

**REPORT OF THE CHIEF EXECUTIVE OFFICER  
ON THE BUSINESS PERFORMANCE IN 2023 AND  
THE BUSINESS PLAN IN 2024 OF BAOVIET HOLDINGS**

**Dear honored Shareholders!**

On behalf of the Board of Management of Baoviet Holdings, I would like to report to the Annual General Shareholders' Meeting (AGM) on the business performance in 2023 and the Business plan in 2024 of Baoviet Holdings, as follows:

**I. THE BUSINESS PERFORMANCE IN 2023**

Vietnamese economy and society in 2023 will continue the recovery trend in the context of mixed advantages, opportunities, difficulties and challenges; Strategic competition between major countries, conflicts between Russia - Ukraine and in the Gaza Strip are complicated. Vietnamese macro economy is stable, the inflation is under control, major balances are guaranteed, many important results in all fields have achieved the set goals and continue to be an economic bright spot in the region and around the world.

2023 is a year of many changes of the Vietnamese insurance market. Premium revenue of the entire insurance market in 2023 decreased by 7.8% compared to the previous year (estimated data of the Vietnam Insurance Association), of which life insurance premium revenue decreased by 11.6%; the non-life insurance increases by 3% compared to 2022.

With the efforts and determination of the Board of Management and staffs throughout the system, Baoviet Holdings has achieved stable growth and development, basically completed the business plan approved by the 2023 AGM and Baoviet Holding (BVH)'s BOD, as follows:

- Total consolidated revenue of BVH reached 57,871 billion VND, completed 102.7% of the 2023 plan, grew 6.1% compared to the previous year, of which insurance business revenue reached 43,589 billion VND, completed 101.7% of the 2023 plan,



equivalent to the previous year's results, financial revenue reached 13,543 billion VND, completed 104.7% of the 2023 plan, grew 36.5% compared to the previous year. Consolidated profit before tax reached 2,236 billion VND, completed 112.4% of the 2023 plan, grew 11.2% compared to the previous year. Consolidated profit after tax reached 1,860 billion VND, completed 115.9% of the 2023 plan, an increase of 14.4% compared to the previous year.

- Total revenue of the Parent Company reached 1,574 billion VND, completed the 2023 plan, grew 0.6% compared to 2022; Profit before tax (PBT) reached 1,121 billion VND, completed 100.5% of the 2023 plan, increased 1.7% compared to the same period; Profit after tax (PAT) reached 1,116 billion VND, completed 101.4% of the 2023 plan, grew 4.7% compared to the same period; Profit after tax/Charter capital ratio (ROCC) reached 15.04%, Profit after tax ratio/Equity (ROE) reached 6.32%.

Subsidiaries of BVH have also basically completed the business plan approved by BVH, specifically as follows:

- Regarding the insurance sector: Baoviet General Insurance Corporation (BVGI) and Baoviet Life Insurance Corporation (BVL) maintained affirming the pioneership and leading roles in the market; as well as having been highly appreciated by prestigious organizations domestically and worldwide; and by business partners thanks to their reputation, growth rates and sustainability. Of which, total revenue from BVGI in 2023 reached 11,752 billion VND, completed 103.2% of the 2023 plan, grew 4.7% compared to 2022. Total revenue of BVL reached 44,714 billion VND, grew 7.3% compared to 2022, completing 102% of the 2023 plan. BVL continues to lead the life insurance market in terms of total premium revenue.

- Regarding the investment sector:

Revenue from business activities of Bao Viet Fund Management Company (BVF) reached 157 billion VND, completed 111.3% of the year plan, grew 17.9% compared to 2022. PAT reached 64 billion VND - completed 121.7% of the 2023 plan, an increase of 26.5% compared to 2022. Revenue growth rate remained relatively high while BVF maintained the management fees on the entrusted portfolio with profound growth rates in asset management

+ Total implemented revenue of Baoviet Securities Joint Stock Company reached 870 billion VND, completed 120.8% of the 2023 plan. Implemented profit before tax and profit after tax reached 192 billion VND and 158 billion VND,

✓

completed 106.1% and 108.7% of the yearly plan. Brokerage market share reached 2.45% in 2023.

- In the real estate investment and management sector: Revenue of BVI reached 367 billion VND, completed 104.9% of the year plan; profit before tax and profit after tax reached 13 billion VND and 10 billion VND, completed 113.8% and 100% of the 2023 plan, grew by 7.3% and 7.6% compared to 2022, due to the growth in building rental management and service trade activities.

