

*Hanoi, March 11<sup>th</sup>, 2024*

**REPORT**  
**BUSINESS RESULTS IN 2023 AND BUSINESS TARGETS OF 2024**

*To: Annual General Meeting of Shareholders*

**I. MARKET OVERVIEW IN 2023**

**1. Insurance market overview**

In the context of a difficult economic situation, the non-life insurance market is subject to many negative impacts. According to data from the Vietnam Insurance Association, Vietnam's non-life insurance market grew slowly in 2023, with total written insurance premium estimated at VND 71,065 billion, increased by 3.0% over the same period last year.

*Unit: Mil dong*

No.	Direct insurance premium	2022	2023	Growth rate
1	Healthcare & PA	23,738,625	23,802,561	0.3%
2	Property damage insurance	17,777,250	19,742,563	11.1%
3	Cargo	3,183,217	2,840,835	-10.8%
4	Aviation insurance	1,060,376	1,144,630	7.9%
5	Motor insurance	18,103,468	17,754,654	-1.9%
6	Marine insurance	2,801,003	2,967,659	5.9%
7	Others	2,357,406	2,811,925	19.3%
	<b>Total</b>	<b>69,021,344</b>	<b>71,064,827</b>	<b>3.0%</b>

*(Source: Vietnam Insurance Association)*

Growth in insurance business lines partly reflects the general economic situation. Personal products segments such as healthcare insurance and motor vehicle insurance grew slowly or declined; Cargo insurance dropped sharply in the context of a decline in import and export value. The main growth driver of the market comes from property and damage insurance, benefiting from the promotion of public investment disbursement.

Insurance market share as of December 31, 2023 is as follows:

No.	Insurers	Written premium	Growth rate	Market share
1	PVI	11,002	10.8%	15.5%
2	Bảo Việt	10,143	3.9%	14.3%

No.	Insurers	Written premium	Growth rate	Market share
3	Bao Minh	5,560	3.0%	7.8%
4	PTI	5,066	-19.1%	7.1%
5	MIC	4,692	-9.7%	6.6%
<b>6</b>	<b>BIC</b>	<b>4,558</b>	<b>28.7%</b>	<b>6.4%</b>
7	PJICO	4,016	6.5%	5.7%
8	VBI	3,553	16.3%	5.0%
9	BSH	3,050	0.3%	4.3%
10	VNI	2,547	-9.4%	3.6%
11	ABIC	1,998	-5.7%	2.8%
12	Others	14,880		20.9%
	<b>Total</b>	<b>71,065</b>	<b>3.0%</b>	<b>100.0%</b>

In terms of market share, with a high growth rate in 2023, BIC has surpassed PJICO to rank 6<sup>th</sup> position in market share.

## II. BUSINESS RESULTS IN 2023

### 1. Key financial figures

*Unit: Million dong*

TT	Items	2023	2022	Increase/ Decrease
<b>I</b>	<b>Business results of Parent Company</b>			
1	<b>Total assets</b>	<b>7.393.817</b>	<b>6.525.998</b>	<b>13,6%</b>
2	<b>Equity</b>	<b>2.759.823</b>	<b>2.558.398</b>	<b>7,9%</b>
3	<b>Gross written premium</b>	<b>4.774.142</b>	<b>3.774.995</b>	<b>26,5%</b>
	- Direct premium (*)	4.602.019	3.597.111	<b>27,9%</b>
	- Inward premium	172.741	177.884	<b>-2,9%</b>
4	<b>Combined ratio</b>	<b>94,7%</b>	<b>98,5%</b>	
5	<b>Separated profit before tax</b>	<b>557.903</b>	<b>369.999</b>	<b>50,8%</b>
<b>II</b>	<b>Consolidated business results</b>			
1	<b>Total assets</b>	<b>7.550.246</b>	<b>6.669.734</b>	<b>13,5%</b>
2	<b>Equity</b>	<b>2.783.989</b>	<b>2.601.022</b>	<b>7,1%</b>
3	<b>Gross written premium</b>	<b>5.128.872</b>	<b>4.023.709</b>	<b>27,5%</b>
	- Direct premium (*)	4.973.221	3.876.487	<b>28,3%</b>
	- Inward premium	155.651	147.222	<b>5,7%</b>
4	<b>Combined ratio</b>	<b>94,63%</b>	<b>98,4%</b>	
5	<b>Consolidated profit before tax</b>	<b>574.059</b>	<b>393.797</b>	<b>45,7%</b>

(\*) Including other income for insurance business.

