



CỘNG HOÀ XÃ HỘI CHỦ NGHĨA VIỆT NAM

Độc lập – Tự do – Hạnh phúc

THE SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

Số/No: 90/2025/MIC-HĐQT

V/v Công bố thông tin Báo cáo  
thường niên 2024

Ref on Disclosure of Annual Report 2024

Hà Nội, Ngày 20 Tháng 3 Năm 2025

*Ha Noi, Day 20 Month 3 Year 2025*

Kính gửi/ To: - Ủy ban Chứng khoán Nhà nước/ *The State Securities Commission*  
- Sở Giao dịch chứng khoán TP.HCM/ *Ho Chi Minh Stock Exchange*

- Tên tổ chức/ *Organization name*: Tổng CTCP Bảo hiểm Quân đội/ *Military Insurance Corporation*

- Mã chứng khoán/ *Security Symbol*: MIG

- Địa chỉ trụ sở chính/ *Address*: 21 Cát Linh- Quận Đống Đa - TP Hà Nội/ *No 21 Cat Linh - Dong Da District - Ha Noi City*

- Điện thoại/ *Telephone*: 024 62853388 Fax: 024 38526666

- Người thực hiện công bố thông tin/ *Submitted by*: Ngô Bích Ngọc

Chức vụ/ *Position*: Thành viên HĐQT (*Member of the Board of Directors*)

Loại thông tin công bố : ☐ định kỳ ☐ bất thường ☐ 24h ☐ theo yêu cầu

*Information disclosure type*: ☐ Periodic ☐ Irregular ☐ 24 hours ☐ On demand

**Nội dung thông tin công bố (\*)/ Content of Information disclosure (\*)**:

Báo cáo thường niên năm 2024

*Annual report 2024*

Quý cổ đông truy cập website của MIC tại địa chỉ [www.mic.vn](http://www.mic.vn) mục: Nhà đầu tư/Báo cáo thường niên để xem chi tiết tài liệu.

*Shareholders can visit MIC's website at [www.mic.vn](http://www.mic.vn) under: Investors/Annual Report to view details of the document.*

Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 20/03/2025 tại đường dẫn: <https://www.mic.vn/bao-cau-thuong-nien/>

*This information was disclosed on Company Portal on date 20/03/2025 Available at: <https://www.mic.vn/bao-cau-thuong-nien/>*

Tôi cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố./

*I declare that all information provided above is true and accurate; I shall be legally responsible for any misrepresentation.*



Ngô Bích Ngọc





ANNUAL  
REPORT

2024



STEADFAST  
STRIVE FOR EXCELLENCE



**STEADFAST  
STRIVE FOR EXCELLENCE**

---



# TABLE OF CONTENTS

Message in 2025	4	Message from the Chairman of the Board of Directors	5
-----------------	---	-----------------------------------------------------	---

## /01 GENERAL INFORMATION OF MILITARY INSURANCE CORPORATION

General information	7	Strategic orientation in the period of 2022 – 2026	12
Vision, mission, core values	8		
Formation and development history	9	MIC's marks in 2024	13
Business lines and locations	11	MIC's honors and awards in 2024	15

## /02 ORGANIZATION AND PERSONNEL

Management model and organizational apparatus	17	Introduction of Supervisory Board	21
		Introduction of Executive Committee	21
Human resource report in 2024	18	Human resources – MIC's inner strength	22
Introduction of Board of Directors	20	Digitalizing management activities of human resources at MIC	23

## /03 OPERATION SITUATION IN 2024

Overview of insurance market in 2024	25	Assesment by the Board of Directors	33
Typical financial indicators in 2024	26	Outstanding digital transformation achievements in 2024	36
Executive Board's report	27	Orientation in 2025	37

## /04 CORPORATE ADMINISTRATION

Introduction of Board of Directors	40	The relation between shareholders and investors	47
Operations of sub-committees under the Board of Directors	41	Risk management	46
Report of supervisory board	43	Directions for developing risk management	46
Salary, reward, remuneration and other benefits of the Board of Directors	45	Evaluate corporation governance based on the ASEAN corporation governance scorecard	48

## /05 REPORT OF SUSTAINABLE DEVELOPMENT

Overview report of sustainable development	60	Key issues	67
Sustainable development strategy	61	Environmental protection	68
Sustainable development governance	62	Social standards	70
The close relationship with stakeholders	64	Social security activities	72

## /06 FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

Statement of the Board of Management	75	Statement of income for the year	79
Independent auditor's report	76	Statement of cash flows for the year	80
Balance sheet as at 31 December 2024	77	Notes to the financial statements for the year	81

### LIST OF ABBREVIATIONS

MB	Military Commercial Joint Stock Bank	MB AMC	MB Assets Management Company Limited (MBAMC)
MIC	Military Insurance Corporation	ROA	Return on assets
ROE	Return On Equity		



# STEADFAST STRIVE FOR EXCELLENCE

At the end of 2024, MIC has gone through 17 years of development and continues its 18th year of enthusiasm with the mission of meaningful service to the community on the journey of building "For a better life". On such journey, countless values, no matter how small, have been nurtured and cultivated daily by MIC so that today those values are multiplied and spread widely.

In spite of facing many challenges from both internal and external factors, MIC is still constantly moving, flexibly adapting to changes, overcoming obstacles to reach the set goals.

With such meaning, MIC has chosen the message of **"Being steadfast - Strive for excellence"** as the main theme of this year's Annual Report. The solid internal strength and brand reputation along with the values that have been brought are the clearest evidence of **Steadfast - raising the measure of internal strength, strive for excellence - aiming for future values**. MICers are always steadfast in the face of challenges and focus on maximizing resources in terms of capital, human resources, technology, and network to bring about efficiency in business and management. MIC innovates and operates modern business models, increases competitive advantage and brand value, strives to become the **TOP 1 non-life insurance company in digital transformation and TOP 3 in market share by 2026**.

With strong internal strength and progressive spirit, MIC is ready for a new journey to reach to a higher level and further on the path of sustainable development, towards the future.







**Ladies and gentlemen!**

With its endless efforts, Military Insurance Corporation has proven to be a dedicated and trustworthy friend of customers over the past time. In the coming time, based on the existing foundation, we are aiming for sustainable development, becoming a non-life Insurance company that brings satisfaction and trust to customers, partners and investors, becoming a responsible insurer to the community and society. We believe that with our efforts, together with the support, trust and companionship of all of you, we will successfully complete the mission of bringing MIC to develop effectively, realizing the vision of becoming a Top 3 leading Insurance company in Vietnam by 2026.

Best regards,

**Chairman of Board of Directors**

**Uong Dong Hung**



## MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

TOTAL REVENUE IN 2024

**5.384** billion

up 7,1% compared to 2023

**TOP 4** market share

up 1 place compared to 2023

*Respectfully to:*

*Dear shareholders, partners, customers and all employees of MIC*

In 2024, the world economy continues its slow and uneven recovery. Many developed economies are facing the risk of a slowdown in growth despite the monetary policy easing. The international trade tensions, especially between the US and China, Russia and the West, are and will continue to have a negative impact on global economic growth. In Vietnam, the inflation has substantially been under control, production has recovered, and economic growth in 2024 reached 7.09%, a bright spot in economic growth in the region.

Premium revenue of non-life insurance sector in 2024 reached VND 79,300 billion, up 11,7% over the same period. 2024 has been considered a difficult year for the insurance industry when the destructive super-typhoon Yagi forced the insurance industry to pay unprecedented compensation, affecting the profits of insurance companies.

In 2024, MIC will continue its strategic initiatives with the motto of putting customers at the center, strongly applying technology to all business activities, from establishment of specialized digital products for each channel, each customer segment; strong digital transformation in all processes including customer processes, internal processes so that the products and services are supplied for customers in the fastest and highest quality way. By the end of 2024, MIC rose to the TOP 4 market share, up 1 place compared to 2023. Total revenue in 2024 reached VND 5,384 billion, completing 82% of the plan, up 7,1%; Pre-tax profit reached VND 308 billion, completing 70% of the plan; total assets reached VND 9,835 billion, up 12%; effective use of equity with ROE reached 11,3%. The compensation rate under the retained liability level reached ~31,6%, down 3,2% compared to 2023; labor productivity increased by 9% over the same period. The Board of Directors has fully implemented the resolutions assigned by the General Meeting of Shareholders, fully exercising the rights of shareholders in accordance with the law.



## CHAPTER 1

# GENERAL INFORMATION OF MILITARY INSURANCE CORPORATION

<b>/01</b> General information	07
<b>/02</b> Vision, Mission, Core values	08
<b>/03</b> Formation and development history	09
<b>/04</b> Business lines and locations	11
<b>/05</b> Strategic orientation in the period of 2022 - 2026	12
<b>/06</b> MIC's marks in 2024	13
<b>/07</b> MIC's honors and awards in 2024	15



## GENERAL INFORMATION



**Transaction name:** Military Insurance Corporation

**Name in English:** Military Insurance Corporation

**Abbreviated name:** MIC

**Stock code:** MIG (Listed on Ho Chi Minh Stock Exchange - HOSE)

**Charter capital:** VND 1.726,72 billion dong

**Corporate registration certificate number & tax code:** 0102385623

**Address of headquarters:** : the 5-6th floors, No. 21 Cat Linh Street, Cat Linh Ward, Dong Da District, Hanoi City.

**Contact information:**

**Phone No.:** (024) 62.85.33.88

**Fax:** (024) 62.85.33.66

**E-mail:** info@mic.vn

**Website:** www.mic.vn

## BUSINESS LINES

Military Insurance Corporation (abbreviated as "MIC") is the leading non-life insurance brand in Vietnam. Throughout its development, MIC has clearly determined its pioneering mission of protecting and becoming a "solid mainstay" for clients with the best products and services. In the spirit of sustainable and professional development, MIC's main lines of business are as follows:

### 01

#### MAIN TYPES OF INSURANCE

Motor vehicles, installation construction, properties, human, maritime, aviation and energy.

### 02

#### REINSURANCE OPERATIONS

Include both domestic and overseas markets

### 03

#### INVESTMENT ACTIVITIES

Financial investment





# VISION, MISSION, CORE VALUES

## VISION



**TOP 3** MARKET SHARE  
BY 2026

Ranked in the top 3 leading enterprises in terms of market share (revenue) by 2026

Create a future of the Vietnamese Insurance with a client-centric thought and apply the leading digital platforms to provide clients with experiences of dedicated consultancy and protection through an integrated multi-channel service system.



## MISSION

MIC's missions and goals is creation of a good life. We always stand side by side with our clients to build a complete and happy life through dedicated consultancy and protection solutions and bring excellent experiences beyond the expectation. We undertake to enhance the value for clients, partners, shareholders and actively make contribution for the good development of the community.



## CORE VALUES

MIC's core values all originate from DEDICATION to clients. MIC always takes the ELITE as its inner strength, the spirit of daring to think and to do is highly appreciated. With the endless desire and passion for CREATIVITY, we are determined to reach the fastest growth rate to inspire and fulfill our COMMITMENTS.



### CREATIVITY IS OUR PASSION

MIC people believe that CREATIVITY means to accept the differences, to desire for change and to be ready to experiment with new ideas. MIC always highly appreciates the spirit of daring to think, to do, constantly learning, improving the knowledge and perfecting the skills in the age of digital technology to provide the perfect protection values to clients.



### SPEED IS THE CHARACTER

SPEED in every action's effectiveness is the character of MIC people. Quick decision-making, quick innovation, flexibility and quick adaptation also demonstrate a pioneering spirit of technology and well as its position raising.



### ELITE IS THE INNER STRENGTH

MIC takes elite as its inner strength and competitive advantage. It is considered as a guideline in order to realize the vision of changing people's perception of insurance and making positive contributions to the community.



### COMMITMENT IS OUR RESPONSIBILITY

MIC considers its COMMITMENT as the respect in cooperation relations to turn its agreements and goals into reality. MIC commits to always be honest in all activities and to make its best effort to protect the optimal benefits of clients and partners.



### HEART TOWARD THE CLIENTS IS THE GUIDELINE

All core values of MIC are aimed at clients. MIC always puts itself in the clients' position to deeply understand and strive to enhance the value for clients, offers the dedicated consulting and protection solutions, concretizes each client and provides the clients with experiences beyond wonder.





# FORMATION AND DEVELOPMENT HISTORY

In the process of formation and development, MIC has always clearly defined and aimed at establishment of an insurance enterprise with standard operations and strict compliance with legal regulations and keeps pace with international practices for safe and sustainable operations.

## ESTABLISHMENT

Established under the Decision No. 871/BQP dated February 22, 2007 of the Central Military Commission and the License No. 43GP/KDBH dated October 8, 2007 of the Ministry of Finance, with a charter capital of 300 billion VND.

## INCREASE IN CHARTER CAPITAL, CHANGE IN THE ORGANIZATIONAL MODEL INTO A CORPORATION

MIC successfully increased its charter capital up to 400 billion VND, changed its original organizational model into a Military Insurance Joint Stock Corporation and established 5 more affiliated insurance companies, bringing total affiliated insurance companies under the Corporation to 24 units.

## AWARDED THE THIRD-CLASS LABOR MEDAL

For the first time, revenue exceeded the 500 billion VND, completing beyond the insurance revenue plan. Also in 2012, MIC was honored to be awarded the Third-class Labor Medal by the President for obtaining "Outstanding achievements in the period of 2007 to 2011, making significant contribution to the cause of building socialism and defending the country".

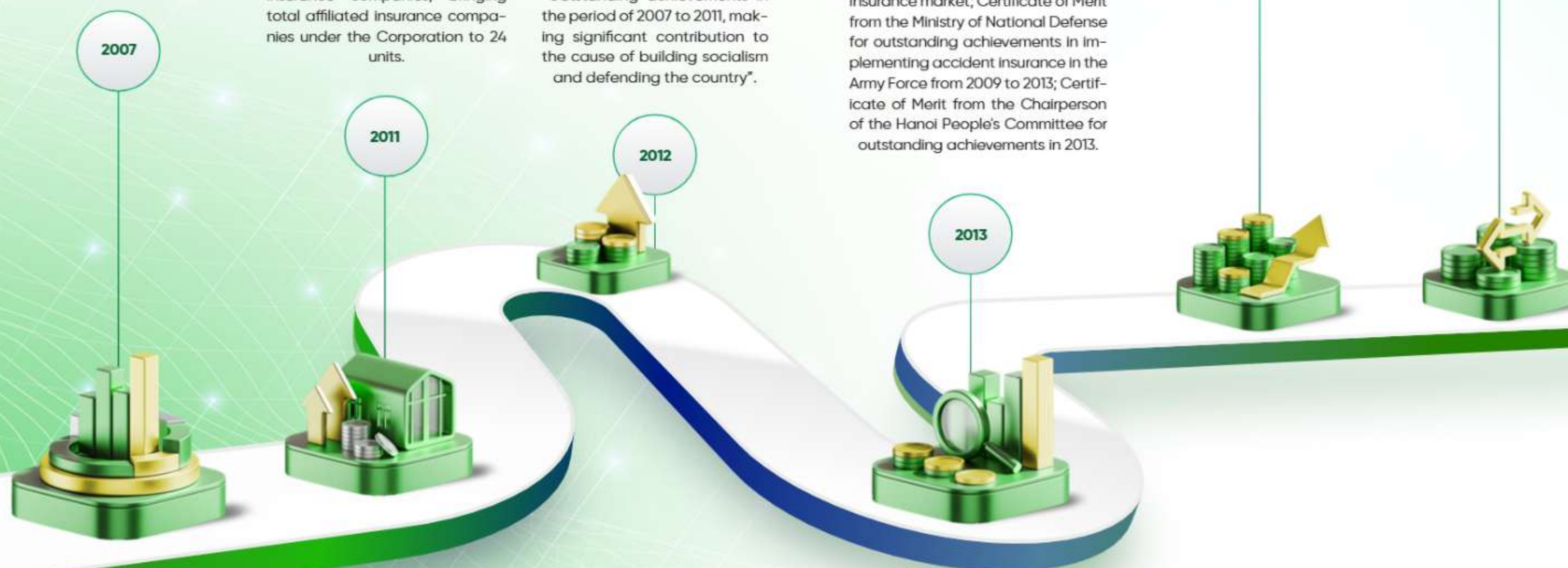
## KEEP ON CONSOLIDATION AND SUSTAINABLE DEVELOPMENT

Continue to be awarded many such noble titles as the Most Trusted Brand of the Capital in 2013; Vietnam Gold Star Award; Top 100 largest corporate income tax-paying enterprises in 2013; Certificate of Merit from the Minister of Finance for the period of 2010 - 2012 for the outstanding achievements for the development of the Vietnam Insurance market; Certificate of Merit from the Ministry of National Defense for outstanding achievements in implementing accident insurance in the Army Force from 2009 to 2013; Certificate of Merit from the Chairperson of the Hanoi People's Committee for outstanding achievements in 2013.

## REACHING NEW HEIGHTS

For the first time, MIC's revenue exceeded 1,000 billion VND. MIC entered the Top 7 strongest non-life insurance companies in the market.

## IMPLEMENTING THE 2015 - 2017 STRATEGY AND VISION TOWARDS 2020





# FORMATION AND DEVELOPMENT HISTORY



**RAPID AND SUSTAINABLE  
DEVELOPMENT, REACHING  
CLOSE TO THE TOP 5 IN  
THE MARKET**



**SUSTAINABLE  
GROWTH, EFFECTIVE  
OPERATIONS**

MIC keeps on firmly maintaining its position in the Top 6 in the insurance market.



**SOLID MAINSTAY -  
REACHING FAR TOGETHER**

Reaching the revenue milestone over 3,000 billion VND



**BUILDING VALUE -  
CREATING THE FUTURE**

Mark MIC's 15-year journey of formation and development

MIC launches Digital Insurance technology, bringing the total number of affiliated companies to 70 units in the network. Keep on maintaining the TOP 5 position in market share.



**LEADING TECHNOLOGY -  
REACHING THE FUTURE'S GOAL**

Tiếp tục lấy chuyển đổi số làm tiền đề để phát triển các sản phẩm dịch vụ mang tính đột phá, ứng dụng công nghệ số nâng cao năng lực cạnh tranh, triển khai nghiên cứu ra mắt chuỗi sản phẩm tích hợp đa dạng và ưu đãi vượt trội.

MIC vươn lên Top 4 thị phần Bảo hiểm phi nhân thọ tại Việt Nam.



**MOVING FORWARD CONFIDENTLY**

Confirming the position of a leading non-life insurance brand in digital transformation via digital technology solutions in business and management operations. The year 2023 marked the stable growth in MIC's market share, maximizing network advantages, investing in technology platforms, modernizing products and services, improving labor productivity and a positive working thought.

2016

2018

2020

2017

2019

2021

2023

2024



**SHARES WAS OFFICIALLY  
LISTED ON UPCOM**



**EFFECTIVE BUSINESS - FIRMLY  
MAINTAINING THE MARKET SHARE**

Entered top 5 non-life insurance companies. Implementing advanced management practices, applying information technology to all product chain processes.



**LEADING TECHNOLOGY -  
POSITION ELEVATING**

MIG shares are officially listed on Hose. MIC ranks the 5th in Non-life Insurance market share in Vietnam.



