

**REPORT**  
**EVALUATION OF BUSINESS PERFORMANCE IN 2024, BUSINESS**  
**OBJECTIVES AND SOLUTIONS FOR 2025**

**TO : THE BOARD OF DIRECTORS OF THE COMPANY**

- Pursuant to the Charter on the organization and operation of Agricultural Bank Insurance Joint Stock Company (ABIC);
- Pursuant to the Resolution of ABIC's 2024 Annual General Meeting of Shareholders;
- Pursuant to ABIC's 2024 audited financial statements.

The Board of Directors respectfully reports to the General Meeting of Shareholders on ABIC's business performance in 2024 and the business direction and objectives for 2025 as follows:

**PART I. GENERAL SITUATION**

The global landscape continues to experience rapid, complex, and unpredictable changes with numerous risks and uncertainties. Strategic competition among major powers is intensifying; geopolitical tensions and military conflicts have escalated in certain countries, impacting global peace and stability, and weakening global trade, investment, production, and consumption. In addition, natural disasters and extreme weather have seriously affected people's lives and the socio-economic development of many countries. However, Vietnam's economy has maintained its growth momentum, achieving a GDP growth rate of 7.09% in 2024, surpassing the target of 6.5%.

The insurance market in general, and the non-life insurance sector in particular, continued to be affected by economic conditions and the ongoing challenge of regaining customer trust after media-related crises. Nevertheless, non-life insurance premium revenue in 2024 reached VND 79.3 trillion, representing a growth of 11.7% compared to 2023. Some major companies such as PVI, VBI, and VNI sustained strong growth momentum, with revenue growth exceeding the market average thanks to flexible business strategies and the ability to meet market demands.

Gross claim payouts were estimated at VND 23,832 billion, equivalent to a claim ratio (excluding claim reserves) of approximately 30%, down 4% compared to 2023. *f*

## PART II. BUSINESS PERFORMANCE RESULTS IN 2024

### 1. Performance results against the targets set by the General Meeting of Shareholders.

(Unit: VND billion)

No.	Indicator	2024 Plan	2023 Actual	2024 Actual	Growth		% Completion
					+/-	%	
1	Insurance business revenue	2.400	2.059	2.431	373	18,1%	101,3%
-	Gross written premium	2.280	1.998	2.301	303	15,2%	100,9%
-	Reinsurance revenue	120	61	130	70	115,1%	108,5%
2	Financial investment income	148	173	150	-23	-13,1%	101,3%
3	Profit before tax	226	308	256	-52	-16,9%	113,3%
4	Return on equity (ROE)	11,8%/year	16,8%/year	13,3%/year			Achieved
5	Dividend	14%/1S	20%/1S	20%/1S			Achieved

(Data from the Audited Financial Report 2024)

### 2. Results of Self-Assessment and Company Classification According to Circular 195 of the Ministry of Finance.

The year 2024 marks the ninth consecutive year that ABIC has been classified in Group 1A, achieving a total score of 990 out of 1000 points, detailed as follows:

a. The group of indicators assessing liquidity, operational reserves, and insurance business efficiency: Met requirements.

b. The group of indicators evaluating insurance operational activities, assessed based on the range, maximum points, and deductions for each criterion: This group achieved the maximum score of 300 points, rated A.

c. The group of indicators assessing capital, asset quality, and financial investments, evaluated based on the range, maximum points, and deductions for each criterion: This group achieved the maximum score of 500 points, rated A.

d. The group of indicators assessing corporate governance and transparency of information, evaluated based on the range, maximum points, and deductions for each criterion: This group achieved 190 out of 200 points, rated A.

### 3. Results of the Implementation of ABIC's Development Strategy for the 2021-2025 Period with a Vision Toward 2030, in accordance with the resolutions of the General Meeting of Shareholders.

No.	Content	Strategic Objective	Implementation Results as of 31/12/2024
1	Organizational Structure and Network Development	By 2024, operate 21 branches. The establishment of additional branches in	Currently, the Company has 21 branches, achieving the network development target.