### 2. Actual vs. Targets

Unit: Billion dong

No.	Items	2023	Target 2023	Completion
1	Total premium	4.774	4.585	104,1%
2	Consolidated profit	574.0	480	119,6%

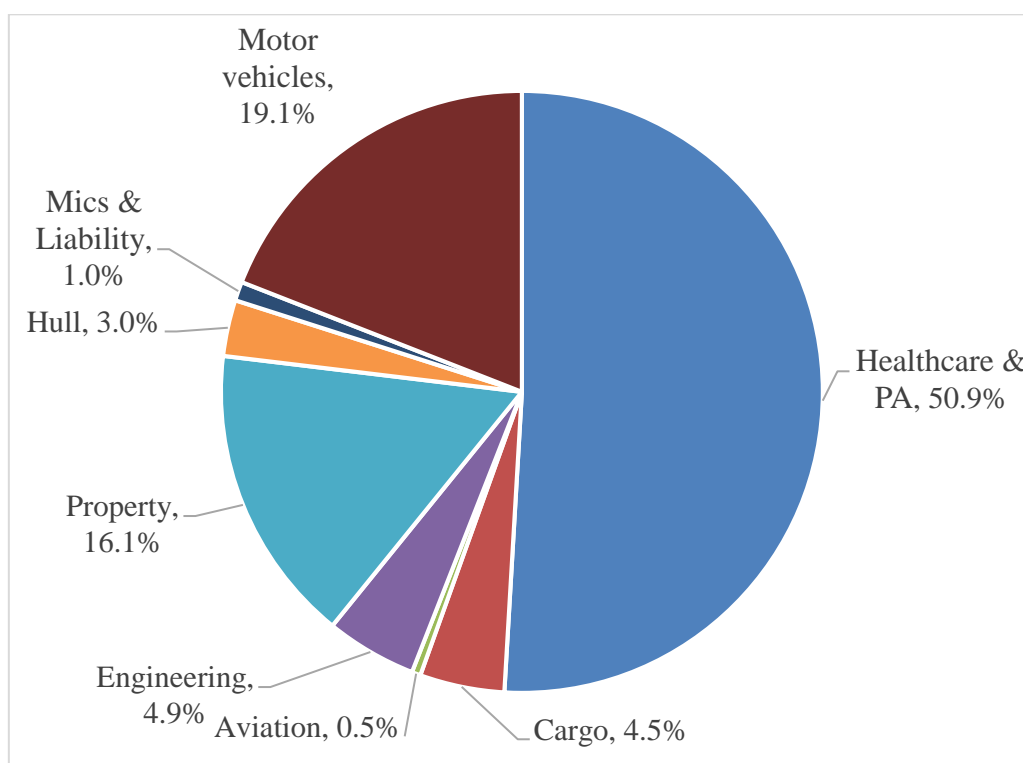
By 2023, BIC has exceeded all targets, continues to have underwriting profit. In 2023, BIC's insurance premium reached VND 4,774 billions, fulfilling 104.1% of the premium target assigned by Annual General Meeting of Shareholders.