# BUSINESS LINES AND LOCATIONS

## BUSINESS LINES

Trading in non-life insurance services, including primary insurance and reinsurance:



### INSURANCE OF A PERSON

Health insurance, occupational accident insurance; travel insurance, student insurance; accident insurance for electricity users, serviceman accident insurance; professional liability insurance for lawyers, doctors, engineers; personal credit insurance...



### VEHICLE INSURANCE

Car insurance, motorbike insurance.



### PROPERTY - TECHNICAL INSURANCE

Construction - installation insurance; fire and explosion insurance for construction works; fire and explosion insurance for private houses.



### MARINE INSURANCE

Insurance of cargo transported domestically by road, rail, sea, river; Insurance of import and export goods; Insurance of ship hull and civil liability of shipowners...



### ENERGY AND AVIATION INSURANCE



### OTHER NON-LIFE INSURANCE PRODUCTS



### FINANCIAL AND REAL ESTATE INVESTMENT

## BUSINESS LOCATIONS

Operating nationwide and in international markets.

63/63  
PROVINCES

70  
SUBSIDIARIES  
IN NATIONWIDE



# STRATEGIC ORIENTATION IN THE PERIOD OF 2022 – 2026

## POTENTIAL OF VIETNAM'S NON-LIFE INSURANCE MARKET



1

Health insurance is the fastest growing product, accounting for the largest proportion of total non-life insurance premium revenue in the Vietnam market. This product is forecast to continue to be the most vibrant segment in the non-life insurance sector in the coming years due to the rapid development of the middle class and the population ageing trend in Vietnam, as well as the recovery of the economy after the pandemics and natural disasters.

2

Vehicle insurance still has a potential room for growth in the Vietnam market because the car ownership rate in Vietnam, in spite of increasing, is still low (by 2024, more than 9% of households in Vietnam will own a private car, compared to 5.7% in 2019). The increase in middle class will further boost people's demand for owning cars in the future (more than 494,300 cars were sold in the entire Vietnamese market in 2024, increasing 22% in comparison with 2023).

3

Vietnam has gained much benefit from the US-China trade tensions because many companies have tried to minimize supply chain risks by diversifying a part of raw material supply, production and logistics capabilities from China to Vietnam. This trend, along with the government's economic boosting policies and the country's strong recovery from the pandemics and natural disasters, will bring a potential growth for commercial insurance services such as property and cargo insurance.

## STRATEGIC ORIENTATION IN THE PERIOD OF 2024 – 2026



**TOP1**  
DIGITAL INSURANCE  
BY 2026

**TOP3**  
NON-LIFE INSURANCE  
MARKET SHARE

### 1. CREATE NEW BUSINESS MODELS

Create new business models (paying special attention to digital ecosystems) with **innovative, specialized products** by client channel/segment.

### 2. CLIENT-CENTRIC THOUGHT

Increase in clients' experiences (based on deep understanding of clients via **behavioral data**), increase in client retention and service capacity.

### 3. DATA IS THE KEY

Data analytics capacity will enable **MIC to provide clients with tailoring services and experiences at the right time and place** during clients' experience.

### 4. DIGITAL PLATFORM DEVELOPMENT

Improving capacity, technological platforms and **digital interaction platforms**; strengthening the technological application to MIC's business and operation processes.





# MIC'S MARKS 2024

IN 2024, MIC KEEPS ON ITS MATURED 17-YEAR JOURNEY, MARKING A SOLID AND TRUSTED NON-LIFE INSURANCE BRAND, OVERCOMING ALL DIFFICULTIES AND CHALLENGES TO REACH NEW HEIGHTS AND AFFIRM ITS POSITION.



## /01 STABLE FINANCIAL CAPACITY – RAISING THE POSITION



## TOP 4 REVENUE

MIC affirms its position by reaching the Top 4 revenue of the Non-Life Insurance market in 2024, recording original insurance revenue of VND 5,017 billion, marking a growth of 7.3%.



## TOTAL ASSETS 9.835 VND BILLION

Expanding its scale, increasing total assets to VND 9,835 billion, up 11.5%.



## 31,6% COMPENSATION RATE

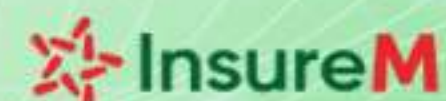
The compensation rate of the retained liabilities reached 31.6%, down 3.2% compared to 2023.

## TECHNOLOGY PIONEER CORE TECHNOLOGY SELF-CONTROL

As a technology pioneer with self-control of core technology and investment in digital capacity, MIC is the first unit to build, develop and operate a core insurance system in the non-life insurance industry.



## /02 CORE TECHNOLOGY SELF-CONTROL



Digitalize the entire process from approval of insurance policy, reinsurance, payment, debt management and compensation assessment with specialized software: Insure M – MIC Insurance system, ClaimM – MIC compensation system and API platforms with unlimited connectivity to ecosystems and partners.



# MIC'S MARKS IN 2024



/03

## DIGITAL TRANSFORMATION BREAKTHROUGH



MIC continuously improves digital touchpoints, with each touchpoint via the **MIC App** or the Online Insurance portal "**baohiem.mic.vn**" to bring more benefits to clients.



Launching the **MIC PRO App** for sales, agents, collaborators for all retail products; providing comprehensive features: charging, approval of insurance policy, managing clients to monitor renewals and payment for real-time income, ....

## OUTSTANDING DIGITAL TRANSFORMATION ENTERPRISE AWARD IN 2024

MIC is honored to receive the Outstanding Digital Transformation Enterprise Award in 2024 announced by the Ministry of Information and Communications and the Vietnam Digital Communications Association (VDCA).



/04

## INCREASE IN EXPERIENCE – LINK TO ALL NEEDS

**OCR**  
**AI**  
TECHNOLOGY

Applying advanced technologies: **OCR** – optical character recognition for policy approval solutions, compensation verification & **AI** – building a car photography recognition system for the policy approval process on digital channels.

**4,2** MILLION CLIENTS

In 2024, the accumulated number of clients reaches **4.2 million**; of which including nearly **1.5 million clients** of digital channel, accounting for **36%** of MIC clients.

Micro products are designed by MIC according to Customer Journey Map to accompany clients on every journey to meet all demands such as products of personal health insurance, travel insurance and family property insurance.

The Innovative product of **rice crop insurance based on weather index** was awarded by **UNDP** with a prize of **40,000 USD** and signed a commitment for development support in the Mekong Delta.



## TOP 1 BEST WORKING PLACE

The insurance brand honored in the Top 1 Best Working Place in the Insurance Industry was announced by Anphabe.



## 100% AUTOMATIC SALARY PAYMENT

100% automatic salary payment mechanism is flexibly operated on the basis of labor productivity to all sales positions.



## LABOR PRODUCTIVITY 2,65 BILLION VND PERSON

Labor productivity (insurance revenue/personnel) reached 2.65 billion VND/person; increasing 9,3% compared to 2023.



/05

## HUMAN RESOURCES ADAPTABLE TO THE DIGITAL AGE

## GIFTED 10.000 BINH AN 247 INSURANCE PACKAGES

MIC's steadfast mission is "Creating a better life" in 2024, the campaign "**MIC joins hands for the community's health**" with a gift of more than **10,000 "Binh An 247" insurance packages given to clients** is welcomed by the community.

The "Ten Thousand Hands – Million Hearts" fund is jointly shared by the Corporation and employees with many practical activities: "Helping children go to school" after the storms and floods in A Lu by **repairing and renovating facilities and equipment at schools with a total budget of 200 million VND**; "**Lighting up the countryside roads**" program in Yen Bai with a budget of approximately 150 million VND for road renovation after storms and floods.

## HANDLING COMPENSATION 294.951 CASES

Become a mainstay for clients by **handling compensation for 294,951 cases, enabling clients overcome difficulties**, and stabilize their lives and develop the socio-economy.



/06

## SPREADING SUSTAINABLE VALUES



# MIC'S HONORS AND AWARDS IN 2024



## EXCELLENT DIGITAL TRANSFORMATION ENTERPRISE IN 2024

**Excellent Digital Transformation Enterprise Award** announced by the Ministry of Information and Communications and the Vietnam Digital Communications Association (VDCA).



## TOP 1 BEST WORKING PLACE

**Top 1 Best Working Place of the Insurance Industry** announced by Anphabe



## TOP 10 PRESTIGIOUS NON-LIFE INSURANCE ENTERPRISES

**Top 10 Prestigious Non-Life Insurance Enterprises In 2024**



## TOP 50 FASTEST-GROWING ENTERPRISES IN VIETNAM

**TOP 50 Fastest-Growing Enterprises In Vietnam** announced by Vietnam Report



## TOP 10 MOST INNOVATIVE ENTERPRISES VIETNAM

**TOP 10 Most Creative and Effective Enterprises In the Insurance Industry in Vietnam 2024** announced by Investment Newspaper in collaboration with Viet Research.





## CHAPTER 2

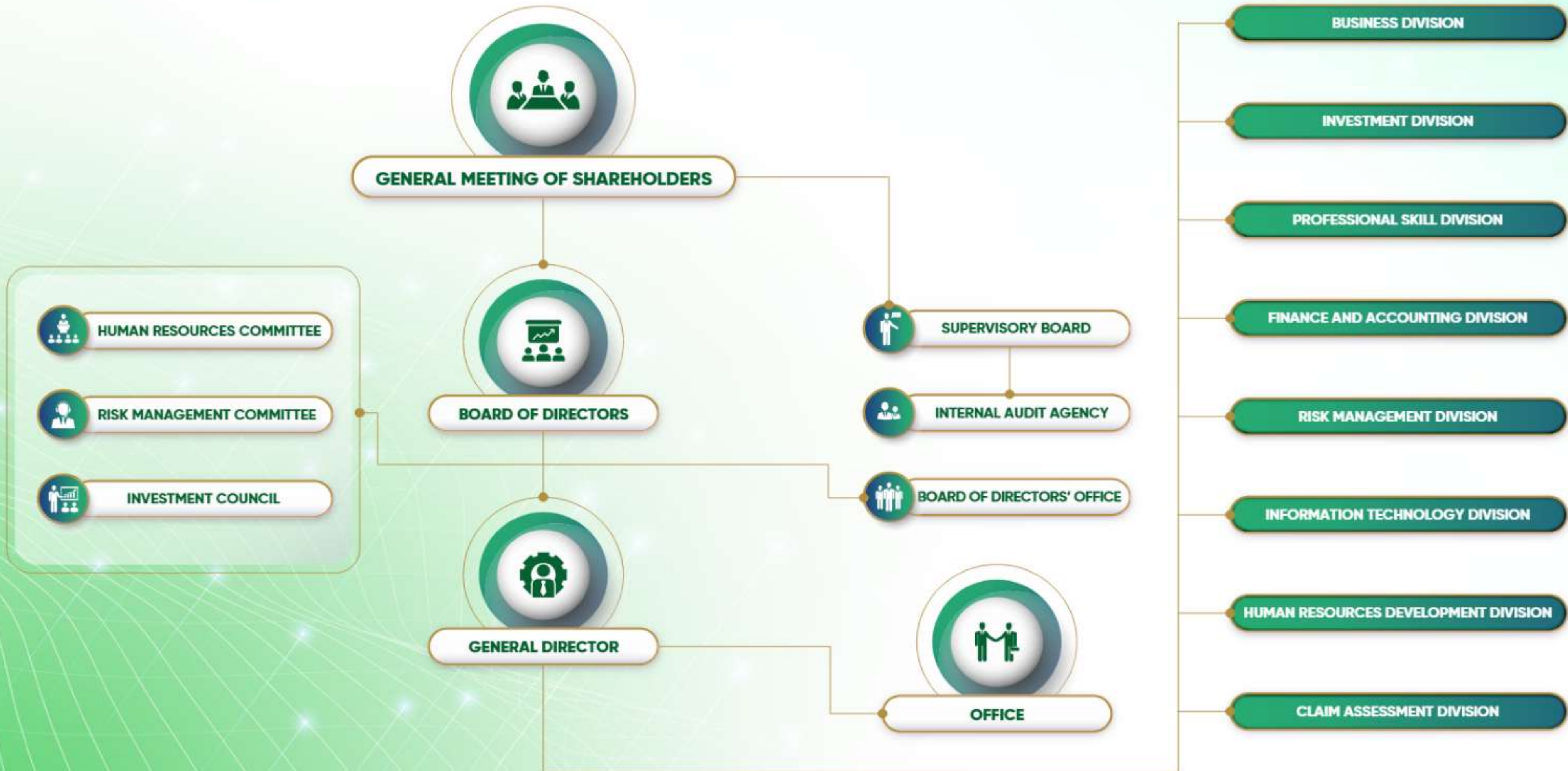
# ORGANIZATION & PERSONNEL

---

<b>/01</b> Management model and organizational apparatus	17
<b>/02</b> Human resources report in 2024	18
<b>/03</b> Introduction of Board of Directors	20
<b>/04</b> Introduction of Supervisory Board	21
<b>/05</b> Introduction of Executive Committee	21
<b>/06</b> Human resources – MIC's inner strength	22
<b>/07</b> Digitalizing management activities of human resources at MIC	23



# MANAGEMENT MODEL AND ORGANIZATIONAL APPARATUS





# HUMAN RESOURCES REPORT IN 2024

## NUMBER OF STAFF IN THE COMPANY

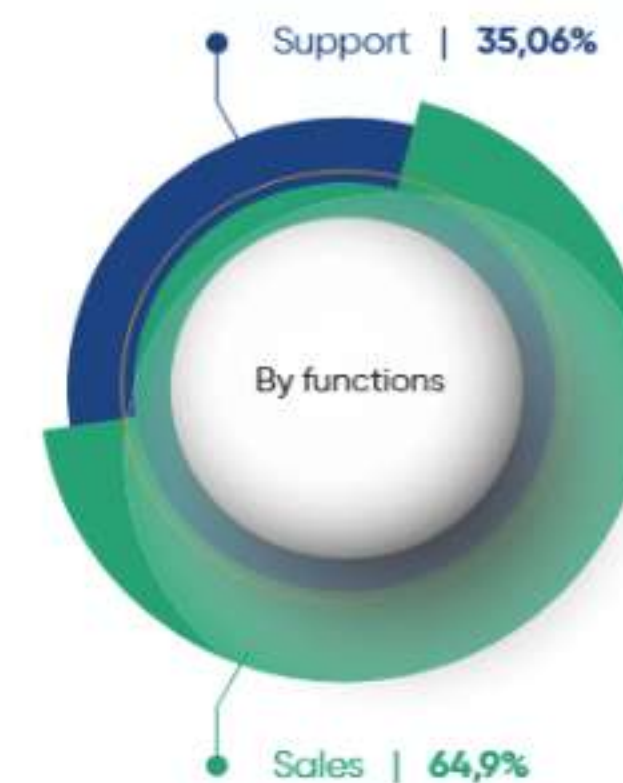
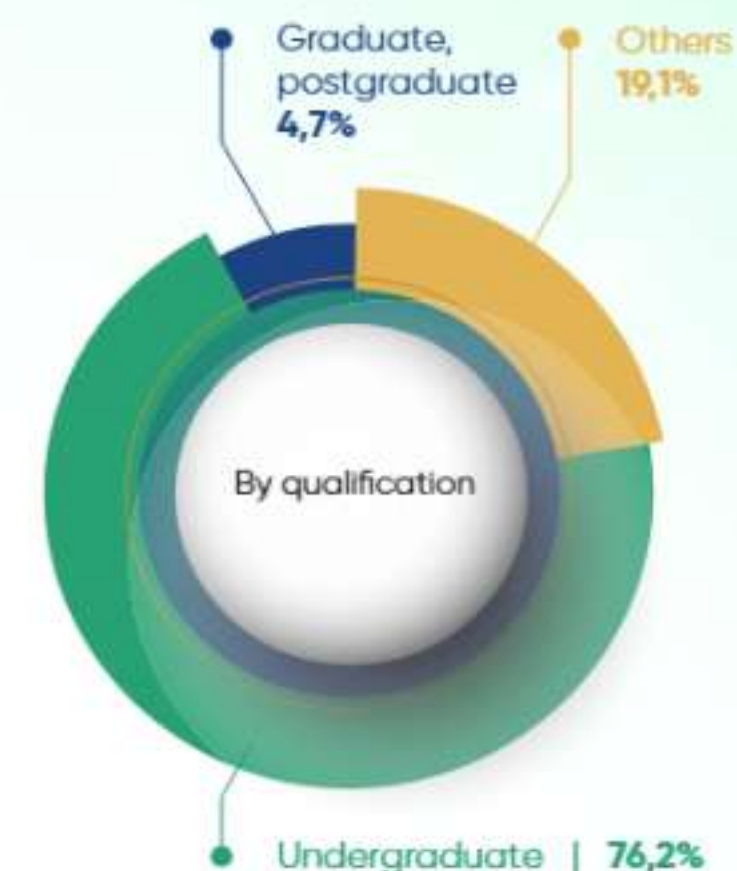
As of December 31, 2024, the total number of officers and employees of the Corporation is:



**1.914**  
EMPLOYEES



MIC's human resource structure as of December 31, 2024





# THE POLICIES FOR EMPLOYEES



## TRAINING POLICIES

**Deeply aware of the importance of human resources for the Corporation's development, MIC pays special attention to training and developing human resources.**

Aiming at building and developing human resources with qualified professional skills, standard business ethics, professional working style and enthusiastic service for clients, therefore, MIC keeps on organizing internal training courses, and encourages employees to improve their qualifications through participating in external training courses sponsored by the Corporation. Furthermore, MIC also creates favourable conditions for employees in need of further study and training.

MIC's human resource development policies aims at readily preparing personnel for new business models, new projects and preparing successors: through a series of HIPO programs built specifically for different job title groups.

In 2024, 176 training courses have been organized with 25,622 learners



## WORKING TIME & GENERAL POLICIES

Working hours at the Corporation are 8 hours/day and 5 days/week.

Employees are entitled to work off in compliance with the provisions of the Labor Law including: holidays, Tet holidays, sick leave, maternity leave, vacation, personal leave...

At MIC, employees are additionally entitled to take a paid leave on their birthdays.

Insurance and welfare policies: The Corporation ensures insurance and welfare benefits for employees based on the applicable legal regulations.



## PAYROLL POLICIES

**The Corporation develops a payroll management regulation applied consistently throughout the Corporation.**

For business positions: MIC applies a payroll payment policy based on labor productivity. For supporting/system management positions: a payroll policy is based on job value positioning and competition against the market. Labor productivity is the basis for application of the payroll policy and payroll is used as the most important economic lever to stimulate employees to work hard. Payroll payment is made publicly and democratically for fairness and reasonableness among positions in the Corporation.



## REWARDING POLICY

To stimulate employees in the Corporation to improve their working efficiency and work quality, the Corporation offers a varieties of rewarding policies such as: Periodic bonuses (bonuses for holidays, Tet, bonuses for units, outstanding individuals, etc.), extraordinary bonuses (bonuses for initiatives, bonuses for plan completion beyond expectation, etc.) for individuals and groups. Reward is also based on business results, work achievements and service quality of each employee for clients.

For outstanding individuals, other than being awarded Certificates of Merit, the Corporation also applies rewarding policies in cash, in kind, and other welfare regimes such as travel, team building, etc... to express its gratitude, motivate and encourage the employees' working spirit.



