

*Hanoi, February 2025***REPORT ON
2024 business performance, and
2025 business plan**

Respectfully to: THE GENERAL MEETING OF SHAREHOLDERS

A- 2024 BUSINESS PERFORMANCE**I. Overview of Vietnam's socio - economic situation**

In 2024, the global landscape continued to be complex and unpredictable, characterized by numerous risks and uncertainties: military conflicts escalated, strategic competition among major powers intensified, the weakening of several large economies, and localized disruptions in global supply chains significantly impacted global peace, stability, and economic growth. Amid this challenging global context, Vietnam's economy faced a difficult year, affected by both external factors and severe damage caused by Super Typhoon Yagi. However, the government has operated flexibly and decisively with support policies to stimulate business activities, boost domestic consumption, enhance exports, attract foreign investment, and promote tourism. Simultaneously, the government has also provided timely, decisive, and close direction in overcoming and quickly resolving the damage caused by Typhoon Yagi. The country's GDP growth reached 7.09%, surpassing the annual target of 6.5%. With this growth rate, Vietnam stands out as a bright spot amid the challenging global economic landscape and ranks among the fastest-growing economies in Southeast Asia.

In this overall context, the Insurance market also faced numerous difficulties and fluctuations, with operating performance being significantly affected, particularly by the devastating impact of Super Typhoon Yagi. The total damage and losses caused by the typhoon amounted to over VND 13,000 billion. To ensure a swift stabilization of business operations for enterprises, insurance companies actively expedited advance payments and claim settlements for affected customers. Through this event, non-life insurance companies have demonstrated their crucial role as a shield, protecting businesses and the broader economy. Despite encountering the most severe natural disaster in history, insurance companies continued to maintain financial strength and achieved results aligned with a more transparent, sustainable, and high-quality development trajectory. The Vietnamese non-life insurance market grew by nearly 12% in 2024. In this context, PVI Insurance was not exempt from the severe impact of Typhoon Yagi and the broader economic challenges. However, thanks to flexible adaptation strategies and the relentless efforts of its leadership and employees, PVI Insurance remained a standout performer in the market, maintaining its leading position in terms of charter capital, revenue, and underwriting efficiency.

II. Solutions implemented in 2024:

The 2024 business plan was executed in the context of both global and domestic economies facing over three years of challenges, marked by recession, economic recovery pressures, and particularly, the severe damage caused by Super Typhoon Yagi. To navigate these difficulties, PVI's leadership instructed the entire system to uphold a spirit of solidarity, professionalism, and collective strength, while fostering innovation and maximizing efficiency through the application of information technology in business operations and management. In addition, a series of key measures were implemented to ensure sustained efficiency, including:

- Continuously enhancing PVI Holdings' role in supporting all aspects of its subsidiaries' operations and development, in line with the objectives of transparent governance, efficient business performance, and sustainable growth. Maintaining PVI Holdings' leadership role by timely capital support, enabling subsidiaries to strengthen their financial capacity and drive strong growth in scale and core business efficiency.
- Strengthening supervision and monitoring of the operational and business activities of subsidiaries to formulate and implement effective and timely management solutions.
- Adapting a flexible approach in adjusting insurance underwriting policies and actively expanding into major projects both within and beyond traditional markets. Enhancing the arrangement of safe and efficient reinsurance services, leveraging the A- credit rating to strengthen business relationships with domestic and international partners, expand business scale, improve operational efficiency, control insurance fraud, and manage costs effectively.
- Continuously improving service quality, reinforcing market position and credibility in claims handling and settlement for Policyholders.
- Optimizing cash flow management, focusing capital resources, and implementing a structured investment strategy, utilizing flexible and optimal investment tools and products to enhance overall investment performance across the whole system.
- Regularly reviewing and proactively restructuring the internal system to continuously improve operational efficiency and adapt to evolving market conditions.
- Integrating IT solutions and digital transformation across all business and management, administration processes within the whole system, creating a competitive edge, reducing processing times, and boosting operational effectiveness.
- Implementing a performance-based salary and incentive policy, increasing employee income, and encouraging business expansion linked to effectiveness.

