)	Bao Minh	5.984	5.960	0,4%	6,8%
4	(-)	MIC	5.414	5.017	7,9%	6,1%
5	(-)	BIC	5.135	4.880	5,2%	5,8%
6	▲5	OPES	4.840	2.630	84,0%	5,5%
7	(-)	VBI	4.808	4.160	15,6%	5,5%
8	▼2	Pjico	4.617	4.397	5,0%	5,2%
9	▲1	DBV	4.190	2.895	44,7%	4,8%
10	▼2	PTI	3.747	4.016	-6,7%	4,3%
11	▲2	ABIC	2.617	2.301	13,7%	3,0%
12	▼3	BSH	2.405	3.131	-23,2%	2,7%
Market			88.066	79.529	10,7%	100,0%

Source: Insurance Association of Vietnam (IAV)

The Top 5 insurers continued to maintain their leading positions with a combined market share of 48.3%, reflecting the stability of the market's major players. Notably, OPES made a significant breakthrough in rankings, climbing to 6th place (up from 11th in 2024). This jump was driven by the deployment of Credit Life products within the VPBank ecosystem, alongside the promotion of healthcare insurance products in partnership with BSH, VBI, and Bao Minh.

Conversely, BSH dropped three places (from 9th in 2024 to 12th), with revenue declining by 23.2%. This decrease resulted from a strategic pivot from volume-based growth to operational efficiency.

PART II: BSH BUSINESS PERFORMANCE IN 2024

III. Business Performance Results in 2025

1.1. Achievement of 2024 Business Plan Targets

VND Million, %

No.	Indicator	Plan 2025	2025	%Plan Achieved
1	Retained insurance premium	2.194.450	2.496.846	113,8%
1.1	Primary insurance revenue	1.745.100	2.404.933	137,8%
1.2	Reinsurance premium received	449.350	91.913	20,5%
2	Profit before tax	16.333	25.108	153,7%

In 2025, BSH underwent a strategic pivot, positioning itself as a small-to-medium-sized insurer with a core focus on profitability. Key financial highlights include:

- Direct Written Premiums (DWP): Reached VND 2,405 billion, achieving 137.8% of the annual target.

- Profit Before Tax (PBT): Recorded at VND 25.1 billion, representing a 127.9% growth and fulfilling 153.7% of the annual plan.

1.2. Revenue Performance by Business Line

VND Million, %

No.	Line of Business	Plan 2025	2025	%Plan Achieved
1	Personal Insurance	392.000	600.582	153,2%
2	Motor Vehicle Insurance	923.100	1.227.921	133,0%
3	Property & Engineering	342.300	461.665	134,9%
4	Marine Insurance	87.700	114.765	130,9%
Total		1.745.100	2.404.933	137,8%

- Personal Lines (Human Insurance): Reached VND 600.6 billion, fulfilling 153.2% of the annual plan; notably, Healthcare (HC) insurance grew by 4.7% thanks to new partnership acquisitions.
- Motor Vehicle Insurance: Reached VND 1,228 billion, achieving 133% of the annual target.
- Property & Engineering (P&E) Insurance: Reached VND 461.7 billion, fulfilling 134.9% of the plan.
- Marine Insurance: Reached VND 114.8 billion, achieving 130.9% of the annual plan.

1.3. Revenue Performance by Distribution Channel

- Corporate & Strategic Partnerships (Institutional Channel): Recorded a robust growth of 120.7% compared to 2024, primarily driven by the healthcare product suite.
- Other Channels: All other segments experienced a decline, resulting from strategic business adjustments and the scale-back of underperforming partnership programs.

1.4. Investment Performance

No	Indicator	Plan 2025			2025		
		Investment	Profit	Rate of Return	Investment	Profit	Rate of Return
1	Stock Investment Income	1.581	100	6,3%	2.626	163,4	6,2%
2	Deposit Income	200	17	8,5%	163	-6,0	-3,7%
3	Long-term Investment	486	34	7,0%	116	5,0	4,3%

4	Exchange Rate Gains					7,0
	Total	2.267	151	6,7%	2.905	169,4 5,8%

Investment Profit: Reached VND 169.4 billion, fulfilling 122.2% of the annual plan; of which, interest income from deposits accounted for VND 163.4 billion.

IV. Evaluation of Business Performance

2.1. Achievements

2.1.1 Financial Performance

- Direct written premiums: VND 2,405 billion, achieving 137.8% of the annual plan.
- Investment profit: VND 169.4 billion, achieving 112.2% of the annual plan.
- Profit before tax: VND 25.1 billion, achieving 153.7% of the annual plan

2.1.2 Business Policy

- Flexibly adjust business policies according to customers and points of sale.
- Adjust business expenses for Property, Engineering, and Cargo lines to enhance efficiency and ensure market competitiveness.