## OTHER POLICIES FOR EMPLOYEES

**The Corporation implements social security policies for employees in compliance with the Labor Law, Labor Regulations and Collective Labor Agreements. The Corporation always cares about the employees' lives and improves employees' living conditions.**

Particularly:

Giving gifts to female employees on International Women's Day 8/3, Vietnamese Women's Day 20/10, holidays (Solar New Year, Lunar New Year, April 30, International Labor Day 1/5, National Independence Day 2/9);

Organizing annual vacations and tours for employees;

Organizing periodic health check-ups for employees;

Organizing entertainments and giving gifts to children of the Corporation's employees on the occasion of International Children's Day 1/6, Mid-Autumn Festival;

Giving gifts to employees' children who have got excellent academic achievements;

MIC's employees are provided with uniforms;

All employees are visited/congratulated when their family has a happy/death event;

100% of employees are entitled to health care with MIC-Health Care card, MIC Cancer Insurance, Global Health Insurance;

Supplement voluntary retirement insurance for employees;

Supplement car insurance for employees as a gift.



# INTRODUCTION OF BOARD OF DIRECTORS



Mr. **UONG DONG HUNG**

**CHAIRMAN OF BOARD OF DIRECTORS**

**Qualification**

Master of Finance – Banking, Banking Academy of Vietnam.

Mr. Uong Dong Hung is one of the leaders growing up from Military Commercial Joint Stock Bank (MB). He has more than 25 years of working experience in Finance – Banking sector and has been appointed to hold many important leadership positions at MB such as Branch Director, Regional Director and Deputy General Director. On May 28, 2015, he was elected by the General Meeting of Shareholders of Military Insurance Joint Stock Corporation (MIC) as Chairman of the Board of Directors. He made his mark with strategic decisions that brought MIC from a young insurance company to the Top non-life insurance companies. With his contributions, he was elected by the Annual General Meeting of Shareholders in 2022 as Chairman of the Board of Directors of MIC for the term of 2022–2027.



Mr. **DINH NHU TUYNH**

**Vice Chairman of  
Board of Directors**

**Qualifications**

Master of Business Administration – North Western University, Switzerland; Bachelor of Finance and Banking – National Economics University; Bachelor of Law – Hanoi Law University.

Mr. Tuynh has more than 20 years of management and operation experience in Banking and Finance sector. In 2012, Mr. Tuynh joined the Military Commercial Joint Stock Bank and has held many important positions at MB such as: Deputy Director, Director of Small and Medium Enterprises Sector. In 2021, Mr. Tuynh was appointed to hold the position of Vice Chairman of the Board of Directors, Standing Deputy General Director cum Chairman of the Executive Committee of Military Insurance Joint Stock Corporation until December 2023. From January 2024 to present, Mr. Tuynh was assigned the role of Vice Chairman of the Board of Directors, General Director. With his knowledge, experience and courage, he has made great contribution to network operation to enable MIC to increase its scale, improve its business efficiency and accelerate its digital transformation.



Ms. **NGUYEN THI THUY**

**Member of Board of Directors**

**Qualifications**

Master of Business Administration – University of Applied Sciences Northwestern Switzerland

Ms. Thuy is one of the long-term leaders of MB, having experienced many key leadership positions at MB and MB Ageas. Ms. Thuy is the manager and pioneer in building Thang Long branch to become the leading branch of MB, contributing to training and developing good human resources for the MB system with many mature branch directors and managers from MB and MB Ageas Life. Ms. Thuy is currently a member of the MB Executive Board and a member of the Board of Directors of Military Insurance Corporation.



Ms. **NGO BICH NGOC**

**Member of the Board of Directors**

**Qualifications**

Master of Finance and Banking – Nantes University, France;  
Bachelor of Finance and Banking – National Economics University.

Ms. Ngo Bich Ngoc has more than 3 years of experience as an accountant at the Agriculture and Irrigation Electromechanical Corporation; experienced over 20 years in Finance – Banking – Insurance sector and has held many different positions at the Military Commercial Joint Stock Bank (MB) such as: the Head of Accounting and Customer Service Department of MB Transaction Office; the Head of MB Accounting Department; Deputy Director of MB Finance and Accounting Division. In August 2017, she was appointed to hold the position of Deputy General Director of Military Insurance Joint Stock Corporation for a term of 5 years. From April 2022 to present, Ms. Ngoc was elected by the MIC's General Meeting of Shareholders as a full-time member of the Board of Directors.



Mr. **DANG QUOC TIEN**

**Independent Member of  
Board of Directors**

**Qualifications**

Master of Business Administration – Pacific Western University

Before joining MB Group in June 1996, he was assigned to be in charge of the external economic affairs of Military Zone 7 – Ministry of National Defence. At MB, Mr. Tien held many key positions such as Director of MB Ho Chi Minh Branch, Deputy General Director, Member of the Supervisory Board. On January 1, 2015, he retired according to the regime. Currently, Mr. Tien was elected by the MIC's General Meeting of Shareholders as an independent member of the Board of



## INTRODUCTION OF SUPERVISORY BOARD



Ms. **NGUYEN THI THAO**

### THE HEAD OF SUPERVISORY BOARD

#### Qualification

Master of Business Administration – FPT School of Business & Technology (FSB); Bachelor of Banking and Finance, Banking Academy of Vietnam.

Ms. Nguyen Thi Thao has worked for the Military Bank since 1999. In 2005, she held the position of Deputy Director in charge of Nghia Tan Transaction Office, Military Bank. In 2011, she was appointed to hold the position of the Head of Internal Audit Department at MB. From April 2022 to present, she has been assigned to be Head of the MIC's Supervisory Board.



Ms. **HOANG THI TUYET MAI**

### MEMBER OF SUPERVISORY BOARD

#### Qualification

Master of Business Administration – French-Vietnamese Center for Management Education (CFVG); Bachelor of Economics, National Economics University.

Ms. Mai has more than 15 years of experience in the Banking and Finance sector. From 2017 to present, she has held the positions of Expert in the Finance and Accounting Division of the Military Commercial Joint Stock Bank. Currently, she holds the position of Member of the MIC's Supervisory Board.



Ms. **BUI THI HONG THUY**

### MEMBER OF SUPERVISORY BOARD

#### Qualification

Master of Banking – Finance, the University of Salford Manchester

Ms. Thuy has more than 10 years of experience in the Finance and Banking sector. Currently, Ms. Thuy is a Senior Expert of Investment Division – Military Commercial Joint Stock Bank, Member of MIC's Supervisory Board.



Mr. **DINH NHU TUYNH**

### GENERAL DIRECTOR

#### Qualification

Master of Business Administration – North Western University, Switzerland; Bachelor of Finance and Banking – National Economics University; Bachelor of Law – Hanoi Law University.

Mr. Tuynh has more than 20 years of management and operation experience in Banking and Finance sector. In 2012, Mr. Tuynh joined the Military Commercial Joint Stock Bank and has held many important positions at MB such as: Deputy Director, Director of Small and Medium Enterprises Sector. In 2021, Mr. Tuynh was appointed to hold the position of Vice Chairman of the Board of Directors, Standing Deputy General Director cum Chairman of the Executive Committee of Military Insurance Joint Stock Corporation until December 2023. From January 2024 to present, Mr. Tuynh was assigned the role of Vice Chairman of the Board of Directors, General Director. With his knowledge, experience and courage, he has made great contribution to network operation to enable MIC to increase its scale, improve its business efficiency and accelerate its digital transformation.



Mr. **LE NHU HAI**

### DEPUTY GENERAL DIRECTOR

#### Qualification

Master of Economics – Griggs University, USA

Before working for MIC, Mr. Hai experienced for 7 years as Chief Accountant at Asean International Hotel. In 2007, he was one of the first people to join the Preparatory Committee to establish MIC. At MIC, he held many positions such as Chief Accountant, Director of MIC Quang Ninh, Deputy General Director, Vice Chairman of the Board of Directors cum General Director of MIC Investment Joint Stock Company. From October 2012 to present, he has held the position of Deputy General Director of Military Insurance Corporation.



Ms. **HOANG THI HIEN**

### DEPUTY GENERAL DIRECTOR CUM CHIEF FINANCIAL OFFICER

#### Qualification

Master of Banking and Finance – Banking Academy of Vietnam.

Ms. Hoang Thi Hien has experienced for more than 17 years in key positions in finance, accounting and operations at MB Group. At MB, Ms. Hien held the positions of Branch Accounting Manager and Branch Operation Deputy Director. At MB AMC, Ms. Hien was assigned to hold key positions such as Chief Accountant and Chief Financial Officer. With intensive and extensive experience and understanding of management methods at MB and its member units, from August 2022 to present, Ms. Hien has held the position of Deputy General Director cum Chief Financial Officer of Military Insurance Corporation.



## HUMAN RESOURCES – MIC'S INNER STRENGTH

The human resource is the one of the most decisive factors for the long-term and sustainable development of the Corporation, so building a team of professional staff is always put in the forefront of its development strategy by MIC.

The consistent policies throughout the priority orientation of building and developing human resources of MIC include:

- /01 Investing in training and developing resources to improve the quality of the human resources: Implementing a variety of training programs to enhance operational efficiency, professional skills and new working methods.
- /02 Recruiting and attracting the talents: MIC is applying the policy of "Rolling out the red carpet for talents" with generous subsidies to attract new outstanding recruits in order to create a big buzz in the market.
- /03 Fostering talents and strengthening the engagement of employees with the programs of planning and developing young potential human resources (MIC Young Leader); planning and developing sales managers (Finding Manager sale); Planning and developing potential Directors of member companies.
- /04 Preeminent welfare policy: providing more new welfare policies (happy hours, cancer insurance, retirement insurance, vehicle accident insurance, ... to bring better benefits to employees, insurance programs, savings, and preferential loans for employees.
- /05 Capacity-based promotion opportunities: career development roadmap is widely publicized so that all employees in the system can clearly understand the standards, conditions and clear milestones for career development.



MIC's human resources with their youth, rapid adaptability and change to the requirements and development trends in the current period originate from building a cohesive environment - strong culture; creating a bond between employees in Corporation's activities is the result of MIC's persistent building and pursuit in the recent past.



# DIGITALIZING MANAGEMENT ACTIVITIES OF HUMAN RESOURCES AT MIC

Other than digitizing the approval process of insurance policy and business activities, MIC has also paid special attention as well as devoted a lot of resources to digitizing management activities of human resources at MIC.



## Human resource management software (HRM)

Human resource management software (HRM) besides managing human resource information on the system, HRM software also provides online and automated supports of human resource management on the system in order to minimize paper-based work, including: information updating of human resources, online recruitment proposal, online probationary evaluation, online execution request for labor contract, online work assignment and evaluation and online training course evaluation.



## Building and developing Robotic Process Automation (RPA)

Building and developing Robotic Process Automation (RPA) in human resource management to enhance the employees' experiences and the services quality of personnel work, including: sending congratulation letters to new employees, sending congratulation letters to senior employees, sending proposal letters to create accounts for employees, sending warning letters of labor contract expiration, sending letters to lock users when employees leave the job, etc...



## Building & developing an automatic labor productivity measurement system

Building and developing an automatic labor productivity measurement system (labor productivity) for each position at the member companies as a basis for salary payment associated with individual labor productivity. The labor productivity measurement system is integrated with the human resource management system (HRM); automatically updating the change in job title/management scope from the human resource software to the labor productivity system to ensure salary payment based on individual labor productivity, job title & management scale. The automatic labor productivity measurement system also plays an important role in management and evaluation of the sales staff's performance throughout the system, thereby proposing suitable policies for management, use and development of human resources based on the labor achievements.



## Building and developing an automatic salary calculation system based on labor productivity associated with each employee at the member company.

The E-Learning training system focuses on digitization of lectures according to the L&D framework for positions, digitizing lectures on skills, expertise, professional skills, and new products. The Easy Learning program series with short videos from 5-10 minutes, not only refer to the heart of the matter but also are vivid, attractive, easy to remember, make online questions, and answer directly enabling the employees to access easily, quickly and proactively in learning to improve their professional skills.

The strong application of automation in human resource management in 2024 has made great contribution to enhancing the employees' labor productivity, significantly saving human resources as well as effectively improving the quality of human resources.



# CHAPTER 3

## OPERATION SITUATION IN 2024

---

<b>/01</b> Overview of insurance market 2024	25
<b>/02</b> Typical financial indicators in 2024	26
<b>/03</b> Executive Board's report	27
<b>/04</b> Assessment by the Board of Directors	33
<b>/05</b> Outstanding digital transformation achievements in 2024	36
<b>/06</b> Orientation in 2025	37



## OVERVIEW OF INSURANCE MARKET IN 2024

IN 2024, THERE HAVE BEEN CHALLENGES FROM GLOBAL MACRO FLUCTUATIONS, PARTICULARLY NATURAL DISASTERS AND FLOODS. HOWEVER, THANKS TO THE GOVERNMENT'S SUPPORTING SOLUTIONS TO OVERCOME DIFFICULTIES AND RECOVER THE ECONOMY, THE ENDLESS EFFORTS OF MANY AGENCIES AND ORGANIZATIONS, MANY INSURANCE COMPANIES HAVE MADE POSITIVE CHANGES, "TO OVERCOME MANY SUCCESSIVE OBSTACLES" AND GRADUALLY ENABLE THE VIET-NAMESE INSURANCE MARKET TO RECOVER THE GROWTH.

As reported from the Department of Insurance Management and Supervision, Ministry of Finance, there are **85 companies** in the the insurance market, including 32 non-life insurance companies, 19 life insurance companies, 2 reinsurance companies, 32 insurance brokerage companies and **01 branch of a foreign non-life insurance company**.

In the period of 2023-2024, the insurance market faced many difficulties and fluctuations. However, insurance companies continued to maintain their financial capacities and obtained some achievements towards improvement of quality, more transparency and sustainability. Inspite of low recovery, there are signs of positive prospects.



### POSITIVE SIGNS FROM THE MARKET

Based on data from the Vietnam Insurance Association as of December 31, 2024



#### TOTAL PREMIUM OF THE ENTIRE INSURANCE MARKET

**227.398** BILLION DONG

Decrease in **↓0,3%**  
compared to the same period



#### REVENUE FROM NON-LIFE PREMIUM

**79.384** BILLION DONG

Increase in **↑11,7%**  
compared to the same period



#### THE REVENUE FROM LIFE PREMIUM

**148.050** BILLION DONG

Decrease in **↓5,7%**  
compared to the same period



#### TOTAL AMOUNT PAID FOR NON-LIFE INSURANCE CLAIMS

**23.832** BILLION DONG

Decrease in **↓0,3%**  
compared to the same period

Especially, in 2024, super typhoon Yagi caused serious consequences. In this situation, the Department of Insurance Management and Supervision directed insurance companies to quickly and accurately grasp the extent of loss, verification, making advance compensation, and compensation in order to help clients quickly overcome the consequences and soon stabilize their lives as well as production and business.



## COMPREHENSIVE DEVELOPMENT AND TECHNOLOGY APPLICATION



In 2024, insurance companies kept on strongly investing in technology, from optimizing internal processes to enhancing clients' experience through mobile applications and online platforms.

### Continue to innovate and develop digital insurance products

Brands continue to improve digital insurance products, insurance products are completely online, easy to access and manage through mobile applications. Insurance companies have promoted development of insurance products associated with technology, making it easy for clients to use the services.

Flexible health insurance products, life insurance and vehicle insurance (Motor Vehicle) will continue to become the core products on the market in 2024.

### Digital transformation and building breakthrough client experiences

Insurance companies are increasingly applying technology such as artificial intelligence (AI) to improve data analysis and optimize sales processes.

also apply chatbots and automatic consultancy systems to support clients 24/7. Insurance companies will pay special attention to improving client experiences, from creating simple, easy-to-understand products to providing fast and effective customer care services.

### Focus on market development and expansion of distribution channels

Insurance giants keep on expanding their distribution networks, including agents, partners and online platforms. They also promote market development strategies in large cities as well as remote areas.

Vietnam insurance market will witness an increasing numbers of insurance companies collaborating with technology platforms (Insurtech) to create more innovative insurance products and services in order to reach more clients.

## AIMING AT GOALS

The year 2025 is forecast to be a difficult year for the economy in general and the insurance market in particular. However, the new strategic orientation and legal framework will create a "push" for the Vietnam insurance market in terms of both development scale and quality in 2025 and the coming years.

The Ministry of Finance has set development goals for the insurance industry in 2025 for the aim of developing a safe and sustainable insurance market, meeting the diverse insurance demands of organizations and individuals, ensuring social security. Furthermore, the solutions set out in the Insurance Market Development Strategy to 2030 approved by the Prime Minister will be synchronously implemented.

### EXPECTATION FOR 2025

#### Total premium revenue

**239.636** BILLION DONG

Increasing compared to the same period **↑0,05%**

Life premium revenue: **153.698 billion dong** **↑3%**

Non-life premium revenue: **85.938 billion dong** **↑9,77%**

#### Total assets of insurance companies

Life premium revenue: **↑6,6%** compared to 2024

Non-life premium revenue: **↑2,65%** compared to 2024

#### Investments back into the economy

Life premium revenue: **↑5,4%** compared to 2024

Non-life premium revenue: **↑5,77%** compared to 2024



## TYPICAL FINANCIAL INDICATORS IN 2024



### EQUITY

**2.130**

BILLION DONG

Increase compared to the same period **↑2,4%**



### TOTAL ASSETS

**9.835**

BILLION DONG

Increase compared to the same period **↑11,5%**



### ORIGINAL PREMIUM REVENUE

**5.017**

BILLION DONG

Increase compared to the same period **↑7,3%**



### LABOR PRODUCTIVITY

**2,65**

BILLION DONG / PERSON

Increase compared to the same period **↑9,3%**

**TOP 4**

MARKET SHARE OF  
NON-LIFE INSURANCE  
MARKET 2024



### EARNINGS BEFORE TAX

**308**

BILLION DONG

Decrease compared to the same period **↓12,5%**



### RETAINED COMPENSATION RATE

**31,6%**

Decrease compared to the same period **↓3,2%**



### NUMBER OF CLIENTS

**4,2** MILLION CLIENTS

Digital channels' clients reached approximately **1,5 million** clients, accounting for **36%** of MIC's clients

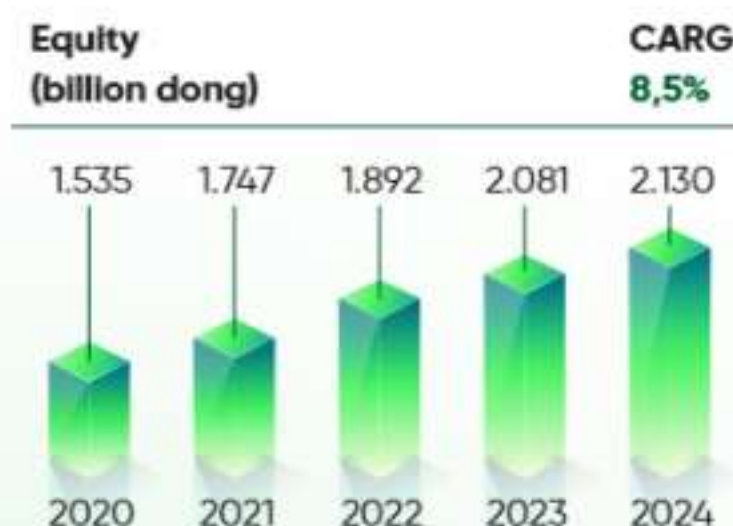


# EXECUTIVE BOARD'S REPORT

In 2024, facing many obstacles and challenges from domestic and overseas political and economic instability and the devastation resulted from super Typhoon Yagi, MIC has always been resilient and brave to overcome difficulties, promptly coping with fluctuations, and made the best effort to successfully complete the set goals.