III. Assessment of 2024 business performance

Facing numerous difficulties in the macroeconomic environment, common market challenges, and natural disasters, PVI experienced certain impacts on its overall business performance. However, through flexible leadership, effective market adaptation, a well-directed development strategy, and the unwavering determination of the entire system, PVI successfully navigated difficulties, fulfilling all assigned tasks and exceeding the 2024 targets set by the General Meeting of Shareholders (GMS)/Board of Directors (BOD). Specifically, the performance results are as follows:

1. **PVI surpassed the 2024 targets, with an estimated dividend per share of 31,5%, exceeding the 28.5% target set by the GMS:**

1.1 Consolidated business performance:

- PVI's total consolidated revenue in 2024 reached **VND 21,824 billion**, achieving **125%** of the annual target, in which:
 - + Revenue from the insurance business: **VND 20,178 billion**, achieving **125%** of the plan
 - + Revenue from financial activities, office leasing, and others: **VND 1,520 billion**, achieving **127%** of the plan
- Profit before tax: **VND 1,118 billion**, achieving **104%** of the plan
- Profit after tax: **VND 880 billion**, achieving **102%** of the plan
- Contributions to the State Budget: **VND 1,389 billion**, achieving **138%** of the plan

1.2 PVI Holdings' business performance:

- Total revenue: **VND 1,103 billion**, achieving **97%** of the plan;
- Profit before tax: **VND 771 billion**, achieving **101%** of the plan;
- Profit after tax: **VND 749 billion**, achieving **100%** of the plan;
- Contributions to the State Budget: **VND 76 billion**.

With its outstanding business performance exceeding planned targets, PVI is proposing to the GMS a dividend per share of 31,5% for 2024, higher than the GMS's 28.5% target. This marks the tenth consecutive year that PVI has maintained a high cash dividend rate of at least 20%, and it represents the third-highest dividend payment in PVI's history since its establishment (2021: 33%, 2023: 32%, 2024: 31,5%).

2. Continuing to hold the No. 1 position in Vietnam's non-life insurance market in terms of charter capital, revenue, and underwriting profit. By constantly innovating and developing insurance products with technological integration, PVI further strengthens its market leadership and reputation as the top non-life insurer, particularly in claims handling and settlement for policyholders affected by Super Typhoon Yagi.

For the second consecutive year, PVI remains the first and only non-life insurance company in Vietnam to achieve an A- (Excellent) credit rating. In 2024, PVI achieved a milestone in direct insurance premium, surpassing **VND 13,000 billion**, nearly twice the market's growth rate, while maintaining its leading market share. Leveraging its A- rating, PVI Insurance significantly expanded its international reinsurance revenue, contributing to a landmark achievement – for the first time, PVI Insurance's total revenue surpassed **VND 20,000 billion**, marking strong growth. Despite the challenges posed by Super Typhoon Yagi, PVI Insurance delivered outstanding performance in 2024, reaffirming its position as Vietnam's No. 1 non-life insurer in terms of charter capital, revenue, and underwriting profitability.

Additionally, in 2024, PVI Insurance has always demonstrated excellence in claims handling, ensuring swift, accurate, and timely settlement, helping stabilize business operations for its clients over 650,000 loss incidents, with total claims payments reaching over VND 3,600 billion.

These milestones were achieved amid the said challenges thanks to PVI Insurance's proactive approach, continuous improvement and innovation, effective capitalization on opportunities, and the leverage of its advanced IT infrastructure, coupled with relentless commitment to the vision set forth by the GMS and the BOD. With this unwavering commitment, PVI Insurance continues to serve as the flagship of the entire system, reaffirming its status as Vietnam's No. 1 non-life insurer.

3. Continuing to implement guidance in the right direction, further enhancing reinsurance (including inward/ outward reinsurance) in both domestic and international markets, ensuring stability and efficiency even in the face of losses and damages caused by Super Typhoon Yagi.

PVI's reinsurance operations continued to be improved and strengthened, aligning with its long-term growth strategy. Despite the significant impact of Super Typhoon Yagi in 2024, Hanoi Re demonstrated resilience and determination, achieving notable milestones through continuous innovation and effort. Hanoi Re successfully exceeded all targets set by PVI.

4. Continuing to review and enhance investment and fund management activities, improving cash flow efficiency, capital security, and overall business performance throughout the PVI system.

In 2024, despite market volatility and declining deposit interest rates, PVI's investment activities remained stable. Under the close guidance of PVI's leadership on the investment model and strategy, the investment support activities of PVI Asset Management (PVIAM) across the system, along with the management of the PIF and POF investment funds, yielded positive results, ensuring asset security and value appreciation for PVI. Investment profit throughout PVI reached 123% of the 2024 target. With this achievement, investment activities along with the insurance business continued to be the primary source of profit for the entire system, particularly as the insurance market faced declining profitability due to the impact of Super Typhoon Yagi.