No.	Content	Strategic Objective	Implementation Results as of 31/12/2024
		2025 will be reported by ABIC's Board of Directors and submitted to the General Meeting of Shareholders for approval during the preparation of the 2025 business plan.	
2	Upgrade Organizational Model to Corporation Level	To be implemented at an appropriate time.	On May 21, 2025, ABIC submitted an official document to the Insurance Supervisory Authority – Ministry of Finance to seek opinions on the upgrade to the Corporation model, and is currently awaiting a response from the Ministry of Finance.
3	Increase Charter Capital	Reach a minimum of VND 700 billion by 2025.	ABIC's current charter capital is VND 723.9 billion. The strategic objective was achieved ahead of schedule.
4	Insurance Business Revenue	Strive to reach at least VND 2,650 billion by 2025 (with an average minimum growth rate of 8%).	Insurance business revenue in 2024 reached VND 2,431.5 billion, an increase of 18.1% compared to 2023. The average growth rate during 2021-2024 was 7.5%, closely aligning with the strategic plan target.
5	Dividend Payout	Minimum 14% per annum.	Achieved. (Projected dividend payout for 2024 is 20% per share; paid 20% in 2023; 51.34% in 2022; and 20% in 2021).
6	Employee Income	To be ensured in accordance with the Labor Law, Collective Labor Agreement, and Labor Contracts.	Achieved.
7	Return on Equity (ROE)	Minimum 15%.	Achieved. (Average ROE for 2021-2024 was 17.3%).
8	Official Stock Exchange Listing	To be implemented during 2021-2025.	Submitted to the General Meeting of Shareholders as a separate proposal.

#### 4. General Assessment of Business Performance in 2024

##### 4.1 Governance and Management

✓ In 2024, ABIC's governance ensured compliance with the authority and responsibilities as stipulated by the Law and the Company's Charter. The Board of Directors (BOD) successfully organized the 2024 Annual General Meeting of Shareholders on June 27, 2024, along with periodic BOD meetings. The BOD held



11 official sessions and conducted written consultations among members, issuing 49 resolutions and 164 decisions by the BOD/Chairman to direct the organizational structure and various company operations.

✓ The BOD and its Chairman exercised oversight and guidance over the CEO and other managers in the daily business operations.

✓ The BOD also timely approved proposals from the CEO in areas including investment in infrastructure construction, asset and equipment procurement, and other matters within the BOD's authority.

#### **4.2 Business Results**

Based on the resolutions of the 2024 Annual General Meeting of Shareholders No. 308/NQ-ABIC-ĐHĐCĐ dated June 27, 2024, and the resolution on written shareholder consent No. 683/NQ-ABIC-ĐHĐCĐ dated November 30, 2024, which approved the 2024 business plan targets, ABIC reports the following key achievements:

- Pre-tax profit reached VND 256 billion, completing 113.3% of the plan; financial revenue reached VND 149.9 billion, completing 101.3% of the plan; and insurance business revenue reached VND 2,431.5 billion, completing 101.3% of the plan.

- Return on equity (ROE) was 13.3% per annum, exceeding the planned target by 1.6% (plan target was 11.8%).

- Dividend payout remained high, at 20% per share in cash.

- Employee income was ensured, with an average monthly salary of VND 24.1 million in 2024.

- The claims ratio retained on net revenue was 31.8%, down 0.3% compared to 2023, achieving the planned target.

- Productivity, quality, and efficiency indicators in business operations—such as income fund ratio, insurance contract renewal ratio, insurance premium receivables (notably, no new overdue uncollectible debts), and outstanding file ratios—were all within permissible thresholds.

- According to the self-assessment and classification under Circular 195 of the Ministry of Finance, ABIC's business performance was classified as Group 1A (the highest rating according to regulations).

- The implementation of ABIC's Development Strategy for the 2021-2025 period with a vision to 2030 proceeded in a synchronized manner according to the approved roadmap by the General Meeting of Shareholders, with some targets completed ahead of schedule, including:

- + Early achievement of network development targets, with ABIC currently operating 21 branches nationwide.

- + Early achievement of capital increase targets; the Company's charter capital now stands at VND 723.9 billion.

- Restructuring of the head office apparatus and personnel consolidation at all levels have been completed to comply with the Insurance Business Law and prepare conditions for upgrading the organizational model to a Corporation, which (will be submitted to competent authorities for approval soon).

- A comprehensive review and amendment of most internal regulations have been carried out to establish a legal framework for operations.