## OUTSTANDING BUSINESS RESULTS THROUGH THE YEARS 2020 – 2024



(Source: Audited financial statements for financials years from 2020–2024, separately audited financial statements)

## ORIGINAL PREMIUM REVENUE THROUGHOUT 2020 – 2024

Human insurance Marine insurance  
Vehicle insurance Technical insurance  
Unit: Billion dong



	Original premium revenue	Human insurance	Vehicle insurance	Technical insurance	Marine insurance
CARG/%	12,3%	30,5%	2,1%	12,2%	20,4%

## BUSINESS RESULT IN 2024

DESCRIPTION	2024'S PLAN	2024'S RESULT	COMPARED TO 2023	COMPARED TO 2024
Market share of original premium revenue	TOP 4	TOP 4	Upgrade 1 level	Completed 100% of the plan
Original premium revenue (Billion dong)	6.200	5.017	+7%	Completed 81% of the plan
Earnings before tax (billion dong)	440	308	-12%	Completed 70% of the plan
Combine Ratio	96%	103,6%	Up 7%	Completed 93% of the plan
Retained compensation rate	35%	31,6%	Down 3,2%	Completed 111% of the plan
Dividend payment rate	10%	10%		Completed



## FINANCIAL SITUATION IN 2024

### Scale and structure of assets

In the period 2020 – 2024, MIC's total assets grew by an average of 15.4%; Profitable assets (financial investments) accounted for the largest proportion and always maintained more than 42%. The proportion of receivables gradually decreased over the years, by 2024 it was only 7.1%.

ITEMS	2020		2021		2022		2023		2024	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Cash and cash equivalents	12	0,2%	9	0,1%	92	1,1%	182	2,1%	330	3,4%
Financial investment	3.158	56,9%	3.409	51,6%	3.611	42,3%	3.872	43,9%	4.263	43,3%
Short-term and long-term receivables	674	13,0%	617	10,4%	1.028	12%	877	9,9%	700	7,1%
Fixed assets, unfinished assets	423	7,6%	431	6,5%	425	5%	457	5,2%	524	5,3%
Reinsured assets	960	17,3%	1408	21,3%	2.136	25%	2.146	24,3%	2.689	27,3%
Other assets	323	5,0%	693	10,0%	1.253	14,6%	1.285	14,6%	1.330	13,5%
<b>Total assets</b>	<b>5.551</b>	<b>100%</b>	<b>6.567</b>	<b>100%</b>	<b>8.545</b>	<b>100%</b>	<b>8.819</b>	<b>100%</b>	<b>9.835</b>	<b>100%</b>

Unit: Billion dong

### TOTAL ASSETS

**9.835**  
BILLION DONG

Increase compared to the same period **↑11,5%**



Unit: Billion dong

### Scale and capital structure

In 2024, MIC's capital reached VND9,835 billion, increasing 11.5% compared to the previous year, mainly from operational reserves.



CAPITAL SOURCE	2020		2021		2022		2023		2024	
	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion	Amount	Proportion
Operational reserves	2.462	44%	3.086	47%	4.039	47%	4.042	46%	4.863	49%
Payables	1.553	28%	1.734	26%	2.613	31%	2.696	31%	2.842	29%
Equity	1.535	28%	1.747	27%	1.892	22%	2.081	24%	2.130	22%
<b>Total capital source</b>	<b>5.551</b>	<b>100%</b>	<b>6.567</b>	<b>100%</b>	<b>8.545</b>	<b>100%</b>	<b>8.819</b>	<b>100%</b>	<b>9.835</b>	<b>100%</b>

After allocation of profits as specified in the Resolution of the Annual General Meeting of Shareholders in 2024 (including a 10% cash dividend payment and a 6% allocation of after-tax profit in 2023 to the reward and welfare funds), MIC's equity increased by VND 49 billion from profits recognized in 2024.



## Solvency margin

Unit: billion dong

Item	In 2024	In 2023
Corporation's solvency margin	1.062	991
Minimum solvency margin	651	599
<b>Minimum Solvency Margin Rate</b>	<b>163%</b>	<b>165%</b>

Along with the goal of optimizing profitable assets, using capital effectively, and increasing annual profits, MIC also always maintains a solvency margin in the safe threshold as specified in the Decree 46/2023/ND-CP and the Circular 67/2023/TT-BTC.

## Investment situation in 2024



Total assets of MIC's investment portfolio as of December 31, 2024 increased by VND 376 billion, equivalent to a growth of 9.7% compared to the beginning of the year.

For the purpose of optimizing the financial investment effectiveness in the principle of prioritizing capital safety and complying with investment limits, MIC has closely monitored market fluctuations to make investment plans in order to ensure effectiveness; flexibly shifting the investment structure towards increasing the deposits proportion from 66% to 75.7% and increasing investment trust (increasing VND 51.2 billion). In 2024, the revenue from financial investments reached VND 304.8 billion, with an average return approximately 7.7%.

Make the best effort to effectively balance cash flow in investments and to optimize resources to ensure MIC's payment needs.

## Revenue from financial operations

Unit: billion dong

Operations	In 2023	In 2024	2024/2023
Interest on deposits, investment trusts	271,04	288,60	106,5%
Interest on bond investments	19,54	214,62	74,8%
Interest on stock investments	-	-	-
Exchange rate differences	2,89	1,60	55,5%
Other revenues from financial investments	-	-	-
<b>Total</b>	<b>293,47</b>	<b>304,82</b>	<b>103,9%</b>

## Financial investments

Unit: billion dong

Financial Investments	In 2023		In 2024	
	Amount	Proportion	Amount	Proportion
Deposits	2.564	66%	3.228	75,7%
Bonds	168,89	4,3%	-	-
Investments trusts	983,80	25,3%	1.035	24,3%
Other equity investments	170	4,4%	-	-
<b>Total</b>	<b>3.886,69</b>	<b>100%</b>	<b>4.263</b>	<b>100%</b>



## HIGHLIGHTS



/01

### FINANCIAL STABILIZATION – POSITION RISE-UP

The macroeconomics in general and the insurance industry in particular has been facing many difficulties and challenges in 2024. Natural disasters and epidemics was getting complicated, especially seriously affected by super storm No. 3 - Yagi. Thanks to the flexible strategic orientation from the Board of Directors and close direction from the Executive Board, MIC is always proactive and confident and focuses on key goals to promptly respond to market fluctuations so as to mitigate and overcome losses.

**TOP 4**  
MARKET SHARE OF NON-LIFE  
INSURANCE MARKET 2024

ORIGINAL PREMIUM REVENUE  
**5.017** BILLION DONG  
INCREASE COMPARED TO THE SAME PERIOD **↑7,3%**

**Original premium revenue reached VND 5,017 billion; increasing by 7.3% compared to the same period.** MIC rose to the TOP 4 position in non-life insurance market share from January 2024 and asserted it in 2024.

Revenue structure shifted under strategic direction, **premium revenue of all operations grew well:** human insurance reached VND 1,545 billion - increasing 11%; Technical Asset insurance reached VND 1,119 billion - increasing 11%; Marine insurance reached VND 556 billion - increasing 24%; vehicle insurance reached VND 1,798 billion - decreasing 1.5% compared to 2023.

**Enhance the sale capacity of member companies** by developing effective products; deploy the sale promotion programs, specialized models for technical assets and goods.

**Optimize the bancas channel** by implementing the bancas model at member companies, innovate the bancas system, implement business usecases with MB. The Bancas channel recorded premium revenue in 2024 reaching VND 1,713 billion; accounting for 34% of revenue; up 15.5%.

Profit before tax in 2024 reached VND 308 billion, completing 70% of the plan in 2024, down 12.5% compared to the same period. The retained liability compensation ratio was at 31.6%, down 3.2% compared to the same period.



## HIGHLIGHTS

### /02 SELF-CONTROL OF TECHNOLOGY, ACCELERATION OF DIGITAL TRANSFORMATION

With core technology self-control and investment in digital technology, MIC once affirms its position as a technology pioneer. Moreover, MIC keeps on building, developing and operating the core insurance system by digitizing the entire process from approval of insurance policies, reinsurance, claim assessment, and API platforms with unlimited connectivity to ecosystems and partners.



- **Deploy InsureM** – MIC's insurance system with the features such as digitizing the entire exploitation process; re-insurance arrangement, debt/commission management; measuring SLA at each stage and throughout the process; real-time monitoring of processing progress.
- **Deploy ClaimM** – MIC compensation system – Applications for appraisers and approval levels to digitize the stages from receipt of appraisal documents; making appraisal schedule; online or on-site/specific appraisal; making/issuing automatic reports.
- **Deploy MIC PRO sale tools** for sales forces, including MIC's staff and agents, collaborators with all retail products. Provide comprehensive features such as charging, approving insurance policies, managing clients, tracking renewal and paying real-time income, ....
- **MIC continuously innovates digital touch points, develops a digital application platform for clients with multiple utilities, convenience, and simplicity:** (i) Deploy 10 retail products on the digital application for APP MIC clients; Use OCR technology to identify documents, automatically fill in information, identify car images, etc... (ii) Launch the Online Insurance Portal "baohiem.mic.vn" – buy faster, look up more conveniently, and bring clients with more incentives and (iii) Deploy Mini App applications (app in app) and Open API technology ready to connect products; easily integrate with large ecosystems with flexible fee configuration and policies.

### /03 OPTIMIZE RETAIL PRODUCT CHAIN TO MEET THE CLIENTS' DIVERSE DEMANDS

Setting a goal to be "Vietnam's leading convenient retail insurance company", MIC is considered as a digitalized pioneer, constantly striving to optimize clients' experience. Users can easily experience purchasing products on the MIC App/web; Declare online compensation for the entire process with physical vehicle products & MIC Care.



- By the end of 2024, MIC's clients on channels was growing fast, attracting 4.2 million clients; of which digital channel clients reached nearly 1.5 million; accounting for 36%. The number of MIC APP users reached approximately 168,000, up nearly 90,000 in 2024.
- With a strong technology platform in combination with research on global insurance trends to meet clients' diverse needs; in 2024, MIC continuously launched a varieties of insurance products integrated in combo packages that are receiving positive feedback from clients, including: comprehensive home insurance, comprehensive corporate insurance, extended warranty insurance, comprehensive motorbike insurance...
- Furthermore, types of Micro products, products for niche markets satisfying Customer Journey Map have created their own mark as the key to understanding clients, including personal health insurance products, travel insurance, and family property insurance.
- MIC's product research and development team is always sensitive and grasps trends as well as clients' tastes and offers innovative and breakthrough products that keep up with trends such as weather-index based insurance, account insurance, broken screen insurance, ... and is trusted by digital partners.



## /04 IMPROVING THE LABOR PRODUCTIVITY

To adapt to market fluctuations, MIC always pays special attention to training human resources to increase adaptability in the digital age.



- Completing the organizational model towards streamlining and effectiveness. The total number of employees at the present time is 1,914, down 2% compared to 2023.
- Labor productivity (average insurance revenue/personnel) reaches 2.65 billion VND/person; up 9.3% compared to 2023.
- Flexibly operating the 100% automatic payroll payment mechanism based on labor productivity to all positions at member companies in order to motivate and increase labor productivity and reduce the minimum compensation rate.
- Planning a specialized sales force based on the Bancas model; marine technical asset model. Labor productivity after planning all increased more than 20%.
- Deploying a series of training programs to improve operational efficiency, expertise and new working methods. In addition, many priority policies are used to build and develop human resources: recruitment and talent attraction policies; talent training programs, strengthening employees' engagement; superior welfare policies and promotion opportunities based on capacity.

## /05 ENHANCE THE ROLE OF MANAGEMENT AND ADMINISTRATION



- Implement business activities closely following the MIC Strategy for the period of 2022-2026 with 11 strategic initiatives based on 03 pillars (products - clients - distribution channels) and 02 platforms (digitalization of processes - technological capacity). Moreover, MIC has built and applied the MIC1568 working method strictly complying with the strategic goals, vision, and core values of MIC until 2026.
- Promulgating of business operation guidelines; decentralization system for member companies according to the BPM system to ensure SLA reduction and improve responsibility and risk control; well complete the planning and financial work in 2024 etc...
- Maintain internal political stability, collective solidarity, properly comply with regulations to make the operations to be increasingly professional, the staff to pay more attention to customer care in all aspects, assigned fields and comply with the legal provisions. Maintain and promote corporate cultural identity.

## /06 PROUDLY MOVE FORWARD



- In the last years, MIC has always been steadfast in its mission to become a community insurance brand "Creating a better life" and constantly spreading sustainable values to the community. With its strong desire to share and reduce economic burdens, to ease pains and create a better life, the campaign "MIC joins hands for the community's health" has given more than 10,000 Peace Insurance packages 24/7 to spread the sustainable values of the brand.
- In 2024, super typhoon Yagi destroyed seriously, MIC has always been a solid support for clients and partners, accompanying them to overcome difficulties caused by the super storm to restore production and business, stabilize their lives and contribute to stabilization of the socio-economy. MIC urgently paid compensation to its clients for more than 1,800 cases.
- With top quality, operational efficiency and sustainable development orientation, MIC has once affirmed its leading position and outstanding reputation with many awards from prestigious domestic organizations such as Excellent Digital Transformation Enterprise Award announced by the Ministry of Information and Communications; Top 10 prestigious Non-Life Insurance Enterprises of the Year; TOP 50 Fastest Growing Enterprises in Vietnam;...



# ASSESSMENT BY THE BOARD OF DIRECTORS

## ASSESSMENT BY THE BOARD OF DIRECTORS ON PERFORMANCE RESULTS IN 2024

In 2024, the Board of Directors directed the Executive Board and units in the system to continue its strategic initiatives with the motto of putting clients at the center, strongly applying technology to all business activities, from establishment of specialized digital products for each channel, each customer segment; strong digital transformation in all processes including customer processes, internal processes so that the products and services are supplied for clients in the fastest and highest quality way. By the end of 2024, **MIC maintained its position in the TOP 4 market share, up 1 place compared to 2023. Total revenue in 2024 reached VND 5,384 billion, completing 82% of the plan, up 7.1%**; Pre-tax profit reached VND 308 billion, completing 70% of the plan; total assets reached VND 9,835 billion, up 12%; effective use of equity with ROE reached 11.3%. The claim rate under the retained liability level reached ~31.6%, down 3.2% compared to 2023; labor productivity increased by 9% over the same period.

In 2024, MIC has built 06 innovative products, which are simple digital products and enhance customer experience, from which revenue accounts for ~1.5% of total revenue in 2024. MIC has established a data management center to systematize data sources, deploy insurance operations to meet the general administration reporting requirements throughout the Corporation and supply an automated reporting system to CCTVs, manage and exploit data centrally, optimize resources and use in-depth data analysis to meet business needs. MIC continues to optimize the bancas channel and focus on developing ecosystem sales channels, the bancas channel to reach a growth rate of 15.5%, building products/systems connecting existing ecosystems; as a result, the number of new clients from ecosystems reached 180,000; revenue from the ecosystem accounted for ~2.5% of total revenue. Regarding the digitization of the process of exploitation/approval of insurance policies - Completed go-live of 7 operations including: Automobile, Asset, Engineering, Vessel, Goods, Aviation, Motorcycle/Motorbike

MARKET SHARE OF NON-LIFE  
INSURANCE MARKET 2024

# TOP 4

UPGRADE 1 LEVEL COMPARED TO 2023

TOTAL REVENUE IN 2024

# 5.384

BILLION DONG

COMPLETING 82% OF THE PLAN  
UP 7.1%



Regarding the digitization of the claim process, 100% was completed, go-live of all 8/8 operations including: Motor Vehicle, Human, Engineering Asset, Vessel, Goods, Mixed, Engineering, Liability. In addition, MIC has invested in upgrading its data center infrastructure to meet the international standards, business needs, future revenue and transaction growth, and IT security and information security requirements.



In 2024, MIC developed a labor productivity measurement system and a 100% automated labor productivity-based salary mechanism on software to all member companies across the system, and applied a labor productivity-based salary policy to the entire survey-claim staff across the system. This mechanism has contributed to changing the sales behavior, promoting the increased labor productivity as well as motivating the sales force while improving the quality of services supplied for clients in both after-sales service and settlement of claim; deploying and applying Agile in information technology projects, product development, and process improvement. Innovative training chains for employees across the system such as the Easy Learning chain, combining direct training with reputable training experts in the market and online training through the E-learning system that are invested in modern learning technology.

The Board of Directors has directed the completion of the risk management framework, the development of risk appetite and risk policies according to the international practices, considering risk management as a core factor for business development to

and completing the procedures, regulations/organizational models of risk management and internal control of MIC. Reviewing and assessing potential technological risks in the development and operation of software systems, thereby completing the procedures, regulations, and having solutions to enhance the system security.

In 2024, MIC paid 10% dividend in cash under the Resolution by the General Meeting of Shareholders; Completing the plan of charter capital increase by VND 259,008,750,000 through issuing shares to existing shareholders; completing the charter capital increase by VND 28,600,000,000 through employee stock ownership plan (ESOP). In 2024, MIC fully allocated funds under the 2023 profit distribution plan approved by the General Meeting.

The Board of Directors continued to perfect MIC's mechanisms and policies, and directed the review of the internal documentation in accordance with the legal regulations and the actual operating situation of MIC.



## BOARD OF DIRECTORS ACTIVITIES

The members of the Board of Directors participated in the Board of Directors' meetings and gave written opinions on issues under the Board of Directors' authority with a high sense of responsibility, promoting the leadership capacity of the Board of Directors' members; Its Committees well advised, consulted and assisted the Board of Directors in performing the Board of Directors' duties and powers on issues related to governance, human resource development, risk management, and investment.

In addition to guiding the activities of the Executive Board, the Board of Directors also regularly supervises the Executive Board, ensuring its compliance and efficiency. The Board of Directors also coordinates with the Supervisory Board in directing comprehensive inspection and audit programs, regularly exchanging with the Executive Board, the Supervisory Board, and business units to clearly understand the operational situation of the Corporation, thereby finding practical solutions to help the Executive Board fulfill its tasks.

Remuneration of Board of Directors' and Supervisory Board's members has been paid under the budget approved by the 2024 General Meeting of Shareholders, in accordance with MIC's Charter and relevant current regulations.

As assessed by its independent members, the Board of Directors has a clear strategic orientation and strong direction so that MIC could achieve its goals and successfully complete its business plan to ensure the interests of its shareholders and employees. The leadership mechanism is decentralized and flexibly authorized in accordance with the legal regulations and the internal regulations, facilitating the Executive Board and member companies to conduct their business smoothly. Approval of the Reports under the Board of Directors' authority is timely and within the prescribed time.

## SOME SHORTCOMINGS

Besides the achieved results, the Board of Directors assessed that some shortcomings have still been available, detailed as follows:

- Revenue and profit growth rate has not yet completed as planned
- Incomplete and inaccurate customer data and information make the data analysis difficult.



## ORIENTATION OF OPERATION IN 2025

### Economic outlook in 2025

In 2025, the world economy may continue to face many challenges, such as tariff wars and geopolitical conflicts.