5. Business activities of building management and office services:

The Management and business service center continues to operate with high efficiency, surpassing the performance targets set by the BOD, despite fierce competition in the Grade A office rental market and many businesses facing challenges in their production and operations. Additionally, PVI Tower is proud to be among the leading units to receive the Green Energy Award.

6. Enhancing corporate governance, risk management, and brand development for the whole system:

Corporate governance and risk management have been identified as key determinants of operational efficiency and sustainable growth throughout the PVI system. Therefore, enhancing system governance efficiency and risk assessment, in alignment with PVI's development perspective and objectives, has been increasingly emphasized to keep pace with the system's growth and evolving dynamics. In 2024, PVI continued to implement risk management projects across the organization, emphasizing continuous review and improvement of regulations, processes, and internal management documents, contributing to greater transparency and operational efficiency in governance and administration.

As a result, PVI's modern and transparent corporate governance system has been consistently recognized and highly rated by prestigious domestic and international organizations. In 2024, PVI was recognized by Forbes Vietnam for the 8th consecutive year as one of Vietnam's Top 50 Best Listed Companies. It also secured a spot in the Top 50 Outstanding Enterprises in Vietnam for the third consecutive year and maintained its position in the Top 500 Largest Enterprises in Vietnam (VNR500) for 17 consecutive years since 2007.

7. Relations with shareholders, investors, and other activities:

With its strong brand reputation and effective corporate governance, PVI continues to be the No. 1 non-life insurer in Vietnam in terms of efficiency, ensuring dividend payments and optimal benefits for shareholders. At the same time, PVI remains committed to delivering professional and competitive services to its customers.

Additionally, PVI remains deeply committed to the substantive engagement of political and social organizations, as well as environmental and social initiatives, aligning these efforts with the system's comprehensive sustainable development strategy.

B - 2025 BUSINESS PLAN

I. Opportunities and challenges:

From the end of 2024, the world economy will gradually stabilize as global trade in goods improves, inflationary pressures gradually decrease, financial market conditions continue to loosen, and the labor market recovers positively. These factors will create positive conditions for world economic growth in 2025, thereby positively affecting the economies of countries around the world, including Vietnam. However, in addition to the above positive factors, 2025 still has many unstable and unpredictable factors for the global economy, including potential trade conflicts, geopolitical tensions, an excessively strong US dollar, and a weakening of the Chinese economy. President Donald Trump's "America First" policy is expected to create potential trade tensions as the US applies highly protectionist trade policies, threatening to weaken the global economy. The IMF forecasts growth at 3.2%, equivalent to the growth rate in 2024.

In such a global context, Vietnam's economy will have many opportunities intertwined with many challenges and difficulties to achieve the goal of strong growth recovery with a GDP growth target of 8% or more in 2025. 2025 is a year of special significance, a year of acceleration, breakthrough, reaching the finish line, laying the foundation for the development momentum in the period of 2026 - 2030, associated with the revolution of streamlining the state agencies system to ensure efficient, effective and effective operations; bringing the country into an era of growth.

In 2025, it is forecasted that the financial and banking markets will still be on the path to recovery but there will be many challenges awareness in the context of general economic difficulties. Interest rates will remain low, forecast to fluctuate between 4.7% and 6%.

In addition, the Vietnamese insurance market is forecast to have room for growth and new developments. The combination of increasingly strict and transparent legal regulations and flexible business strategies and responsibilities of insurance companies will be a great expectation for the Vietnamese insurance market to create a "push" in terms of scale and quality of development in 2025 and the following years, towards developing a safe and sustainable insurance market, meeting the diverse insurance needs of businesses; organizations and individuals.

These factors will have significant impacts on PVI's business operations. Recognizing the opportunities, challenges, and risks while building on past achievements, PVI has set its objectives and formulated its 2025 business plan based on optimally mobilizing all resources for sustainable development as follows:

II. 2025 business objectives

- Complete the business plan assigned by the General Meeting of Shareholders and the Board of Directors;
- Maintain the no.1 position in the non-life insurance market in terms of business efficiency; Successfully renew and continue to expand services inside and outside the traditional sector; Continue to improve the model and enhance the business efficiency of the retail system;
- Increase the scale and efficiency of domestic and international reinsurance business operations;
- Improve the efficiency of capital and asset management; invest and manage the Fund carefully, ensuring the efficiency and safety of capital sources for the entire system;
- Operate and exploit the PVI building safely and effectively with the highest efficiency.
- Continue to maintain the international credit rating at A- for the non-life insurance sector and B++ for the reinsurance sector.