- Strategic cooperation memoranda were signed with the Vietnam Farmers' Union to promote Agricultural Insurance; with Vietnam Payment Solutions Joint Stock Company (VNPay); and between Agribank Insurance and Sorimachi Vietnam Co., Ltd. to implement agricultural insurance in the Mekong Delta—Vietnam's rice granary and the target area of the 1 million hectares of high-quality rice project.

- ABIC received the Vietnam National Brand Award 2024 for the Credit Protection Insurance product and was recognized as an exemplary enterprise for the development of agriculture, farmers, and rural areas in 2024. This recognition affirms ABIC's strong brand reputation, associated with service quality and customer trust, reflecting Agribank Insurance's continuous efforts in supporting and protecting farmers and contributing to sustainable agriculture development.

- ABIC's compliance and contributions to the economy and insurance market were acknowledged by supervisory and inspection agencies, including the Insurance Supervisory Management Department of the Ministry of Finance and the State Audit Office.

### **PART III. BUSINESS ORIENTATION AND TARGETS FOR 2025**


#### **1. Forecasts and Outlook**

In 2025, the global economy is expected to continue facing challenges due to persistent geopolitical conflicts, the risk of economic recession, and the unpredictable impacts of climate change. Natural disasters and epidemics will continue to pose significant challenges, requiring economies, including Vietnam, to adapt swiftly.

As a highly open economy, Vietnam will remain susceptible to global fluctuations. Nevertheless, the Government has set a GDP growth target of at least 8%, higher than that of 2024, reflecting expectations of economic recovery and stabilization. The State Bank of Vietnam is likely to maintain its credit growth target of around 15%–17%, laying a solid foundation for the development of insurance business through credit channels.

The insurance sector continues to be a part of the Government's long-term development strategy. The "Vietnam Insurance Market Development Strategy to 2030" issued under Decision No. 07/QĐ-TTg by the Prime Minister aims for an average annual industry growth rate of 15% during 2021–2025, with insurance revenue reaching 3%–3.3% of GDP by 2025. According to the Insurance Supervisory Authority, the insurance market is expected to witness positive transformation in 2025, supported by strategic direction and a renewed legal framework for sustainable development. Experts forecast that non-life insurance premium revenue will continue to grow at a double-digit rate in 2025.

#### **2. Business Orientation for 2025**

- Remain steadfast in the business objectives to deliver increasing value to shareholders, safeguard employee rights, and ensure legal compliance. 

- Allocate financial and human resources effectively to leverage the strengths and resources of Agribank and other shareholders; enhance ABIC's brand and market position in both the domestic and international insurance markets; and proactively prepare for market competition.

- Continue solid and effective implementation of the strategic development objectives and tasks for the 2021–2025 period with a vision to 2030, as approved by the General Meeting of Shareholders.

- Further strengthen and consolidate the organizational structure at the Head Office and Branches; improve operational efficiency of newly established Branches; continue network expansion by establishing new Branches when eligible and opening new business offices (KDKV) with revenue of VND 10 billion or more.

- Evaluate current human resources; develop recruitment, utilization, training, remuneration, and assessment policies to build a high-quality workforce meeting operational demands in the new business landscape.

- Invest in IT infrastructure to meet business requirements and support internal control and risk management; promote digital transformation across business operations and governance; and enhance IT system safety and cybersecurity.

- Continue developing and expanding retail insurance products distributed via the bancassurance channel, with Agribank as the core partner; prepare for market competition by strengthening product and service readiness in key regions.

- Expand bancassurance product distribution channels to other credit and non-credit institutions with similar characteristics.

- Enhance compliance inspection, auditing, internal control, and risk management in business operations, financial management, and reporting.

- Continue reviewing and expediting revisions and updates of regulations and procedures to align with new business conditions, ensuring both operational efficiency and legal compliance.

### **3. Business Targets for 2025**

- Insurance business revenue: VND 2,650 billion

- Financial investment income: VND 140 billion

- Return on equity (ROE): 15% per annum

- Pre-tax profit: VND 315 billion

- Dividend: Minimum 14% per share

### **4. Solutions for Business Plan Implementation**

#### **4.1 Leveraging Agribank's Potential**



- Closely monitor local markets to promptly gather information on disbursements and secured assets; maintain close coordination with Agribank officers/agents to approach and sell insurance products.

- Strengthen the promotion of loan collateral insurance (BATD) sales to corporate clients at Agribank's transaction offices in urban areas.