In Vietnam, the National Assembly has set a growth target of 6.5–7% for 2025, while the Prime Minister has called for at least 8% growth, supported by faster disbursement of public investment to boost the infrastructure development and attract more investment.

In the non-life insurance sector, the Ministry of Finance expects that in 2025, premium revenue in the non-life insurance sector will reach an estimated amount of VND 85,938 billion, maintaining the growth at 10%.



**GROWTH TARGET IN 2025**  
**6,5–7%**



**PREMIUM REVENUE IN THE  
NON-LIFE INSURANCE SECTOR**  
**85.938**  
BILLION DONG  
MAINTAINING THE GROWTH AT **10%**

### Orientation of operation in 2025



In 2025, MIC's Board of Directors aims to maintain its market share in the TOP 4 non-life insurance market, with insurance revenue increased by 25%, profit increased by 75%, minimum dividend rate at 10%, and investment activities in a safe and effective direction

**TARGET**  
**TOP 4**  
**MARKET SHARE OF NON-LIFE  
INSURANCE MARKET**

INSURANCE REVENUE INCREASED BY	<b>25%</b>
PROFIT INCREASED BY	<b>75%</b>
MINIMUM DIVIDEND RATE AT	<b>10%</b>

MIC identifies the following orientations of its operation:



Continue the 2022–2026 business strategy: Attract clients, increase revenue growth, aim for all operations to be in the Top 3–5 on the market. Focus on developing new business models in the direction of bringing MIC products into ecosystems with large customer files, designing simple digital products and enhancing clients' experience not only when using MIC services but also enhancing the clients' experience in the main channel. On the other hand, in 2025, it is required to focus resources on promoting the Technical Asset business in the context of the Government promoting public investment.



Review and re-assess the sales channels under development to identify existing problems and thereby refine and perfect them to optimize the exploitation capabilities.



Expand and develop organizational agents, credit institutions, maintain and maximize the existing customer files, military clients, and large economic corporations.



Continue to review and refine the internal processes and customer processes on the motto of putting clients at the center to bring the best experience to clients, focusing on promoting service quality to ensure speed and convenience from purchasing to claim.



Continue to improve the capacity and quality of risk analysis, monitoring and early warning capacity, and strictly control the compliance issues.



Complete and put the entire core insurance system into operation.



Regularly review the organizational model and staffing towards streamlining and quality; review internal regulations: Financial regulations, Salary and benefits regulations; focus on training and building a team of human resources, develop a compensation policy to ensure the competitiveness in the industry, develop the welfare policies to enhance the care and improve the health of all staff.



# OUTSTANDING DIGITAL TRANSFORMATION ACHIEVEMENTS IN 2024

## CORE INSURANCE TECHNOLOGY SELF-CONTROL

MIC affirms its position as a technology pioneer by self-controlling core technology, investing in digital capacity, and self-building, developing and operating a pioneering core insurance system in the non-life insurance industry.

### /01 DIGITIZE THE ENTIRE PROCESS FROM APPROVAL OF INSURANCE POLICIES, REINSURANCE, DEBT PAYMENT AND CLAIM APPRAISAL



**ClaimM - MIC claim system:** Application for Appraiser and approval levels; digitize the steps from receiving appraisal documents; appraisal scheduling; online on-site/detail appraisal; creating/issuing automatic reports.

**InsureM - MIC's insurance system:** Digitize the entire process of exploitation, reinsurance arrangement, debt/commission management; measure SLAs at each stage and the entire process, monitor the real time of the processing progress.

### /02 APPLY ADVANCED TECHNOLOGY AS A PLATFORM TO TRANSFORM BUSINESS OPERATIONS

**OCR:** Deploy 100% integration for sales channel systems, approval of insurance policies, and appraisal - claim

**AI:** Self-build car identification system for the process of approval of insurance policies on digital channel.

**RPA:** Deploy golve 46 robots to automate some tasks in Sections/departments/divisions to improve labor productivity





## MULTI-CHANNEL INTEGRATION – DIGITAL ECOSYSTEM

With the advantage of mastering technology, it creates momentum and elevates its position, helping MIC be ready to connect with major technology partners.

MIC has performed the gone live with **NewBancas software** to expand sales channel connections with Banks. The entire sales flow from entry, approval of issuance policies, and payment has helped the exploitation results from the Bancas channel record impressive figures.

At the same time, MIC continuously improves digital touch points, in which with each touch point through the **MIC App**, clients will receive more benefits: Deploy 10 retail products; many convenient and simple features such as Online claim for the entire process with physical vehicle products & MIC Care; Use OCR technology to recognize documents, automatically fill information, identify car photos,... Automatic renewal flow (remind renewal, charge premium, block high claim).



Launch Online Insurance Portal  
"baohiem.mic.vn" – faster shopping,  
more convenient search, many incentives.

In addition to the MIC application serving clients, MIC has synchronized the digital transformation in the business operation process, developed and put the **MIC Pro APP** application into use for the sales force (including MIC's staff and individual agents) with all retail products. The tool helps the sales force approve the insurance policies to clients quickly and conveniently with features such as automatic premium charging, issuance of electronic insurance certificates, client management and renewal tracking, real-time income tracking and payment to the sales force, product lookup library/guarantee hospitals/repair garage.



Deploy **Mini Apps (app in app)** and **Open API technology** which allows quick and easy connection with partners/sales channels, helping MIC penetrate deeply into large ecosystems such as Zalo, Mobile World, Vietnam Airlines, Viettel. Currently, MIC's Open API is ready to connect 8 products; easy integration with large ecosystems; flexible fee configuration and policies.



## ORIENTATION IN 2025

In 2025, MIC will promote the close and effective implementation of strategic initiatives for the 2022 – 2026 period, accelerate the digital business platforms, enhance the clients' experience, improve the service quality, effective management, and maintain the TOP 4 position in market share in the non-life insurance industry.

# TOP 4

MARKET SHARE OF NON-LIFE  
INSURANCE REVENUE IN 2025





## 01/ ACCELERATE THE SCALE

ORIGINAL PREMIUM REVENUE



Diversify and optimize sales channels based on maximizing the ecosystem of MB Group, banks, large corporations; partners, strategic clients, etc.

Develop policies for loyal clients, business promotion programs by client segments and automatic support tools to increase renewal rates.



Design product packages/combo comprehensively exploiting clients' protection needs; specialized products by channels; particularly creative, convenient, and attractive products on digital channels.

Deploy digital business models, automatic telesales and connect with digital ecosystems, e-commerce platforms, etc.

## 02/ ACCELERATE ADMINISTRATION EFFICIENCY

BEFORE-TAX PROFIT



Towards exploiting effective products; applying business promotion programs for technical and marine assets.

Restructuring the operations of member companies to ensure streamlining, ability for operating, managing, supervising and promoting the operation effectiveness of member companies.

COMBINE RATIO



Fine-tuning payroll and benefit mechanisms to ensure benefits and motivate human resources.

Optimizing financial management and compliance operations.

## 03/ ACCELERATE DIGITAL TRANSFORMATION

DIGITAL TRANSFORMATION REVENUE



Complete and put into operation of the entire core insurance system. Seamlessly connect satellite software with the core system.

Complete and develop business support layer software/systems: agent management software; source & mechanism management software.

Assess and propose solutions for data warehouse; keep on deploying BI reports, automatic dashboards. Issue regulations on security, data encryption and deploy access management systems, support software.

Accelerate the implementation of process automation with Robotics.

Integrate the group's data, cross-sell products on the group's data platform.

Transform digital sales channels through digitizing the entire digital sales channel and implementing business models as well as digital ecosystems.





## CHAPTER 4

# CORPORATE ADMINISTRATION

---

<b>/01</b> Introduction of Board of Directors	40
<b>/02</b> Operation of sub-committees under the Board of Directors	41
<b>/03</b> Report of Supervisory Board	42
<b>/04</b> Salary, reward, remuneration and other benefits of the Board of Directors	45
<b>/05</b> The relationship between share holders and investors	45
<b>/06</b> Risk management	46
<b>/07</b> Direction for developing risk management	47
<b>/08</b> Evaluate corporation governance based on the ASEAN corporation governance scorecard	48



# INTRODUCTION OF BOARD OF DIRECTORS

## MEMBERS AND STRUCTURE OF THE BOARD OF DIRECTORS



Mr. UONG DONG HUNG

### CHAIRMAN OF BOARD OF DIRECTORS

Date of appointment: **29/3/2017**  
Number of meetings attended: **06/06**  
Attendance rate: **100%**



Mr. DINH NHU TUYNH

### Vice Chairman of Board of Directors

Date of appointment: **22/4/2021**  
Number of meetings attended: **06/06**  
Attendance rate: **100%**



Ms. NGUYEN THI THUY

### Members of Board of Directors

Date of appointment: **28/5/2020**  
Number of meetings attended: **05/06**  
Attendance rate: **83%**



Ms. NGO BICH NGOC

### Members of Board of Directors

Date of appointment: **21/4/2022**  
Number of meetings attended: **06/06**  
Attendance rate: **100%**



Mr. DANG QUOC TIEN

### Members of Board of Directors

Date of appointment: **28/5/2020**  
Number of meetings attended: **06/06**  
Attendance rate: **100%**

## OPERATIONS OF THE BOARD OF DIRECTORS

- The Board of Directors supervises and directs the Executive Board to do daily business operations, closely coordinates with the Executive Board to provide timely directions and resolve the Executive Board's proposals and requests related to daily business operations; supervise the implementation of the Resolutions of the General Meeting of Shareholders and the decisions of the Board of Directors that have been approved.
- The members of the Board of Directors regularly send reports to the Board of Directors and promptly provide directions of management and supervision of the Executive Board in accordance with the legal provisions and the Corporation's charter.
- The Executive Board is required by the Board of Directors to report upon the business performance at regular meetings and at the request of the Board of Directors in order to timely handle any arising situations.
- Organize meetings of the Board of Directors to evaluate the Corporation's business performance as well as provide timely directions. For important issues arising suddenly during the business operations, the Executive Board will be directed by obtaining written opinions to approve the decisions of the Board of Directors.
- The Board of Directors also closely coordinates with the Supervisory Board to clearly understand the Corporation's operations hereby proposing the practical recommendations to enable the Executive Board to successfully complete the tasks assigned by the General Meeting of Shareholders and the Board of Directors.

## RESOLUTIONS/DECISIONS OF THE BOARD OF DIRECTORS IN 2024

STT	Resolution No.	Date	Description
1	01/2024/NQ-HDQT	24/01/2024	Emulation and reward in 2023
2	02/2024/NQ-HDQT	24/01/2024	Business results in 2023 and business implementation in 2024
3	03/2024/NQ-HDQT	13/03/2024	Approval of increase in charter capital
4	04/2024/NQ-HDQT	14/03/2024	Approval of amendments and supplements to the MIC Charter in 2023
5	05/2024/NQ-HDQT	17/04/2024	Approval of the dividend payment plan in the financial year 2023
6	06/2024/NQ-HDQT	31/05/2024	Approval of credit limit at credit institutions in 2024
7	07/2024/NQ-HDQT	31/05/2024	Approval of credit limit at credit institutions in 2024
8	08/2024/NQ-HDQT	31/05/2024	Approval of credit limit at credit institutions in 2024
9	09/2024/NQ-HDQT	04/06/2024	Approval of the plan for increase in charter capital
10	10/2024/NQ-HDQT	04/06/2024	Approval of the set of application for public offering of shares in 2024
11	11/2024/NQ-HDQT	21/06/2024	Approval of the selection of the auditing company for the financial statements in 2024
12	12/2024/NQ-HDQT	17/07/2024	Approval of the business results for the first-half of 2024 and business implementation plan for the third quarter of 2024.
13	13/2024/NQ-HDQT	17/07/2024	Emulation and rewards for the first half of 2024
14	14/2024/NQ-HDQT	24/10/2024	Approval of business results of the 9-month of 2024 and business implementation plan for the 4th quarter of 2024.
15	15/2024/NQ-HDQT	27/11/2024	Approval of closing the list of existing shareholders to exercise the rights to purchase shares
16	16/2024/NQ-HDQT	11/12/2024	Approval of contracts and transactions with Ocean Bank.



# OPERATIONS OF SUB-COMMITTEES UNDER THE BOARD OF DIRECTORS



## HUMAN RESOURCES AND REMUNERATION COMMITTEE

### FUNCTIONS, DUTIES

The Human Resources and Remuneration Committee is an advisory, consulting and assisting body for the Board of Directors in performing the duties and powers of the Board of Directors on issues related to governance, human resource development, personnel, bonuses, remuneration... as well as other issues related to personnel in compliance with the regulations on organization and operation of the Human Resources and Remuneration Committee.

### ADVISES AND CONSULTANCIES OF THE HUMAN RESOURCES AND REMUNERATION COMMITTEE FOR THE BOARD OF DIRECTORS IN 2024

- Give advices on the appointment process for positions under the authority of the Board of Directors.
- Give advices to the Board of Directors on promulgating Regulations, Rules, and Policies related to human resources work in compliance with the provisions of law and the charter of MIC.
- Carry out comprehensive supervision and control of human resources work and risks to ensure compliance with the orientation and business plan of MIC.
- Give advices to the Board of Directors on developing payroll and benefit payment mechanism for employees throughout the system. Particularly, giving advices on development and implementation of a payroll payment system based on labor productivity for the sales.

### OPERATION ORIENTATION IN 2025

Regularly review and give advices on organizational models and regular staff in a streamlined and qualified direction; review internal regulations such as financial regulations, payroll and remuneration regulations; focus on training and establishing a team of successive cadres; develop remuneration policies to ensure competitiveness in the industry and satisfy the requirements in the new strategic period, especially treatment policies for personnel engaging in the digital transformation process.

Consolidate supervision work to ensure that the personnel are suitable with the MIC strategy for the period of 2022 – 2026.



## RISK MANAGEMENT COMMITTEE

### FUNCTION, DUTIES

The Risk Management Committee is organized and operated according to the Regulations on the organization and operation of the Risk Management Committee promulgated by the Board of Directors.

Advise and assist the Board of Directors in directing and managing in the following areas:

- Risk policies, risk management strategies, risk appetite, safe limits for business operations and risk management tools for each period;
- Organization, management, review and evaluation of MIC's risk management are compliant with the legal provisions.

Report on implementation of risk management policies, strategies, risk appetite and risk tolerance in business operations and risk management tools is approved by the Board of Directors;

Developing a risk management culture, enhancing awareness/understanding of risk management throughout the system.

### OPERATIONS OF RISK MANAGEMENT COMMITTEE IN 2024

Review and supervise risk tolerance and risk appetite, research solutions to better risk analysis, monitoring capacity and early warning. Analyze and make recommendations on risks related to sales of personal credit products, market and liquidity risks.

Analyze and make recommendations to the Executive Board and the Board of Directors on updating and promulgating documents, recommend to establish a re-assessment team of process and documents need to be completed to meet the legal requirements; develop regulations on promulgation and management of internal documents to determine the time and regulations for mandatory change, editing and issuance of new documents in order to satisfy the practical needs of operations.



Assess and review the compliance with MIC's regulations, processes and the legal provisions. Promptly direct bodies at headquarters to thoroughly settle incompliance cases and propose solutions to improve the compliance of MIC member companies and agencies at MIC.

### OPERATION ORIENTATION IN 2025

Review and give advices to the Board of Directors to strengthen the internal supervision system at all levels to ensure that risk management keeps up with the growth rate of scale and market developments.

Strengthen supervision activities, improve the detection system of potential risks in operations in order to provide early warning and timely preventive measures.

Review and advise the Board of Directors on risk management towards sustainable development.



## INVESTMENT COMMITTEE

### FUNCTIONS, DUTIES

Give advices to the Board of Directors on investment strategies, policies and principles, including but not limited to advices on the issuance of investment regulations, investment limits, and investment property allocation to get short-term/long-term investment goals, and balance risks and profits in MIC's investment activities.

### INVESTMENT COMMITTEE'S OPERATION IN 2024

Advise the Board of Directors to build investment directions, tasks and strategies in 2024. Review and re-evaluate the deposit and credit limits in 2024, the investment property allocation ratio in 2024 to ensure the strict compliance with legal regulations, risk appetite for the purpose of effective, safe and prudent investment in line with market reality.

Investment results in 2024: profit from other investment and financial activities reached 314.7 billion, completing 95% of the annual plan and increasing 4% over the same period.

### OPERATIONAL ORIENTATION IN 2025

Advise the Board of Directors to develop investment strategies, policies and investment property allocation towards sustainable investment.

Review and advise the Board of Directors to issue risk appetites related to investment activities and safety ratios in investment activities.



## REPORT OF SUPERVISORY BOARD

### FUNCTIONS, DUTIES

In 2024, the Supervisory Board has well deployed and performed the tasks prescribed by the Law, the Charter of the Military Insurance Corporation (MIC), the Regulations on organization and operation of the Supervisory Board, coordinating with MIC to successfully complete the business plan and tasks approved by the General Meeting of Shareholders, particularly:

- For the interests of shareholders, the Supervisory Board represents the MIC's General Meeting of Shareholders to supervise compliance with the legal provisions and the MIC's Charter in administration, operation, and supervision of the resolutions of the General Meeting of Shareholders to obtain the action goals approved by the General Meeting of Shareholders;
- Perform the supervisory function through operations such as the Supervisory Board manages and directly provides concrete guidances for the Internal Audit to inspect and supervise MIC's compliance with the Resolutions of the General Meeting of Shareholders, the legal provisions and the MIC's Charter; high-level supervision of the Supervisory Board over the Internal Audit; supervising the compliance with regulations on high-level supervision at MIC; supervising the implementation of strategies; supervising operations of finance and risk management; supervising investments; supervising the key investment projects of MIC; and supervising the financial safety indicators;
- Based on the supervision results, the Supervisory Board has pointed out the shortcomings in the operation process, timely sent the proposals and recommendations to the Board of Directors and the Executive Board on measures to strengthen supervision, amendment/completion of the internal regulations... to restrain and minimize risks, ensure compliance with legal provisions as well as better the quality and effectiveness of operations.

### MEMBERS OF THE SUPERVISORY BOARD

The list of members of the MIC Supervisory Board as of December 31, 2024 is as follows:



Ms. HOANG THI TUYET MAI

THE MEMBER OF  
SUPERVISORY BOARD



Ms. NGUYEN THI THAO

THE HEAD OF SUPERVISORY BOARD



Ms. BUI THI HONG THUY

THE MEMBER OF  
SUPERVISORY BOARD

The members of the Supervisory Board all have expertise and experience in accounting, finance, banking and insurance, meeting the requirements of standards and conditions as prescribed by law and MIC. The Supervisory Board is elected by the General Meeting of Shareholders to perform the functions and tasks as prescribed by law and MIC's Charter.





## TYPICAL OPERATIONS

### Implementation of the Internal audit

The Internal Audit Department is a unit directly under the Supervisory Board, playing the 3rd defensive role of the 3-line defensive model, implementing the internal audits and independent reviews of the performance of the 1st and 2nd defensive lines; conducting the audits and providing consultancies on senior management supervision to the Board of Directors and the General Director. The Internal Audit Department conducts independent and objective reviews and assessments over the internal supervision system; independently evaluates the appropriateness and compliance with regulations, internal policies, procedures and established processes; makes recommendations to enhance the effectiveness of systems, processes and regulations to ensure that MIC operates safely, effectively as prescribed by law.