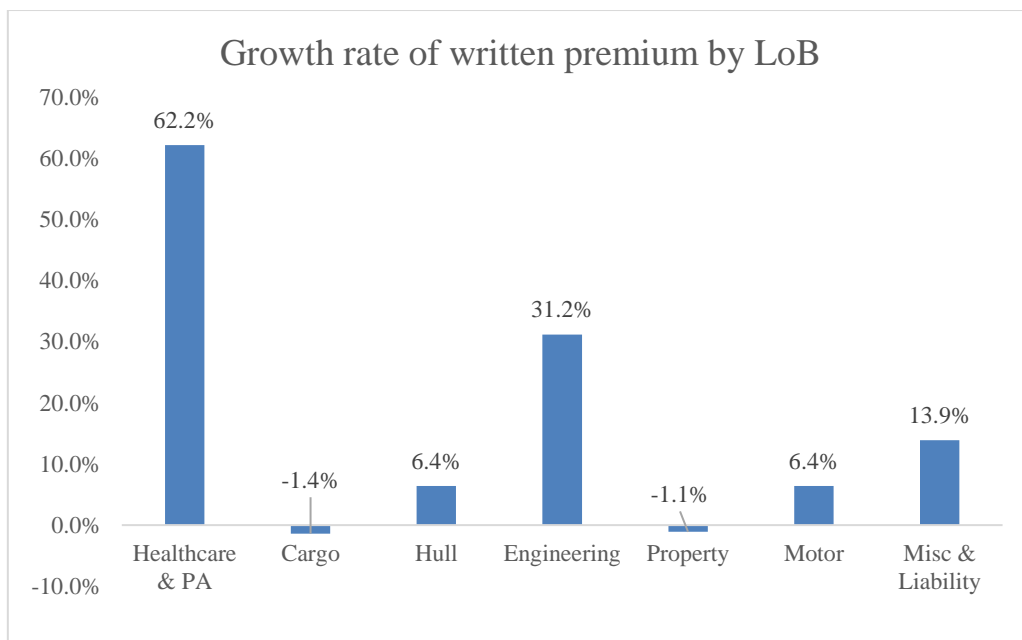
### 3. Insurane business

#### 3.1 Direct insurance business

- Direct insurance premium in 2023 grew by 27.9%, reached VND 4,602 billion (including other premium from insurance activities).

##### - Product porforlio:

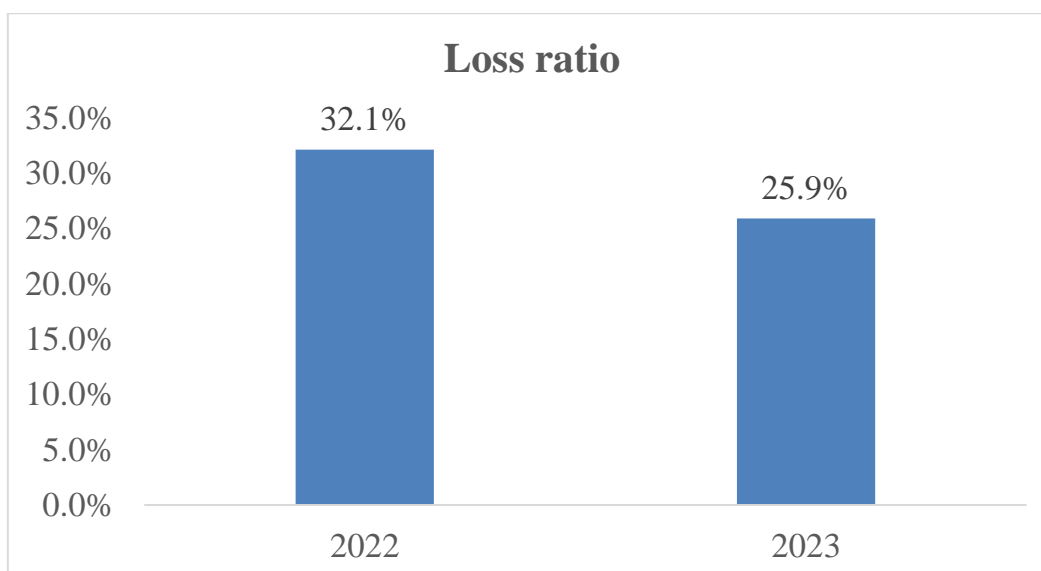




The growth rate of direct insurance premium in 2023 compared to 2022 is 26.5%. The business lines with high growth rate were: Healthcare & PA 62.2%, Engineering insurance 31,2% ; Hull 6.4%;

### Loss ratio

#### Regarding loss ratio:



The overall loss ratio decreased significantly over the same period, mainly due to the decrease in the direct loss ratio of business lines.

#### Investment portfolio:

Items	01/01/2023		31/12/2023	
	Mil dong	Proportion	Mil dong	Proportion
Term deposits	3,884,500	80.8%	4,365,250	78.84%
Bonds	600,000	12.5%	696,164	12.57%

Items	01/01/2023		31/12/2023	
	Mil dong	Proportion	Mil dong	Proportion
Stocks	273,830	5.7%	432,389	7.81%
Other capital contributions	67,678	1.4%	68,776	1.24%
<b>Total</b>	<b>4,809,775</b>	<b>100.0%</b>	<b>5,537,044</b>	<b>100.00%</b>

Regarding the financial investment performance of BIC:

Items	2022		2023		+/-
	Profit	ROI (%)	Profit	ROI (%)	
Term deposits	196,284	5.4%	310,281	7.5%	58.1%
Bonds	48,104	8.0%	50,513	7.8%	5.0%
Stocks	77,501	27.2%	12,496	3.5%	-83.9%
<b>Total</b>	<b>321,888</b>	<b>7.1%</b>	<b>373,289</b>	<b>7.2%</b>	<b>16.0%</b>
<b>LVI Devidend</b>	<b>4.542</b>		<b>7.596</b>		

### III. ASSESSMENT OF BUSINESS RESULTS IN 2023

#### 1. Assessment of business results in 2023

- *In term of insurance premium:* In 2023, BIC still exceeded the set target of insurance premium, reaching VND 4,774 billion, increased by 26.5%.