- Continue to complete the restructuring model in the PVI system. Closely coordinate with PVN when requested to implement and ensure the successful implementation of PVN's divestment at PVI according to Decision No. 1243/QD-TTg dated 25/10/2013 of the Prime Minister.
- Organize and effectively implement the proposed business plan, maintain and ensure maximum benefits for shareholders with a minimum dividend payout ratio of 28.5% in 2025.
- Continue to implement digital transformation, ERP enterprise human resource management system, develop an overall strategy by defining a digital vision, a specific implementation roadmap and integrating and synchronizing production and business information/data with strategic shareholders.
- Carry out social security, communication and corporate culture work on the basis of ensuring consistency with business performance, promoting the role of responsibility to the community and society.
- Implement and perform other tasks assigned by the General Meeting of Shareholders and the Board of Directors.

III. 2025 business plan

1. PVI's Consolidated Business Plan Targets for 2025

Unit: VND Billion

No.	Targets	2025 plan
1	Charter capital	2,342
2	Total revenue	21,437
3	Profit before tax	1,090

2. 2025 Business Plan – PVI Holdings

Unit: VND Billion

No.	Targets	2025 plan
1	Total revenue	1,176
2	Total expenses	390
3	Profit before tax	786
4	Dividend per share	At the minimum rate of 28.5%

IV. Implementation solutions for the 2025 business plan:

With the goal of sustainable and effective development in the context of general advantages and difficulties, to successfully carry out the tasks of 2025, the entire PVI system specifies the following main solutions:

1. Solutions to promote business scale associated with efficiency: Continue to affirm and develop the PVI brand through professionalism, competitiveness, service quality and innovation, creativity, flexibility in business mechanisms, product development and new sales methods:
 - For the insurance sector: Develop a clear strategy and development orientation for each market and each sector.

- Continue to closely follow and maintain the market in traditional sectors.
 - Maintain the growth rate while carefully screening, reviewing and evaluating the capacity of international reinsurers to ensure stable growth associated with efficiency.
 - Develop the retail sector sustainably in terms of scale, focusing on effective operations associated with assigning planning targets and KPIs to units in specific locations
 - Promote the development of e-commerce channels, agency channels, brokers and bancas channels. Apply information technology and digital transformation to serve business development, compensation and corporate governance.
 - Tightly control business expenses, claim expenses, evaluates and assess risks well; Improve service quality.
- For the reinsurance sector: Promote reinsurance business in the domestic market and expand foreign markets on the basis of efficiency and move towards a leading position in the domestic and regional insurance market, making the best use of the A- credit rating advantage of PVI Insurance and the HanoiRe brand in the market.
 - For the investment and fund management sector:
 - Continue to improve the investment model, implement flexible investment and diversify investment models in accordance with market reality and risk appetite. On that basis, improve the efficiency of investment funds with expected investment rates.
 - Strengthen receivables management including reinsurance receivables and claim receivables, flexibly use financial leverage. Thereby, improve the efficiency of cash flow management and increase the efficiency of financial investment.
 - Develop and provide products and services in the fields of consulting, asset management, fund management, investment trust to initially provide to customers outside the PVI system.
 - For the service business sector: Promote the search for new customers, regularly repair and maintain infrastructure items of the tower to ensure improved service quality.
2. Restructuring solutions: Continue to complete the restructuring work in the entire PVI system in a synchronous and comprehensive manner for sustainable and stable development, creating a support mechanism for the overall development of PVI. Continue to increase charter capital for subsidiaries to promote core business efficiency and meet capital requirements according to credit rating targets.
 3. Solutions on system management and risk management: Continue to complete the modern corporate governance model focusing on risk management. Improve efficiency in system management and operation, meet international standards, ensure transparency and professionalism. Implement cost savings, control well the issue of claim fraud and make timely adjustments, introduce flexible business mechanisms/policies to contribute to improving overall business efficiency.
 4. Solutions on information technology application and digital transformation: Continue to invest effectively in the Information Technology Center to ensure infrastructure, security, information safety and serve the needs of business operations and system administration.

Continue to implement digital transformation, develop digital transformation plans and strategies at the unit and PVI Holdings to serve the needs of business administration and corporate governance.

5. Solutions on human resources: Continue to build and maintain a dynamic, creative and democratic working environment. Develop appropriate salary and bonus policies and other welfare regimes, have plans to recruit, train and develop human resources throughout the system to ensure there are personnel with good expertise, good foreign language skills and professionalism; ensure human resource development in 2025 and the following stages.

CHIEF EXECUTIVE OFFICER