In 2024, the Internal Audit Department has tried the best to carry out auditing/consulting programs beyond the set-forth plan. The contents of the auditing/consulting/reviewing programs focus on MIC's core business areas. Based on the auditing results, the advice and consultancy are highly appreciated and recognized by the Leadership and related units, thereby making significant contribution to improve the management and operation effectiveness at MIC.

Moreover, the Internal Audit Department promotes the implementation of strategic solutions towards transforming capacity and increasing the maturity level of internal audit work, focusing on perfecting internal audit human resources, strengthening automation and applying big data analysis tools to audit programs, researching and innovating internal audit methods in the Agile direction in order to enhancing the audit effectiveness, promptly detecting problems for timely correction.

The Supervisory Board has directed the Internal Audit Department to innovate auditing methods in accordance with the IIA international practices, focusing on auditing systems and processes to promptly detect high risks and make recommendations to improve and consolidate operations, systems and to better the business operations. Require the Internal Audit Department to review and develop a set of continuous supervision indicators and conduct month-based supervision, quickly grasp the operation situation of member companies so as to timely make recommendations to the MIC's Board of Directors and the Executive Board to make appropriate decisions.

Coordinate round 2 to ensure optimal resources for the Corporation, jointly coordinate and work with IT to exploit maximum automation.



### Assessment of the Board of Directors' management

MIC's Board of Directors has successfully completed the tasks approved by the General Meeting of Shareholders at the beginning of the year as well as the tasks assigned under the operation regulations and the Charter of MIC. The Board of Directors has regularly held periodic meetings to assess the operation of MIC, grasp the shortcomings, difficulties and obstacles, and promptly direct the Executive Board to complete the tasks approved by the General Meeting of Shareholders.

### Supervising the Implementation of the Resolution of the Annual General Meeting of Shareholders in 2024

In 2024, MIC has basically completed the business targets as well as the action programs approved by the General Meeting of Shareholders.

### Monitoring the organization of the Annual General Meeting of Shareholders in 2024 and the approving the Resolutions of MIC's Annual General Meeting of Shareholders in 2024

Under the supervision of the Supervisory Board, organizing the Annual General Meeting of Shareholders in 2024 and approving the Resolutions of the Annual General Meeting of Shareholders of MIC in 2024 were conducted in compliant with the provisions of the Law and MIC.

### Appraisal of Financial Statements and Income Statement

The Supervisory Board has appraised the Financial Statements in 2024 audited by KPMG and reached the agreement as follows: The Financial Statements have fairly reflected the financial situation of MIC in all material aspects and are in accordance with Vietnamese Accounting Standards as well as other legal regulations on preparation and presentation of Financial Statements.





### Supervisory Board's meetings

In 2024, the Supervisory Board quarterly held internal meetings with the attendance of all members. The meeting contents referred to the following issues:

- Organizing quarterly meetings to assess the operations of the Supervisory Board and Internal Audit Department in the quarter and deploying tasks for the following quarters;
- Directing the audit planning and approving the annual audit plan;
- Giving the orientation and structuring the organizational apparatus of the Internal Audit Department. Directing issues of human resources and organizing the Internal Audit apparatus;
- Implementing the audit work according to the set plan;
- Summarizing the operations in 2024 of the Supervisory Board and Internal Audit Department;
- Implementing the operational plan in 2025 of the Supervisory Board and Internal Audit Department.

### The coordination between the Supervisory Board and the Board of Directors, the Executive Board

The Board of Directors and the Executive Board have well coordinated with each other so that the Supervisory Board can complete its tasks of inspecting and supervising the operations of MIC as prescribed by the Law, the Charter and the Regulations on the organization and operation of the Supervisory Board.

The Supervisory Board regularly joins in regular meetings of the Board of Directors, thereby timely understanding the operational situation, strategic orientation, financial situation, and operational safety of MIC clearly. At the meetings, the Supervisory Board's recommendations have been received and directed to the relevant departments by the Board of Directors and the Executive Board so that they strictly follow and promptly send the feedbacks to the Supervisory Board through the Internal Audit Department.



### ORIENTATION FOR 2025

- Keep on consolidating and innovating the organization and supervision at MIC; strictly complying with the legal provisions and the MIC's Charter.
- Organizing the Supervisory Board's operations in strictly compliance with the legal provisions so as to ensure comprehensive supervision of all MIC's operations.
- Directing to consolidate the organization and operation of MIC's Internal Audit Department to strongly deploy the improvement solutions for Internal Audit Department's strategies.
- Continue to research and apply good standards/practices from the market and MB to improve capacity to meet development requirements.
- Appraise the 6-month financial statements and annual financial statements in accordance with the legal provisions.
- Carry out supervision tasks in accordance with the provisions of the Law, Charter, and Resolution of the General Meeting of Shareholders.
- Deploy Internal Audit work as scheduled: (i) Well coordinate with the second defensive line of the 3-line defensive model, share information to improve the effectiveness of internal control, audit, risk management and financial management. (ii) Improve supervision work after revising recommendations for internal supervision and audit.
- Based on the internal audit strategy 2022-2026, carefully consider addition of resources and increase in personnel for Internal Audit Department to ensure that inspection and supervision are conducted effectively and promptly.



## SHARE TRANSACTIONS OF INTERNAL SHAREHOLDERS AND RELATED PARTIES

STT	Traded by	Position in the Corporation/ relation with the internal shareholders	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reason of increase/ decrease (purchase, sales, transformation, reward etc..)
			Number of shares	Ratio/ charter capital	Number of shares	Ratio/ charter capital	
1	Mbbank	Blockholder	118.061.773	68,37%	118.061.773	68,37%	Remain unchanged
2	Mr. Uong Dong Hung	Chairman of Board of Directors	13.282	0,007%	13.282	0,007%	Remain unchanged
3	Ms. Ngo Bich Ngoc	Member of Board of Directors	44.919	0,026%	44.919	0,026%	Remain unchanged
4	Mr. Le Nhu Hai	Deputy General Director	6.037	0,003%	6.037	0,003%	Remain unchanged

## SALARY, REWARD, REMUNERATION AND OTHER BENEFITS OF THE BOARD OF DIRECTORS

### FINALLY SETTLE THE REMUNERATION FOR THE BOARD OF DIRECTORS AND THE SUPERVISORY BOARD IN 2024

The remuneration payment plan of the Board of Directors and the Supervisory Board in 2024 (including personal income tax) approved by the General Meeting of Shareholders on April 10, 2024 is 1.2% of the profit after tax in 2024, equivalent to VND 2.861.959.608 (Two billion eight hundred and sixty-one million nine hundred and fifty-nine thousand six hundred and eight dongs even./.)

The remuneration finally settled for the Board of Directors and the Supervisory Board in 2024 (including personal income tax) actually is VND 2.625.000.000/year (Two billion, six hundred and twenty five million dongs even./.)



### REMUNERATION PAYMENT PLAN FOR THE BOARD OF DIRECTORS AND THE SUPERVISORY BOARD IN 2025

Approving the remuneration payment plan of the Board of Directors and the Supervisory Board in 2024 (Including Personal Income Tax) is 1.2% of the profit after tax in 2024.

## THE RELATION BETWEEN SHAREHOLDERS AND INVESTORS

Through direct and online communications, meetings between corporation and investors are held periodically monthly and quarterly to connect the investor community more directly and regularly.

Receive information and comments from investors and shareholders via website or email.

The Corporation always commits the transparent administration, provides accurate information towards sustainable development and maximum benefits for shareholders, investors and related parties.



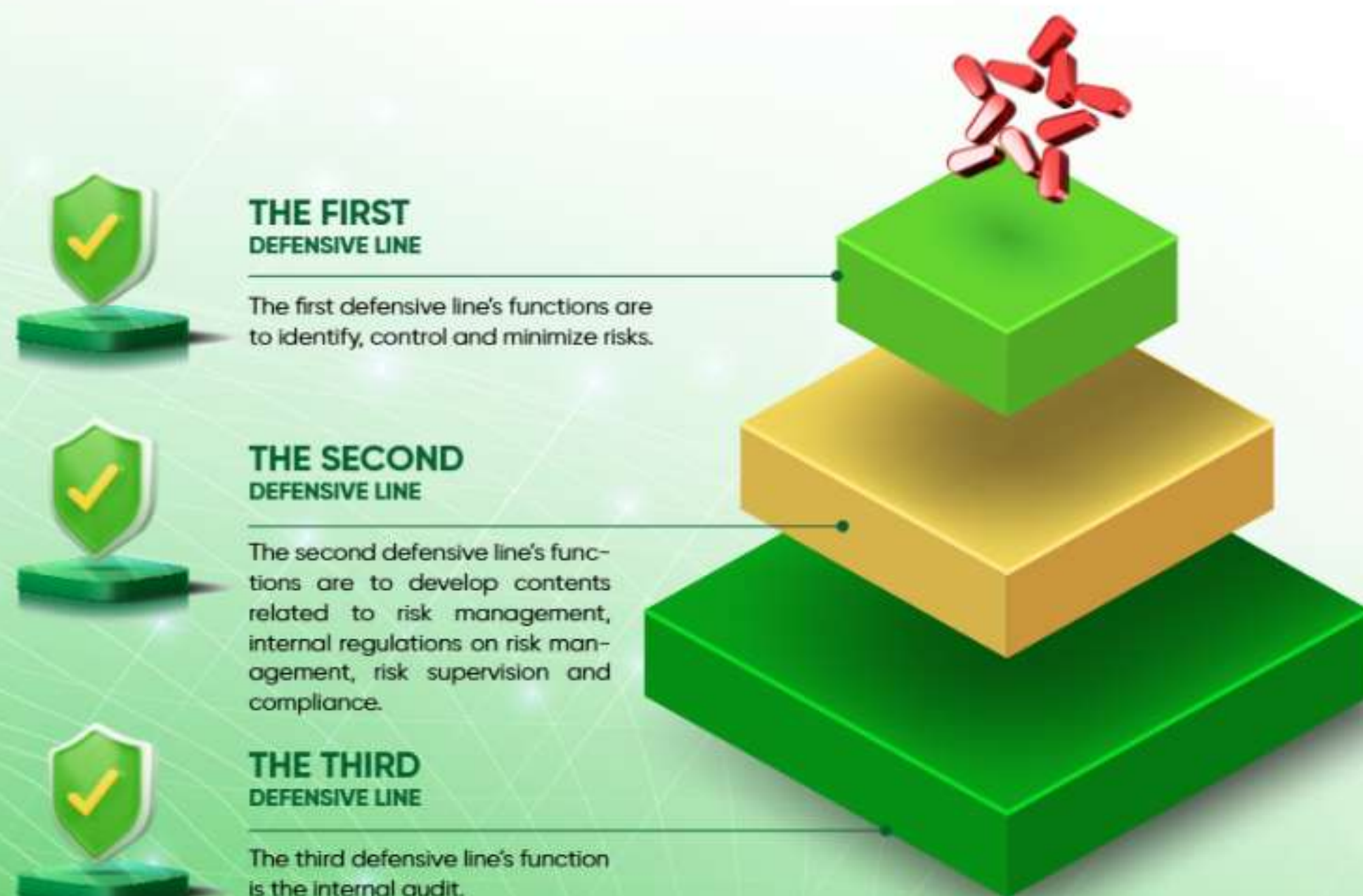


# RISK MANAGEMENT

## OPERATIONS OF BOARD OF DIRECTORS

### GENERAL INFORMATION

MIC's risk management system is established, operated and regularly upgraded according to the three-line defensive model:



At the level of the Board of Directors, the Risk Management Committee is an advisory and assisting body for the Board of Directors to exercise its authorities of risk management.

The tightly- organized and consistent risk management model has made significant contribution to effective risk control, ensuring safety for insurance business in market's fluctuations.

### RISK MANAGEMENT IN 2024

Improving the new insurance Core system and consolidating the risk management system have marked positive changes in risk management at MIC:

- The new insurance Core system has implemented "golive" of important components of development and compensation assessment. In particular, the principles/control points, decentralization limits, and sample insurance policies have been fully established to strengthen self-control of operational risks; at the same time, providing a multi-dimensional insurance data source, best support for assessment of assumptions about premiums and insurance benefits, thereby bettering the insurance risk management.
- Implement liquidity risk management, improve property portfolio to optimize Solvency Margin.
- Improving the insurance portfolio quality through fine-tuning the limits of high-risk operations. At the same time, the solutions for intensive analysis of the original Insurance portfolio of Vehicles, Human, Property, etc. have been recommended to the Board of Directors in order to enhance operation effectiveness.





# DIRECTIONS FOR DEVELOPING RISK MANAGEMENT

In 2025, for MIC's safe operation and achieving the challenging business goals, risk management has set new directions as follows:

## IMPROVING THE RISK MANAGEMENT SYSTEM

Keep on consolidating and enhancing the capacity through reviewing the organizational model at the Second Defensive Line to gradually bring the risk management system closer to the regulations of the management agency and the administration requirements of MIC.

Review risk management documents, tools and methods to update and complete the components in the Risk Management Framework.

## DEVELOP THE QUALITY OF HUMAN RESOURCES IN CHARGE OF RISK MANAGEMENT; ACCEPT AND INHERIT RISK MANAGEMENT METHODS FROM THE GROUP.

Along with developing a risk management system and tools, prioritizing to improve specialized knowledge to human resources is an essential factor for operation optimization.

The risk management system of MB Group has now reached a high development level, closer to the advanced risk management practices. Based on the roadmap, that MIC continues to be supported and shared with the specific methodology by MB Group, will certainly contribute to completing and improving MIC's risk management capacity.

## IMPLEMENT COMPLIANCE CONTROL ACTIVITIES ACCORDING TO NEW METHODS, WHILE PROMOTING OPERATIONAL RISK MANAGEMENT IN THE DIRECTION OF PREVENTING VIOLATIONS, PROACTIVELY DETECTING EARLY FOR CORRECTION.

Compliance inspection work is deployed centrally at the Corporation through the software system, with many forms of inspection combined by Topic/Product/Member Company, which will maximize the proactive early detection of compliance violations for timely correction and handling, while increasing labor productivity and expanding the scope of inspected subjects across the system.

In addition, all business processes will be reviewed, integrating control/checkpoint activities to prevent violations and limit compliance risks in the Internal Document System Re-planning Program.





# EVALUATE CORPORATION GOVERNANCE BASED ON THE ASEAN CORPORATION GOVERNANCE SCORECARD



MIG evaluates the Corporation's governance based on the ASEAN Corporation Governance Scorecard. Accordingly, MIG meets 100% of the practice: 177/184, accounting for 95,69%; 5 incomplete and unsatisfactory criteria, 3 N/A criteria will be considered to be improved in the coming years.

The criteria are evaluated particularly as follows:

DESCRIPTION	RECOMMENDATION	SATISFACTORY	PROPORTION
Shareholders' rights	21	21	100 %
Equitable treatment for shareholders	15	15	100%
Role of stakeholders	13	13	100%
Information disclosure and Transparency	32	31	96,8%
Board of Directors' responsibilities	65	61	94%
Bonus Scorecard	13	10	77%
Penalty Scorecard	26	26	100%
<b>TOTAL</b>	<b>185</b>	<b>177</b>	<b>95,6%</b>

## CONVENTION

- ✓ **Good:** 100% compliant with the practice
- ! **Incomplete:** Partially but not fully compliant with the practice
- ✗ **Unsatisfactory:** Unsatisfactory with the practice
- ⊘ **N/A:** This case does not occur at Military Insurance Corporation (stock code: MIG).

QUESTION	QUESTIONS' CONTENTS	EVALUATION	EVALUATION BASIS
<b>A.</b>	<b>SHAREHOLDERS' RIGHTS</b>		
<b>A.1</b>	<b>Shareholders' basic rights</b>		
A.1.1	Does the Corporation pay dividends (interim and final payment) in an equitable and timely manner? It means that are all shareholders treated equally and are paid within 30 days after they are (i) declared for interim dividends and (ii) approved by shareholders at the General Meeting of Shareholders for final dividends? In case where the Corporation announces a "Scrip dividend" option, does the Corporation pay dividends within 60 days from the date of announcement?	✓	The Corporation pays dividends as prescribed (within 06 months from the date when the General Meeting of Shareholders is held).
<b>A.2</b>	<b>The right to participate in decision-making in relation with important changes to the Corporation</b>		
	<b>Shareholders' participation rights</b>		
A.2.1 – A.2.3	Do shareholders have the right to: Amend the Corporation's charter, permit to issue the additional shares, to transfer all or most of the Corporation's assets resulting in the sale of the Corporation?	✓	Refer to Article 18 of the Corporation's Charter.
<b>A.3</b>	<b>The right to participate effectively and to vote at the General Meeting of Shareholders, and to be informed of the rules for the General Meeting of Shareholders, including voting procedures</b>		
A.3.1	Do shareholders have the chances, as shown in the agenda, to approve remuneration or any increases in remuneration for member of non-executive Board of Directors?	✓	The General Meeting of Shareholders approves the remuneration of the Board of Directors as shown in the General Meeting of Shareholders documents in 2024 and shown in the list of transactions, remuneration and benefits of the Board of Directors, Directorate and Supervisory Board of this report.



A.3.2	Does the Corporation permit non-controlling shareholders to nominate members of the Board of Directors?	✓	Refer to Article 33 of the Corporation's Charter. Shareholders or groups of shareholders owning 10% of the charter capital are entitled to nominate.
A.3.3	Does the Corporation permit shareholders to vote for individual member of the Board of Directors?	✓	Yes. Refer to Article 18 of the Corporation's Charter
A.3.4	Does the Corporation announce the applicable voting procedures before holding the General Meeting of Shareholders?	✓	Voting procedures are publicized in the General Meeting of Shareholders' documents as specified in the Corporation's regulations and are approved by the General Meeting.
A.3.5	Do the minutes of the latest General Meeting of Shareholders record that shareholders have the opportunities to make questions or recommendations?		
A.3.6	Does the Corporation publicize the voting results, including the number of votes in favor, against, and abstentions for each draft item of the latest General Meeting of Shareholders?	✓	Yes. Refer to the annual General Meeting of Shareholders' minutes.
A.3.7	Does the Corporation publicize the list of members of the Board of Directors attending the latest General Meeting of Shareholders?		
A.3.8	Does the Corporation publicize that all members of the Board of Directors and the General Director attending the latest General Meeting of Shareholders?		
A.3.9	Does the Corporation permit absentee voting?	✓	Yes.
A.3.10	Does the Corporation vote based on the number of votes cast by Shareholders (not by showing their hands) for all Resolutions at the latest General Meeting of Shareholders?	✓	Vote by "voting card" for issues at the General Meeting based on each item according to the proportion of shares owned. When registering shareholders, MIG provides each shareholder or authorized representative with voting rights with a voting card, on which is recorded the shareholder code and the number of votes of that shareholder.
A.3.11	Does the Corporation announce that it has appointed an independent party (inspector, supervisor) to count and/or verify votes at the General Meeting of Shareholders?	✓	At the General Meeting, a Vote Counting Committee is elected to execute tasks under the Working Regulations and always invites additional shareholders to supervise the vote counting.