2.1.3 Operational Management

- Centralize the management of the affiliated garage network at the Head Office level.
- Centralize loss assessment across Northern and Southern regions and centralize claim payments from the Head Office.

2.1.4 Human Resources

- Restructure the organizational model in alignment with the new strategic business direction.

2.1.5 Information Technology

- Deploy sales and claims tools on the MyBSH platform.
- Implement a centralized motor vehicle loss assessment system and a next-generation Call Center.

2.1 Shortcomings and Limitations

2.1.1 Human Resources

- Lack of succession planning and training for the next generation of personnel.
- Absence of a KPI system for performance evaluation.
- Inadequate salary scales and compensation structures.
- Insufficient focus on personnel training and development.

2.1.2 Information Technology

- Slow connectivity and integration with partners.
- Lack of an application platform provided directly to end customers.

2.1.3 Governance and Operations

- Inconsistent service quality due to a lack of decisive control from the Head Office to local units.
- Unclear workflows and poor interaction between departments.
- Data gaps and insufficient information, leading to difficulties in data analysis, customer care, and renewals.

PART III: 2025 BUSINESS ORIENTATION

I. Vietnam Insurance Market in 2025

1.1. Vietnam Insurance Market Forecast

Vietnam's non-life insurance market has recorded a growth rate of approximately 10% over the past five years. With continued economic development expected in the future—projected to rank among the world's top 20 economies by 2040 according to the UK's CEBR report—the demand for insurance is rising steadily. Consequently, the insurance market is anticipated to maintain a high growth trajectory in the years ahead.