- Establish a dedicated underwriting department with sufficient capacity and expertise to fully capitalize on insurance services for projects involving corporate borrowers at Agribank.

#### ***4.2. Distribution Channel and Product Development***

- Continue effective implementation of the comprehensive cooperation agreement between ABIC and Agribank.

- Follow the progress of the Ministry of Agriculture and Rural Development's initiatives on the "1-million-hectare rice project" and the "five standardized raw material zones" to jointly pilot rice crop damage insurance in cooperatives in 2025 and seek partners to co-develop insurance products for all crop types under the ministry's projects.

- Focus on developing insurance products based on Agribank's requests, such as loan insurance for individuals and businesses, and credit insurance.

- Develop microinsurance products with benefits tailored to rural customers and create distinctive, specialized products within Agribank's ecosystem.

- Intensify research and application of new products suitable for the Bancassurance channel and Agribank's ecosystem.

#### ***4.3. Organizational Structure and Network Expansion***

- Continue implementing the restructuring plan to upgrade the Corporation's model as per the approved strategic roadmap.

- Establish additional new branches to enhance competitiveness and meet business, management, and regulatory requirements.

- Review geographical areas and proceed with establishing business offices (KDKV) where conditions are met.

#### ***4.4. Information Technology***

- Continue digitalizing the remaining operational processes such as underwriting, claims, insurance documents, e-accounting, and upgrade core business systems.

- Issue procedures for data updates, customer data protection regulations, and a framework for process digitization and centralized data warehouse construction. A

- Establish a Steering Committee for Innovation, Science & Technology Development, and Digital Transformation; establish a dedicated Digital Transformation Project Team at the Head Office.

#### ***4.5. Communications Strategy***

- Further strengthen and enhance communications efforts; regularly update market information to diversify content and communication formats; effectively implement the comprehensive communication cooperation agreement between ABIC and Agribank. Additionally, coordinate with other insurers to jointly develop and execute communication plans for maximum effectiveness.

- Develop targeted communication campaigns introducing insurance products to rural areas through mass media channels, ensuring reach to target audiences and increasing public awareness of insurance benefits.

- Collaborate with Agribank branches to integrate insurance products with banking services, raising awareness about the role of insurance in protecting assets, agricultural productivity, and human health.

- Continue promoting the brand image of Agribank Insurance as “Responsible and Caring” through social welfare activities in connection with local communities.

Enhance communications at all business units; focus on diverse and multi-channel promotional strategies, especially digital communications, to boost brand visibility and grow the online insurance sales channel.

- Customer care: Further improve customer service quality across all stages from initial contact, product introduction, sales, to after-sales service.

- Media activities:

+ Public relations and press: Focus on media outreach via television and digital platforms (website ads, Facebook, Zalo, etc.) and political newspapers to portray Agribank Insurance as the “National Insurance Brand” using diverse formats and content.

+ Internal communications: Promote employee engagement and corporate culture within Agribank Insurance. Create a “green” workplace to encourage creativity, initiative, autonomy, and efficiency among ABIC employees.

+ Branding: Deploy a unified brand identity handbook with a new slogan aligned with the company’s development strategy across all internal and external publications to enhance professionalism.

+ Corporate social responsibility: Continue community-focused initiatives under Agribank Insurance’s spirit of “Sharing”.

+ Promotions: Organize annual promotions and launch promotional campaigns for new products.



#### **4.6. Compliance and Risk Management**

- Develop and finalize regulations and policies on risk management, including the risk management framework and internal risk management guidelines (e.g., risk limits, risk alert indicators).

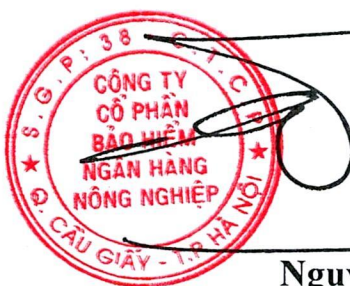
- Establish risk assessment and control procedures ensuring all arising business and economic activities are managed from the outset across all departments and units.

Respectfully submitted to the the General Meeting of Shareholders for consideration and approval! *P*

#### **Recipients:**

- As above;
- Archived: FAD, HR&AD, OBD.

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



**Nguyen Tien Hai**