A.3.12	Does the Corporation publicize the voting results for all Resolutions at the latest General Meeting of Shareholders on the next working day?	✓	Minutes and Resolutions of the General Meeting of Shareholders are announced within 24 hours on the website: <a href="https://mic.vn">https://mic.vn</a>
A.3.13	Does the Corporation give at least 21 days prior notice of the Annual/Extraordinary General Meeting of Shareholders?	✓	At the Annual General Meeting of Shareholders in 2023, the Corporation posts the General Meeting of Shareholders documents on the Corporation's website: <a href="https://mic.vn">https://mic.vn</a> 21 days in advance.
A.3.14	Does the Corporation provide the basis, information and explanation for each item in the draft Resolution to be approved by Shareholders in the notice and documents of the General Meeting of Shareholders, draft or attached reports?	✓	The Annual General Meeting of Shareholders documents fully provided information and basis of the issues submitted to the General Meeting of Shareholders for approval.
A.3.15	Does the Corporation give shareholders the opportunities to submit their proposals on issues of the agenda of the General Meeting of Shareholders?	✓	Before holding the General Meeting, shareholders may submit proposals of issues to be included in the agenda of the General Meeting of Shareholders (proposals must be in writing and must be sent at least three (03) working days before the opening date of the General Meeting of Shareholders). At the General Meeting, the shareholders are entitled to 30 minutes to make questions to the Board of Directors about the issues in the agenda of the General Meeting, including questions related to independent audits... All discussion questions are recorded in the General Meeting's minutes.
A.4	<b>The market for company takeovers must be allowed to operate in effective and transparent manner</b>		
A.4.1	In cases of merges, acquisitions or takeovers requiring shareholders' approvals, does the Corporation's Board of Directors appoint an independent party to assess the reasonableness of the merge or acquisition price?	⊘	In 2024, these cases did not occur in MIG



## A.5 All shareholders, including investors as organizations need be facilitated to exercise their ownership rights

A.5.1	Does the Corporation disclose its practice policy to encourage shareholders's participation outside the framework of the General Meeting of Shareholders?	✓	MIG holds meetings between shareholders and investors to update business results. The Investor Relations Department is ready to answer questions and record feedback from shareholders and investors.
-------	-----------------------------------------------------------------------------------------------------------------------------------------------------------	---	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

## B. EQUAL TREATMENT FOR SHAREHOLDERS

### B.1 Shares and voting rights

B.1.1	Does each ordinary share of the Corporation have a vote?	✓	The voting rules at the General Meeting clearly show this content.
B.1.2	If the Corporation has more than one kind of shares, does the Corporation disclose the number of votes associated with each kind of shares?	✓	MIG has only 01 kind of share: Ordinary share.

### B.2 Notice of Annual General Meeting of Shareholders

B.2.1	Each Resolution of the latest General Meeting of Shareholders only refers to a content of the draft Resolution, i.e., are multiple contents not combined into a Resolution?	✓	The issues in the General Meeting's Resolution are separated.
B.2.2	Are the notices and documents of the latest General Meeting of Shareholders fully translated into English and publicized on the same day as the documents in the local language?	✓	The documents of the General Meeting of Shareholders are written in Vietnamese and English.
B.2.3	Are biographies of the members of the Board of Directors to be elected/re-elected provided?	✓	Disclosed in documents of the General Meeting of Shareholders and in this report.
B.2.4	Are auditors to be elected/re-elected clearly identified?	✓	MIG has clearly announced information of name, age, training level, expertise, working history and positions held at other companies etc...
B.2.5	Are power of attorneys to attend the General Meeting of Shareholders easily provided?	✓	Uploaded on the Corporation website: <a href="https://mic.vn">https://mic.vn</a>

### B.3 Insider trading and abuse for personal gain must be prohibited

B.3.1	Does the Corporation have a policy or regulation forbidding members of Board of Directors and employees from profiting from knowledge that is not publicly disclosed?	✓	Yes. Refer to Article 50, Internal Governance Regulations.
-------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------	---	------------------------------------------------------------

B.3.2	Are Board of Directors' members requested to report transactions related to Corporation's shares within 3 working days?	✓	MIG has been well implementing this principle in compliance with the Circular No. 96/2020/TT-BTC and Corporation's Regulations and Charter.
-------	-------------------------------------------------------------------------------------------------------------------------	---	---------------------------------------------------------------------------------------------------------------------------------------------

## B.4 The stakeholders' transactions of the members of Board of Directors and senior managers

B.4.1	Does the Corporation have any policy requiring Board of Directors' members to disclose their relevant interests in transactions and any conflicts of interest with the Corporation?	✓	Yes. Refer to Article 50 of the Internal Regulations on Corporation Governance. Comply with information disclosure under the Circular 96/2020/TT-BTC.
B.4.2	Does the Corporation have any policy requiring a Sub-Committee including independent members of Board of Directors to review significant stakeholders' transactions to determine whether or not these transactions serve the best interests of the Corporation and its shareholders?	✓	Yes. Independent members of the Board of Directors are also the members of the Risk Management Committee
B.4.3	Does the Corporation have any policy requiring members of the Board of Directors not to attend the Board of Directors' meetings related to transactions in which they have a conflict of interest?	✓	Do members of the Board of Directors attend meetings or seek written opinions about the cases with conflicts of interest?
B.4.4	Does the Corporation have any prohibition policy on loans to members of the Board of Directors to ensure that loans are made on a fair transaction basis at market rates?	✗	Not applicable. This regulation is not provided by the Corporation.

## B.5 Protecting minority shareholders from abusive behavior

B.5.1	Does the Corporation disclose that stakeholders' transactions are conducted in a manner to ensure that such transactions are fair and based on market mechanism?	✓	Disclosure according to Circular 96, disclosed in the Periodic Management Report. In case shareholders' approval is required for related party transactions, voting for approval must be conducted by disinterested shareholders.
B.5.2	If shareholders' approval is required for related party transactions, voting for approval must be conducted by disinterested shareholders.		

## C. ROLE OF STAKEHOLDERS

### C.1 The rights of stakeholders as provided by law or under bilateral agreements must be respected. Does the Corporation announce its policies and practices on.....



C.1.1	Are policies and practices for protection of clients' interests announced?		
C.1.2	Are policies and practices, processes and procedures for selecting suppliers and contractors announced?	✓	Presented in the Annual Report, Chapter 5: Report of Sustainable Development.
C.1.3	Are the corporation's policies and practices describing its efforts to ensure its series of value environmentally friendly or consistent with promoting sustainable development disclosed?		
C.1.4	Are the corporation's policies and practices describing its efforts to engage with the communities in which it operates disclosed?	✓	Presented in the Annual Report under the item of Social Community Activities.
C.1.5	Are the corporation's policies and practices for anti-corruption disclosed?	✓	Presented in the Annual Report under the close supervision of the Corporation's Supervisory Board.
C.1.6	Are the corporation's policies and practices describing its protection for the creditors' interests disclosed?	⊘	Currently, it does not occur at MIG. In the coming time, MIG will consider supplementing the policies for protection of the creditors' interests.
C.1.7	Does the corporation prepare a separate report describing its efforts on economic, social and environmental issues?	✓	Presented in the Annual Report, Chapter V: Report of Sustainable Development.
C.2	<b>The interests of stakeholders are protected by law, and stakeholders must be given opportunities to complain effectively if their rights are violated.</b>		
C.2.1	Does the Corporation provide its contact information on the Corporation's website or Annual Report so that stakeholders (e.g. clients, suppliers, the public, etc.) can use to voice their concerns and/or make complaints about potential violations of their rights?	✓	MIG has publicized its contact information on the website: <a href="https://mic.vn">https://mic.vn</a> , Annual Report is released on year-base.
C.3	<b>Mechanisms to enhance employees' participation should be permitted to develop</b>		
C.3.1	Does the Corporation clearly disclose its policies of health, safety and benefits to employees?		
C.3.2	Does the Corporation disclose its policies and training – development programs for the employees?	✓	Presented in the Annual Report, Chapter V: Report of Sustainable Development.
C.3.3	Does the Corporation apply any reward policy to promote its long-term rather than short-term performance efficiency?		
C.4	<b>The stakeholders, consisting of employees and their representatives, should be free to express their concerns about illegal or unethical practices to the Board of Directors and their rights need be protected.</b>		

C.4.1	Does the Corporation have any exposure policy including a complaint procedure for employees and stakeholders regarding illegal (including corrupt) or unethical practices and provide detailed contact on the Corporation website or Annual Report?	✓	Specified in Corporation Cultural Characters, regulations on democracy, communication and citizen reception at the Corporation.
C.4.2	Does the Corporation have policies or procedures to protect individual employees from retaliation and to protect those exposing illegal/unethical conduct?		
<b>D INFORMATION DISCLOSURE AND TRANSPARENCY</b>			
<b>D.1 Ownership structure of transparency</b>			
D.1.1	Are the shareholder information with their shareholdings of 5% or more disclosed?		
D.1.2	Does the corporation disclose the direct and (deemed) indirect shareholdings of major shareholders?		
D.1.3	Does the corporation disclose the direct and (deemed) indirect shareholdings of members of the Board of Directors?	✓	Satisfactory. Specifically presented in the Annual Report and annual Corporation Governance Report.
D.1.4	Does the corporation disclose the direct and (deemed) indirect shareholdings of the Executive Board?		
D.1.5	Does the corporation disclose the detailed information of its holding company, subsidiaries, associated companies, joint ventures and special purpose enterprises (SPEs)/ (SPVs)?	✓	Refer to Annual Financial Statement and Annual Report.
<b>D.2 Quality of Annual Report</b>			
D.2.1 - D.2.7	<ul style="list-style-type: none"> <li>Corporation's goals</li> <li>Financial key performance indicators</li> <li>Non-financial key performance indicators</li> <li>Policy of dividend</li> <li>Biographical details of the members of the Board of Directors</li> <li>Details of the attendance of each member of the Board of Directors in the Board of Directors' meetings of the Board during the year</li> <li>Total remuneration of each member of the Board of Directors</li> </ul>	✓	Refer to Annual Financial Statement and Annual Report.
D.2.8	Does the Annual Report publicize statements and confirmation of the Corporation's proper compliance with the Corporation Governance code and, in case of non-compliance, clearly identify and explain the reasons thereof?	✓	Refer to the annual report, Chapter IV: Corporation Governance.



### D.3 Disclosure of stakeholders' transactions

D.3.1	Does the Corporation publicize its policy on reviewal and approval of material RPTs?		Refer to the annual report of the list of Insider & Related - Party Transactions and the financial statements, periodical governance reports.
D.3.2	Does the Corporation publicize the name of the related parties, relations, nature, and the value of each material RPTs?	✓	

### D.4 Board of Directors' member trading Corporation' shares

D.4.1	Does the Corporation publicize transactions of the Corporation's shares conducted by Corporation insiders?	✓	Before the share transaction date, the insiders report 3 trading days in advance and the transactions are reported in Chapter IV - Corporation Governance of the Annual Report.
-------	------------------------------------------------------------------------------------------------------------	---	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### D.5 Independent auditors and audit report

D.5.1	Are audit service fees/audit fees publicized?	!	The Corporation has announced the contract signing with the Auditing Company but has not disclosed the audit service fee.
D.5.1	Are non-audit service fees higher than audit service fees?	✓	The Corporation hired a professional company to advise on strategies and operating procedures... MIG always carefully considers factors to avoid potential conflicts of interest.

### D.6 Means of communication

#### Does the Corporation use the following communication forms?

D.6.1	Corporation's Quarterly report	✓	The Corporation publicizes on the website <a href="https://mic.vn">https://mic.vn</a> and mass media in accordance with the regulations on information publication deadline.
D.6.2	Corporation's website	✓	The Corporation's website is written in both Vietnamese and English to ensure that information is conveyed appropriately: <a href="https://mic.vn">https://mic.vn</a> .
D.6.3	Analysts' reviews	✓	Annually, the Corporation organizes a meeting of shareholders and investors to update the Corporation's business results.
D.6.4	Information at press conferences	✓	The Corporation regularly publishes articles updating the business situation and broadcasting its image on the media.

### D.7 Submitting annual report/financial statement on time

D.7.1	Is the audited annual financial statement publicized within 120 days from the end of the financial year?	✓	The Corporation is strictly compliant with the regulations.
D.7.2	Is the annual report publicized within 120 days from the end of the financial year?	✓	The Corporation's Annual Report is publicized within 20 days from the publication of the Audited Financial Statements.
D.7.3	Are the truthfulness and reasonableness of the annual financial statements affirmed by the Board of Directors or an authorized executive member of the Corporation?	✓	The Report of the Board of Directors in the audited financial statements indicated this content.

### D.8 Corporation's website

#### The corporation's website updates information about:

D.8.1 – D.8.6	<ul style="list-style-type: none"> <li>(The latest quarter) financial statement</li> <li>Documents from analysts and media companies</li> <li>Financial statements can be downloaded</li> <li>Notices and documents of the General Meeting of Shareholders and/or Extraordinary General Meeting of Shareholders</li> <li>Minutes of the General Meeting of Shareholders and/or Extraordinary General Meeting of Shareholders</li> <li>Corporation's Charter can be downloaded</li> </ul>	✓	Refer to the Corporation's website at the link: <a href="https://www.mic.vn">https://www.mic.vn</a>  Item: Shareholder relation
---------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---	---------------------------------------------------------------------------------------------------------------------------------------

### D.9 Investment relation

D.9.1	Does the corporation publicize contact information (e.g. phone number, fax and email) of the officer/department in charge of investment relation?	✓	The corporation's website consists of a contact and Q&A item and hotline numbers for individuals/organizations to contact conveniently.
-------	---------------------------------------------------------------------------------------------------------------------------------------------------	---	-----------------------------------------------------------------------------------------------------------------------------------------

## E RESPONSIBILITIES OF THE BOARD OF DIRECTORS

### E.1 Roles and responsibilities of the Board of Directors

#### The responsibilities of the Board of Directors and the Corporation Governance regulations are clearly defined.

E.1.1	Does the Corporation publicize its Corporation Governance regulations and the Board of Directors' operation charter?	✓	The Corporation's website publicizes the Internal Regulations on Corporation Governance.
E.1.2	Are the decisions requiring approval by the members of the Board of Directors publicized?	✓	The Resolutions/Decisions of the Board of Directors are publicized in accordance with the Circular 96/2020/TT-BTC and are presented in Chapter IV of the Corporation Governance Report and Annual Report.



E.1.3	Are the roles and responsibilities of the members of the Board of Directors clearly defined and publicized?	✓	The Charter and Internal Regulations on Corporation Governance clearly demonstrate the roles and responsibilities of the Board of Directors.
<b>Corporation's vision and missions</b>			
E.1.4	Does the Corporation publicize its up-to-date vision and missions?	✓	Refer to the Corporation's website, annual report; item: Vision - Mission - Core values.
E.1.5	Do the members of the Board of Directors play a key role in development and annual review of the Corporation's strategies?	✓	Annually, the Board of Directors reviews and develops the Corporation's strategies, which are presented in the Annual Report and documents of the General Meeting of Shareholders.
E.1.6	Do the members of the Board of Directors monitor implementation of the Corporation's strategies?	✓	Quarterly, the Board of Directors reviews and reports on implementation of the strategies and proposes appropriate adjustments to the Corporation's situation.
<b>E.2 Structure of Board of Directors</b>			
<b>Code of Ethics or Conduct</b>			
E.2.1	Are the details of the Code of Ethics or Conduct publicized?	✓	The Corporation's website clearly shows the Corporation's five core values; the rules of ethics and conduct with stakeholders; and the Corporation has a Code of Conduct disclosed within the Corporation and the Corporation is considering public disclosure.
E.2.2	Does the Corporation disclose that all directors, senior managers and employees are required to comply with the code?	✓	The Corporation has announced compliance with the Code to the Board of Directors, Executive Board, managers and employees.
E.2.3	Does the Corporation disclose how it implements and monitors compliance with the Code of Ethics or Conduct?	✓	The Board of Directors' regulations on organization and operation of the Board of Directors mention supervision of compliance with the Code of Ethics.
<b>Member and structure of Board of Directors</b>			
E.2.4	Do independent members of the Board of Directors account for at least 50% of the Board of Directors' members?	✓	The Corporation applies a governance model with a Supervisory Board, in which, the Corporation has 1/5 of the Board of Directors' members as independent members in compliance with the Enterprise Law

E.2.5	Does the Corporation limit the term of office of 9 years or less or 2 five-year terms for independent members of the Board of Directors?	✓	The Corporation charter clearly stipulates that the term of office of a member of the Board of Directors shall not exceed 5 years. At the same time, the criteria and conditions are that an independent member of the Board of Directors "must not be a member of the Board of Directors or the Supervisory Board of MIG for at least the previous five (05) consecutive years and must not have served more than 2 terms".
E.2.6	Does the Corporation set a maximum limit of five Board positions may be concurrently held by an independent/non-executive member of the Board of Directors at other companies?	✓	Clearly specified in the Corporation Charter
E.2.7	Does the Corporation have any executive BOD members working for more than two Boards of listed companies outside the Group?	✓	All members of the Board of Directors are not permitted to hold management and executive positions at other companies.
E.2.8	Does the Corporation have a Human Resources Sub-Committee?	✓	The Corporation consists of a Human Resources Sub-Committee under the Board of Directors.
E.2.9	Does the Human Resources Sub-Committee consist of a majority of independent BOD members?	!	The Human Resources Committee includes members of the Board of Directors.
E.2.10	Is the Chairperson of the Human Resources Sub-Committee an independent BOD member?	!	The Chairperson of the Human Resources Committee is not an independent member.
E.2.11	Does the Corporation announce the operation regulations/governance structure/charter of the Human Resources Sub-Committee?	✓	The Charter and internal regulations on Corporation Governance stipulate this content. The Human Resources Committee issues a Regulation on organization and operation and is announced within the Corporation.
E.2.12	Does the Human Resources Sub-Committee hold at least two meetings a year and are they publicized?	✓	
<b>Remuneration/Reward Sub-committee</b>			
E.2.13	Does the Corporation have a Remuneration Sub-Committee?	✓	Human Resources Committee is responsible for tasks related to remuneration, payroll and reward.
E.2.14	Does the Remuneration Sub-Committee consist of a majority of independent members of the Board of Directors?	✗	Similar to E.2.9.