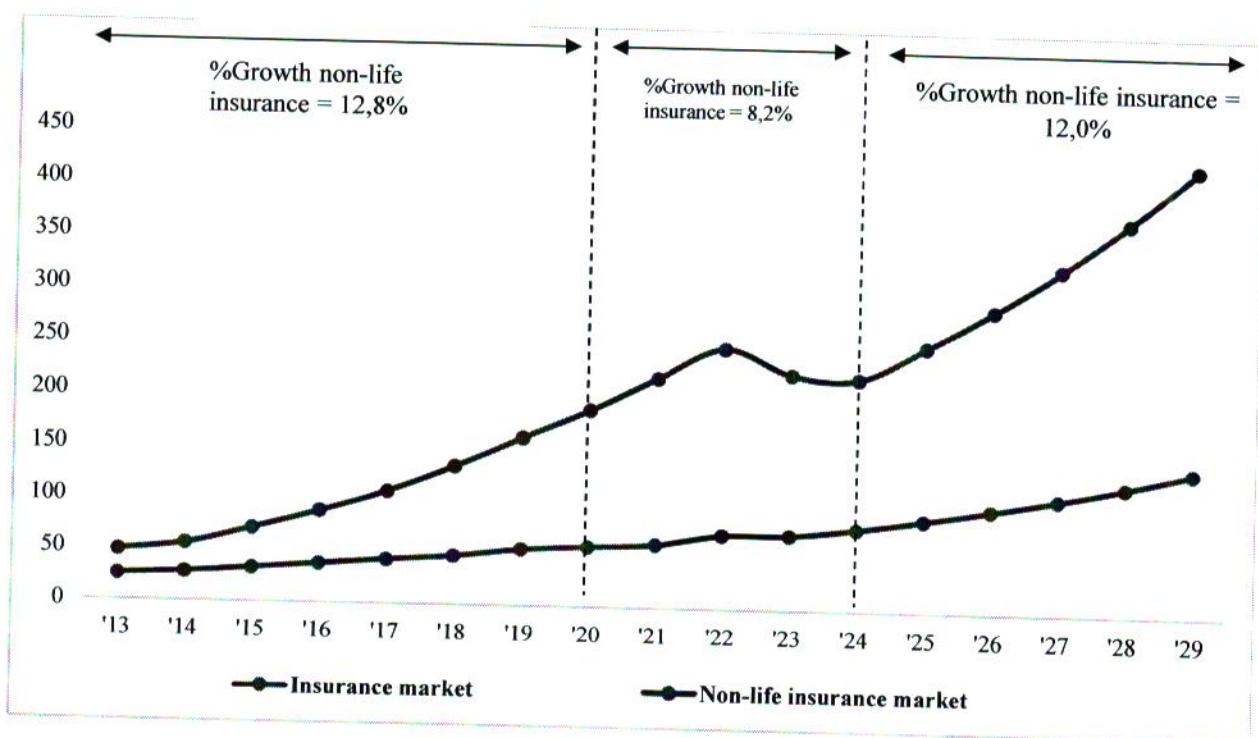


Figure 9: Vietnam Insurance Market Forecast

1.2 Factors Affecting the Vietnamese Insurance Market

1.2.1 Socio-Economic

The Vietnamese economy is projected to remain stable and robust, creating favorable conditions for insurance companies. Specifically, GDP in 2026 is expected to grow by approximately 7.5%, driven by exports, FDI, and public investment. The administrative merger—reducing the number of provinces and cities from 63 to 34—is expected to stimulate infrastructure investment and urban development, thereby increasing the demand for Property and Engineering insurance products.

Furthermore, consumer behavior is shifting significantly toward digitalization, with a growing proportion of online transactions. At the same time, public awareness and the demand for insurance continue to improve, particularly regarding health insurance products.

1.2.2 Legal

Decree No. 105/2025/ND-CP is expected to increase the demand for compulsory fire and explosion insurance, while setting higher requirements for the risk management capabilities of insurers.

Legal regulations regarding cost limits for Personal Accident and Motor Vehicle insurance indicate that the market will gradually shift from non-technical competition (price and commission-based) to competing through service quality.

1.2.3 Technology

In the context of strong digital transformation, insurance companies are ramping up investments in technology to enhance business efficiency and competitiveness through: (i) the application of Artificial Intelligence (AI) and automation; (ii) multi-channel data analysis systems; (iii) digital transformation; and (iv) Insurtech.

1.2.4 Environment

Climate change remains a major factor affecting the insurance industry as extreme weather events and natural disasters become increasingly complex, increasing both the frequency and severity of losses. This poses a significant challenge for the pricing and risk management activities of insurers.

The Government and insurance companies are promoting sustainable development, encouraging the creation of green and environmentally friendly insurance products to support the transition to a green economy.

II. 2026 Business Orientation

2.1. 2026 Business Orientation

Expand customer base and distribution channels, focusing on developing diverse business models and potential customer segments.

Drive growth linked to efficiency and safety, enhancing retention capacity and portfolio quality.

Streamline operations for lean and flexible processes, aligning with the new development strategy.

Strengthen risk management and standardize operations, aiming for sustainable development.

Accelerate digital transformation to enhance competitiveness and customer experience.

2.2. Planned Targets

2.2.1 2026 Consolidated Business Plan Targets

VND Million, %

No.	Indicator	Plan 2026	Actual 2025
1	Retained Premium	1.326.267	2.291.128
1.1	Primary insurance revenue	879.000	2.587.992
1.2	Reinsurance Premium Received	875.000	66.896
1.3	Reinsurance Premium Ceded	427.733	363.761
2	Pre-tax Profit	49.138	28.368
3	After-tax Profit	39.311	13.405

2.2.2 2026 Separate Business Plan Targets

VND Million, %

No.	Indicator	Plan 2026	Actual 2025
1	Retained Premium	1.260.712	1.743.737
1.1	Primary insurance revenue	650.000	2.404.933
1.2	Reinsurance Premium Received	900.000	91.913
1.3	Reinsurance Premium Ceded	289.288	753.109
2	Pre-tax Profit	42.584	25.108
3	After-tax Profit	34.067	10.144

2.3 Key Solutions

2.1.1 Business

Diversify business models (Captive, Brokerage, Korean clients, etc.) to expand the customer base.

Evaluate and implement online business models tailored to market conditions.

Leverage the ecosystem and strategic partnerships to expand inward reinsurance activities.

2.1.2 Operations

Restructure the organizational model for lean management, ensuring alignment with new business models.

Launch human resource development programs to enhance productivity and work quality.

Optimize operational processes to reduce turnaround time and improve overall efficiency.

2.1.3 Digital Transformation

Enhance underwriting capabilities, risk control, and operational standardization.

Standardize data and management information systems (MIS) to support effective executive decision-making.

Develop IT infrastructure to ensure readiness for connectivity and multi-channel distribution expansion.

Recipients:

- As above

-Archives:Administration

Office, Board Office

SAI GON – HA NOI INSURANCE CORPORATION
CHIEF EXECUTIVE OFFICER

SIGNED

DO DANG KHANG

This document is translated from the Vietnamese version. In the event of any discrepancy or inconsistency between the English and Vietnamese versions, the Vietnamese version shall prevail.