Consequently, in 2023, Baoviet Holdings and its Subsidiaries have showed fierce commitment in successfully implementing the assigned solutions in order to complete every business objectives. Such results emphasised the relevance, in-time, and high efficiency of the solutions assigned by the BOD and the BOM of Baoviet Holdings, simultaneously, expressed the significant commitment and effort from every Subsidiaries, staff and employees throughout the Group.

## **II. BUSINESS PLAN IN 2024**

According to ADB in Vietnam, Vietnamese economy remains resilient and is expected to recover quickly in the near future thanks to strong domestic consumption, moderate inflation, and accelerated disbursement of public investment capital and improving commercial activities, as well as other sectors that are forecast to grow well. Vietnamese economic growth forecast in 2024 is GDP of about 6 - 6.5%, average CPI of about 4 - 4.5% according to plan targets approved by the National Assembly.

In this prospect, any competitive factors of worldwide macro economy shall have direct impacts on the business performance of Baoviet. The insurance market in 2024 is projected towards more positive transitions, creating “a hit” in the customer service quality, product quality; recovering trust and supporting the market development in such transparent and sustainable manners upon the completion of new fundamental legal frameworks, profound solutions from management agencies. Besides, the financial prospect of Vietnam in 2024 is forecasted to be more positive. Policies on foreign currencies is likely to be more proactive, dynamic, interest rates shall be maintained at relatively low rate in order to foster growth. The currency rates are likely to cool down by the end of QII.2024 with the increase rates stays at approximately 2.5-3% in 2024. Profit growth of financial institutes in 2024 shall remain several issues such as increasing bad debts in the first half of 2024 but shall decline gradually with the recovery rate of the economy; the markets in corporate bond and real estate shall face slow recovery and need more time for better transformation.



## 1. Business plan in 2024

According to the Development Strategy orientation for the period 2021-2030 of Baoviet Holdings, and the market forecast in 2024, Baoviet Holdings have constructed the business plan in 2024 for the Parent Company with the key financial targets specifically as follows:

- Estimates on total revenue: 1,646 billion VND.
- Estimates on Profits after taxes: 1,150 billion VND.

## 2. Key tasks in 2024

With the motto “Future creation”, Baoviet has been well equipped itself with more proactive attitude in the research, creativity, and flexibility in the management in order to adapt to the current challenges as well as any arising ones in the future, consequently to maintain the pace of business performance throughout the Group. In the yield to complete and to complete successfully the business plan in 2024 of Baoviet Holdings and its Subsidiaries assigned by the Ministry of Finance, the AGM and the BOD, Baoviet Holdings aim to implement the key tasks in 2024 specifically as follows:

*First*, strengthen the financial capacity of the Group and its Subsidiaries to prepare resources for the next period of strong development.

*Second*, Focus on the investment of the modern IT system pioneering and fastening the progress of the key IT projects in order to meet the business demand throughout the Group as well as the demand in the central corporate governance in the age of digital business.

*Third*, Continue to foster the Synergy Project of Baoviet Holdings and its Subsidiaries. Foster the cross-selling between BVGI and BVL in order to maximize the strength, competitive advantages of each Subsidiaries; Develop investment activities, financial services to optimize resources and promote the overall strength of Baoviet's ecosystem.

*Fourth*, focus on resources to optimally exploit and improve the efficiency of traditional agent (Baoviet's core competency), and develop digital distribution channels.

*Fifth*, implement an advanced corporate governance model. Arrange and streamline the organizational structure, improve labor productivity, attract and retain talented people, and build a team of high-quality staffs.

With profound commitment in synchronising the above solutions throughout the Group, thanks to such continuous effort and fierce spirit in Solidarity – Sharing – Synergy – Innovation – Pioneership from every employee and agent throughout the

Group, Baoviet Holdings and its Subsidiaries have been well-equipped with forceful resources, ready for significant growth in 2024 as well as aiming for sustainable future growth.

On behalf of the Board of Management, once again, I would like to respectfully wish the best of health and happiness to honored guests and shareholders, wishing great success to the Meeting./.

**ACTING CHIEF EXECUTIVE OFFICER**

***Achieves:***

- As above;
- BOD, SB;
- For filling: Admin, General Affairs Office.

**Nguyen Dinh An**