- *In term of profit:* In 2023, BIC completes 119.1% of the profit target.

- *Regarding the performance of insurance business:* Profit from insurance business increased compared to 2022 due to the decrease in the loss ratio.

- *Regarding financial investment activities:* Profits from deposits and bonds increased by 58,1% and 5% respectively compared to 2022 thanks to an increase in interest rates at the end of 2022. For stock investment activities, BIC did not take profits on some stock in 2023, so profits from stock investments decreased sharply compared to 2022.

### IV. BUSINESS OBJECTIVES IN 2024

#### 1. Economic Outlook

In the latest report of the International Monetary Fund (IMF) updating the world economic situation and growth forecast, a number of positive signals were recorded, most clearly shown in the increase in forecasts. growth compared to the report published in April, 2023. The IMF raised its forecast for global economic growth in 2023 to 3%, compared to the previously given figure of 2.8%. Global inflation also drops from 8.7% in 2022 to 6.8% this year and 5.2% in 2024.

The global economy continues to recover after the pandemic and the Russia-Ukraine conflict. However, there are still many challenges ahead and still facing many risks. One of the top risks named by the IMF is signs that global economic

activities are losing momentum. Tightening monetary policy causes interest rates to increase, putting pressure on economic activities, credit growth slows, debt increases, and the real estate market suffers consequences.

The second risk is inflation. Core inflation is forecast to fall from 6% in 2023 to 4.7% in 2024, but that is a story for next year. Currently, the big concern is that core inflation in developed economies will remain at 5.1% before falling to 3.1% in 2024. Clearly, in the fight against inflation, the global central banks have not won yet.

After years of monetary easing to support the economy, global economies have been reversing policies, causing debt problems to resurface. The World Bank's global economic outlook update report shows that average public debt is at about 70% of GDP. Higher interest rates cause costs to increase, eating away at the limited budgets of many countries.

## 2. Vietnam Economic Growth Forecast in 2024

According to data from the General Statistics Office, GDP in 2023 is estimated to increase by 5.05% compared to the previous year, only higher than the growth rate of 2.87% and 2.55% of 2020 and 2021 in the period 2011- 2023. In the increase in total added value of the entire economy, the agriculture, forestry and fishery sector increased by 3.83%, contributing 8.84%. The industrial and construction sector increased by 3.74%, contributing 28.87%. The service sector increased by 6.82%, contributing 62.29%.

Regarding economic outlook forecasts for the whole year 2024, world organizations have made relatively positive forecasts for the Vietnamese economy in 2024. OECD forecasts that Vietnam's economic growth this year will be difficult should be lowered to 5.9% in 2024. Meanwhile, the World Bank forecasts that Vietnam's economy will grow by 4.7% in 2023 and will recover to 5.4% and 6% in 2024-2025

## 3. Business goals for 2024

On the basis of reviewing actual business results in 2023 and business orientation in 2024 for the insurance business as well as financial investment activities, Board of Directors proposed to submit to the General Meeting of Shareholders for approval the business targets in 2024:

*Unit: Billion VND*

No.	Items	Actual 2023	Target 2024	Growth
1	Written premium (Separated financial statements, including other premiums from insurance business)	4,774	5,570	16.7%
2	Consolidated profit before tax	574,0	600	4.5%

The Board of Management proposes that the General Meeting of Shareholders authorize the Board of Directors to adjust the 2024 Business Plan (if any) based on the actual business situation.

## V. BUSINESS SOLUTIONS IN 2024

Some key solutions to be implemented in 2024:

### **1. Regarding to business networks:**

- To establish new branches, officially put into operation in the first half of 2024

### **2. Improve the quality of claim settlement:**

- Improve the quality of compensation staff with solutions:
  - Developing a capacity framework for staff
  - Focus on training to improve professional qualifications for loss inspection staff;
  - Building the image of a professional loss inspection staff.
- Promote the development of a network of associated partners in compensation settlement
- Application of information technology in claim settlement;

### **3. For the Information Technology system:**

- To continue to improve the current information technology system to improve labor efficiency;
- To speed up the implementation of the Digital Transformation Project;

### **4. Regarding the product:**

- Research and develop new products, especially healthcare and PA products, products in line with digital technology trends.

Kindly propose to the Annual of General Meeting of Shareholders for approval.

Sincerely,

***Attention:***

- As above;
- Board of Management;

**ON BEHALF OF THE BOARD OF DIRECTORS  
CHAIRMAN**

**Tran Xuan Hoang**