E.2.15	Is the Chairperson of the Remuneration Sub-Committee an independent member of the Board of Directors?	✓	Similar to E.2.10.
E.2.16	Does the Corporation announce the operation rules/governance structure/charter of the Remuneration Sub-Committee?	✓	Similar to E.2.11.
E.2.17	Does the Remuneration Sub-Committee hold at least two meetings a year and are they publicized?	✓	Similar to E.2.12.
<b>Audit sub-committee</b>			
E.2.18	Does the Corporation have an Audit Sub-committee/Supervisory Board?	✓	The Corporation operates under the Supervisory Board model.
E.2.19	Does the Audit Sub-Committee/Supervisory Board consist entirely of non-executive BOD members with a majority of independent BOD members?	✓	The Supervisory Board consists of non-executive members of the Supervisory Board.
E.2.20	Is the Head of the Supervisory Board independent from management/execution?	✓	The Head of the Supervisory Board does not participate in management and operation.
E.2.21	Does the Corporation announce the operation regulations/governance structure/charter of the Audit Sub-Committee/Supervisory Board?	✓	The Charter, internal regulations on Corporation Governance and the operation regulations of the Supervisory Board stipulate this content and are publicized on the Corporation's website.
E.2.22	Does a member of the Supervisory Board have accounting expertise (accounting qualifications or experience)?	✓	The Supervisory Board's members are financial professionals.
E.2.23	Does the Supervisory Board hold at least four meetings a year and are they publicized?	✓	The Supervisory Board holds a quarterly meeting and publicizes it in the Corporation Governance report.
E.2.24	Does the Supervisory Board have principal responsibilities for making recommendations on appointment and dismissal of the independent auditors?	✓	As stipulated in the Corporation's Charter and the Organizational Regulations of the Supervisory Board.
<b>E.3 Board of Directors' operation procedures</b>			
<b>Meetings and Attendance to BOD's meetings</b>			
E.3.1	Are BOD meetings scheduled before the start of the financial year?	✓	HĐQT lập và ban hành kế hoạch họp HĐQT vào thời điểm đầu năm trong năm trình HĐQT.
E.3.2	Do BOD members meet at least six times during the year?	✓	In 2024, 06 in-person meetings were held.
E.3.3	Does each Board member attend at least 75% of the BOD meetings during the year?	✓	Each BOD member attended more than 100% of the meetings.

E.3.4	Does the Corporation require a minimum quorum of two-thirds of the BOD members for meetings requiring BOD's decision-making?	✓	Refer to Clause 5, Article 39 of the Corporation's Charter as follows: "a BOD meeting is held when 3/4 (three-fourth) or more of the total meeting attendants".
E.3.5	Do the Corporation's non-executive BOD members hold a separate meeting at least once a year without the attendance of the Executive Board's members?	✗	Non-executive BOD members do not hold separate meetings to evaluate the performance of the Executive Board.
<b>Access to information</b>			
E.3.6	Are the documents of BOD meetings provided to the Board of Directors at least 5 working days before the BOD meeting?	✓	Notices and documents of the Board of Directors' meetings are submitted to the BOD members at least three 05 working days before the meeting date.
E.3.7	Does the Corporation's Secretary play an important role in assisting the BOD in doing its tasks & responsibilities?	✓	Yes. Refer to Clause 6, Article 29 of the Charter and Internal Regulations on Corporation Governance.
E.3.8	Is the Corporation's Secretary qualified for working legal, accounting or secretarial tasks and working with relevant departments?	✓	MIG is strictly compliant with this regulation
<b>Appointment and re-election of BOD members</b>			
E.3.9	Does the Corporation publicize the criteria used to select new BOD members?	✓	MIG is strictly compliant with this regulation
E.3.10	Does the Corporation publicize the procedures used to appoint new BOD members?	✓	
E.3.11	Are all BoD members re-elected at least every 3 or 5 years for listed companies operating in countries where the law stipulates a 5-year term?	✓	A term of office of a BoD member at MIG is 5 years
<b>Các vấn đề thù lao</b>			
E.3.12	Does the Corporation publicize its remuneration policy and practices for Executive Board's members and GENERAL DIRECTOR?	✓	Refer to the Annual Report on the item of payroll, bonuses, remuneration and other benefits of the Board of Directors, the Executive Board and the Supervisory Board.
E.3.13	Is the remuneration structure for non-executive BoD members publicized?	✓	
E.3.14	Do shareholders or the BoD approve the remuneration of Executive Board's members and/or senior managers?	✓	The remuneration of the Board of Directors is approved annually by the General Meeting of Shareholders and is publicized in the Resolution of the General Meeting of Shareholders. The Board of Directors approves the salary scale of the General Directorate and functional directors.



E.3.15	Does the Corporation have measurable policies and standards to match the performance-based remuneration of BoD members or Executive Board's members with the long-term interests of the Corporation, such as clawback provisions, deferred bonuses?	✓	Apply the reward policy based on business results and operations of the committees
<b>Internal audit</b>			
E.3.16	Does the Corporation have a separate Internal Audit function?	✓	The Corporation has a separate Internal Audit department.
E.3.17	Is the Head of Internal Audit identified, or if outsourced, is the name of the outsourcing Company publicized?	✓	It is publicized transparently
E.3.18	Are the appointment and dismissal of the Internal Auditor approved by the Audit Sub-Committee?	✓	The appointment and dismissal of the Internal Auditor is decided by the Board of Directors.
<b>Risk control</b>			
E.3.19	Công ty có quy trình kiểm soát nội bộ/hệ thống QLRR và được rà soát định kỳ tính hiệu quả?	✓	Quarterly, the Internal Supervisory Board conducts a review and updates the risk management system.
E.3.20	Does the Annual Report publicize that the BoD's members has reviewed the Corporation's key controls and risk management systems?		
E.3.21	Does the Corporation publicize the major risks?	✓	Tham chiếu báo cáo thường niên tại Chương IV Quản trị công ty.
E.3.22	Does the Annual Report present a statement by the Board of Directors or the Audit Sub-Committee on the adequacy of the Corporation's internal controls over its risk management system?		
<b>E.4 PERSONNEL OF BOARD OF DIRECTORS</b>			
E.4.1	Are two different personnels holding the positions of Chairperson and GENERAL DIRECTOR?	✓	At MIG, the positions of Chairperson of the Board of Directors and General Director are separated.
E.4.2	Is the Chairperson an Independent member of the Board of Directors?	✗	Chairperson is not an Independent member of the Board of Directors
E.4.3	Are any members of the Board of Directors former General Director/ CEOs of the Corporation in the past 2 years?	✓	MIG well meets this criterion
E.4.4	Are the roles and responsibilities of the Chairperson of the Board of Directors publicized?	✓	The Charter and Governance Regulations clearly show this content.
<b>Chief independent member of Board of Directors</b>			
E.4.5	If the Chairperson of BoD is not independent, does the BoD appoint an experienced independent member of the Board of Directors with clearly defined job requirements?	✓	There is 01 independent member of the Board of Directors supporting and performing related tasks.

<b>Skills and capacities</b>			
E.4.6	Does at least one non-executive BoD member have previous work experience in the core industry in which the Corporation operates?	✓	MIG has 3/5 non-executive BoD members and all members are experienced in insurance/finance.
<b>E.5 BOARD OF DIRECTORS' PERFORMANCE</b>			
<b>Developing the BoD's members</b>			
E.5.1	Does the corporation have an oriented program for new BOD members?	✓	The assessment contents of the annual performance for the Board of Directors/General Director are presented in the Corporation's internal regulations. However, the oriented programs for new BoD members are not clear.
E.5.2	Does the corporation have any policy to encourage BOD members to attend continuing education or professional training programs?	✓	The Corporation has policies to encourage BoD members to attend training programs under the management of the Human Resources Sub-committee.
<b>Appointment and Performance of CEO/Executive Board</b>			
E.5.3	Does the Corporation publicize how the BoD members develop succession planning for the Chairperson/General Director and key personnel?	✓	MIG has planned to build a succession team, and it is widely publicized throughout the system
E.5.4	Do the BoD Members conduct annual performance reviews for the Chairperson/General Director?	✓	The annual report presents the performance assessment of the General Director and the Board of Directors
<b>Performance assessment for Board of Directors</b>			
E.5.5	Is an annual performance assessment conducted for the Board of Directors and are the criteria and procedures for conducting the assessment publicized?	✓	An assessment is conducted and presented in the Annual Report.
<b>Performance assessment for Board of Directors' members</b>			
E.5.6	Is an annual performance assessment conducted for each member of the Board of Directors and are the criteria and procedures for conducting the assessment publicized?	✓	The Corporation conducts performance assessment(s) for the Board of Directors in the Board of Directors' Report at the General Meeting of Shareholders.
<b>Performance assessment for sub-committees</b>			
E.5.7	Is an annual performance assessment conducted for the Board of Directors' Subcommittees and are the criteria and procedures for conducting the assessment publicized?	✓	The assessment is conducted and presented in detail in the Annual Report?



## BONUS SCORECARD

QUESTION	DESCRIPTION	ASSESSMENT	ASSESSMENT BASIS
<b>(B) A. SHAREHOLDERS' RIGHTS</b>			
<b>(B) A.1 Shareholders' Basic rights</b>			
(B) A.1.1	Does the Corporation permit to use electronic absentee voting at the General Meeting of Shareholders?	✓	Remote voting is stipulated in the Charter and Internal regulations on Corporation Governance.
<b>(B) B. FAIR TREATMENT FOR SHAREHOLDERS</b>			
<b>(B) B.1 Notice of General Meeting of Shareholders</b>			
(B) B.1.1	Does the Corporation issue a notice of the General Meeting of Shareholders (with specific agenda and explanatory notice), as notified to the Stock Exchange, at least 28 days before the meeting date?	✓	A notice of the General Meeting of Shareholders is notified 21 days before the meeting date.
<b>(B) C. THE ROLES OF STAKEHOLDERS</b>			
<b>(B) C.1 The rights of stakeholders provided by law or under bilateral agreements must be respected</b>			
(B) C.1.1	Is the Corporation compliant with an internationally-recognized reporting framework for sustainable development (i.e. GRI, Integrated Reporting, SASB)?	✓	MIG's report about sustainable development is prepared according to GRI standards.
<b>(B) D. INFORMATION DISCLOSURE AND TRANSPARENCY</b>			
<b>(B) D.1 Quality of Annual Report</b>			
(B) D.1.1	Are audited annual financial statements publicized within 60 days from the end of the financial year?	✓	The audited annual financial statements are publicized within 10 days from the signing date by the auditor and within 90 days from the end of the financial year.
(B) D.1.2	Does the Corporation disclose details of General Director's remuneration?	✓	Presented in the annual report and documents of general meeting of shareholders.
<b>(B) E. RESPONSIBILITIES OF THE BOARD OF DIRECTORS</b>			
<b>(B) E.1 BoD's Capacity and Diversity</b>			

(B) E.1.1	Does the Corporation have at least one female independent BoD member?	✓	The Corporation has 2/5 female independent BoD member.
(B) E.1.2	Does the Corporation publicize a policy and measurable targets for implementing BoD's diversity and report the progress?	✗	
<b>(B) E.2 BoD Structure</b>			
(B) E.2.1	Does the Human Resource Sub-Committee include all independent BoD members?	!	Human Resource Sub-Committee excludes independent BoD members
(B) E.2.2	Does the Human Resource Sub-Committee implement a development process for quality criteria for BoD members consistent with the Corporation's strategic direction?	!	MIG aims to fulfill this criterion well in the coming years.
<b>(B) E.3 Appointment and re-election of the Board of Directors</b>			
(B) E.3.1	Does the Corporation use searching firms or outsourcing independent candidates (such as databases of BoD members established by BoD member institutes or shareholder associations) when searching for candidates for the Board of Directors?	✓	MIG well implements this regulation
<b>(B) E.4 Board structure &amp; composition</b>			
(B) E.4.1	Does the Corporation have independent non-executive BoD members accounting for more than 50% of the BoD members with the chairperson being an independent member?	✓	There are 04/05 non-executive BoD members, accounting for 80% BoD members
<b>(B) E.5 Risk management</b>			
(B) E.5.1	Does the Board of Directors (BoD) describe a governance procedure for IT-related issues such as disconnection, cyber security, and disaster recovery to ensure that all primary risks are identified, managed and reported to the BoD?	✓	As specified in the "Cultural Characters" and Corporation regulations. Quarterly, the Internal Audit Department reports about the main risks identified to the Board of Directors.
<b>(B) E.6 The Board of Directors' performance</b>			
(B) E.6.1	Does the Corporation have Risk Management Sub-Committee?	✓	The Corporation has a separate Risk Management Department under the Risk Management Division. There is a Risk Management Sub-committee established by the Board of Directors.



## PENALTY SCORECARD

QUESTION	DESCRIPTION	ASSESSMENT	ASSESSMENT BASIS
<b>(P) A. SHAREHOLDERS' RIGHTS</b>			
<b>(P) A.1 Shareholders' basic rights</b>			
(P) A.1.1	Does the Corporation fail or neglect to treat all shareholders fairly for buybacks?	✓	Fair treatment for buybacks for all shareholders are clearly specified in the Charter and internal regulations on Corporation Governance. No case happens during the year.
(P) A.2	<b>Shareholders, including institutional shareholders, must be given opportunities to communicate with each other on issues relating to their basic rights as set out in these Corporation Governance Regulations, subject to exceptions to prevent abuse.</b>		
(P) A.2.1	Is there any evidence of barriers preventing shareholders from communicating with or consulting with other shareholders?	✓	No barrier is recognized by MIG
(P) A.3	<b>The right to participate effectively in and to vote at the general meeting of shareholders and to be informed of the rules, including the voting procedures, that take place at the general meeting of shareholders</b>		
(P) A.3.1	Does the Corporation include additional and priorly-unannounced agenda contents in the notice of the general meeting of shareholders/extraordinary general meeting of shareholders?	✓	The Corporation always gives prior notice to shareholders of additional contents in the agenda of the General Meeting of Shareholders/Extraordinary General Meeting of Shareholders.
(P) A.3.2	Does the Chairperson of the Board of Directors, Chairperson of the Audit Sub-Committee and General Director/Director attend the latest General Meeting of Shareholders?	✓	MIG is strictly compliant this regulation. All members of the Board of Directors, Sub-committees under the Board of Directors and General Directorate are present at the General Meeting of Shareholders.
(P) A.4	<b>Capital structures and agreements permitting some shareholders to hold control rights disproportionate to their shareholding must be publicized.</b>		
(P) A.4.1	Does the Corporation fail to disclose the existence of a shareholder agreement?	✓	No case happens
(P) A.4.2	Does the Corporation fail to disclose the existence of voting restrictions?	✓	As specified in the Program - voting rules at the General Meeting of Shareholders.

(P) A.4.3	Does the Corporation fail to disclose the existence of shares with multiple voting rights?	✓	The shares with multiple voting rights are not available
(P) A.5	<b>Capital structures and agreements permitting some shareholders to hold control rights disproportionate to their shareholdings must be publicized.</b>		
(P) A.5.1	Are there pyramidal and/or cross-holding structures?	✓	No pyramidal and/or cross-holding structures are recognized
<b>(P) B. FAIR TREATMENT FOR SHAREHOLDERS</b>			
<b>(P) B.1 Insider trading and abuse for personal gain must be prohibited.</b>			
(P) B.1.1	Has the Corporation been convicted of any insider trading violations involving members of Board of Directors, Executive Board or employees in the past three years?	✓	No violation is recognized
<b>(P) B.2 Protecting minority shareholders from abusive behavior</b>			
(P) B.2.1	Have there been any case of non-compliance with laws, rules and regulations relating to stakeholders' significant or material transactions in the past three years?	✓	No violation is recognized
(P) B.2.2	Have there been any stakeholders' transactions that could be classified as financial assistance (i.e. not conducted on a fair market basis) to non-subsidiary entities?		
<b>(P) C. THE ROLE OF STAKEHOLDERS</b>			
<b>(P) C.1 The rights of stakeholders as provided by law or bilateral agreements must be respected.</b>			
(P) C.1.1	Are there any violations of laws on labor, employment, consumer, bankruptcy, trade, competition or environmental issues?	✓	No violation is recognized
<b>(P) C.2 When stakeholders are involved in the corporation governance process, they had better access to suitable, complete and reliable information on a timely and regular basis</b>			
(P) C.2.1	Are the corporation subject to any regulatory penalties and has it failed to announce about material events within the required timeframe?	✓	MIG has announced material events and no violations thereof are recognized.



## (P) D. INFORMATION DISCLOSURE AND TRANSPARENCY

(P) D.1	Regulatory penalties related to financial statements		
(P) D.1.1	Has the corporation received an "Exclusion opinion" in the Independent Audit Report?	✓	The independent auditor's opinion on the annual financial statements is "Unqualified and with emphasis."
(P) D.1.2	Has the corporation received an "Adverse Opinion" in the Independent Audit Report?	✓	
(P) D.1.3	Has the corporation received a "disclaimer of opinion" in the Independent Audit Report?	✓	
(P) D.1.4	Does the Corporation amend its financial statements for reasons other than changes in accounting policies?	✓	Không có.

## (P) E. RESPONSIBILITIES OF THE BOARD OF DIRECTORS

(P) E.1	Strictly compliant with applicable listing rules, regulations and legal provisions		
(P) E.1.1	Is there any evidence that the Corporation has not been compliant with any listing rules and regulations in the past year other than the disclosure requirements?	✓	No violation is recognized by MIG
(P) E.1.2	Are there any cases that non-executive BoD members have resigned and raised any governance concerns?	✓	No case is recognized by MIG
(P) E.2	Structure of Board of Directors		
(P) E.2.1	Does the Corporation have any independent BoD members who have served for more than 9 years or two 5-year terms in the same capacity?	✓	No. MIG well implements this item
(P) E.2.2	Has the Corporation failed to identify who is an independent BoD member?	✓	There is 01 independent BoD member at MIG
(P) E.2.3	Does the Corporation have any Independent non-executive BoD Members serving more than 5 Board of Directors of Listed Companies?	✓	No. MIG well implements this item
(P) E.3	Independent audit		
(P) E.3.1	In the past 2 years, has any member of the Board of Directors or senior executive been an employee or a partner of the current independent audit company?	✓	No. MIG well implements this item

## (P) E.4 Composition and structure of the Board of Directors

(P) E.4.1	Has the Chairperson been the General Director of the Corporation for the past 3 years?	✓	The Chairperson does not concurrently hold the position of General Director of the Corporation.
(P) E.4.2	Are non-executive BoD independent members of the Board of Directors entitled to receive the acquisition rights for shares and bonus shares?	✓	MIG well implements this item

## PLAN TO IMPROVE THE QUALITY OF CORPORATION GOVERNANCE AT MIC AND APPROACH TO INTERNATIONAL CORPORATION GOVERNANCE PRACTICES





## CHAPTER 5

# REPORT OF SUSTAINABLE DEVELOPMENT

---

<b>/01</b> Overview report of Sustainable development	60
<b>/02</b> Sustainable Development Strategy	61
<b>/03</b> Sustainable Development Governance	63
<b>/04</b> The Close relationships with stakeholders	64
<b>/05</b> Key Issues	67
<b>/06</b> Environmental protection	68
<b>/07</b> Social Standards	70
<b>/08</b> Social security activities	72



# OVERVIEW REPORT OF SUSTAINABLE DEVELOPMENT

Sustainable development is no longer a choice for countries but it has become a compulsory factor in the development trend worldwide. Consistent with sustainable development, Vietnam has developed a national action plan with the integration of 17 global sustainable development goals (GDGs) and has selected concrete goals to include in the socio-economic development orientation. As one of the pioneering Insurance brands in developing a governance model towards sustainable development, operations towards sustainable development at MIC always focus on and proactively share with stakeholders to identify the concerns. Through its series of actions, MIC wishes to demonstrate the publicity and transparency in its economic – environmental – social contributions towards sustainable development goals, at the same time, strengthening the trust, bringing the added value to stakeholders and affirming the reputation of the MIC brand.



## REPORT OF SUSTAINABLE DEVELOPMENT

The Report of sustainable development describes MIC's operations related to sustainable development issues during the year. The report's contents show MIC's approach to sustainable development issues, mention the key strategic issues and clearly point out the Corporation's medium- and long-term strategic development goals. The data and information stated in the report include the sustainable development -related activities done in 2024, sustainable development strategy for the next years and MIC's commitments to stakeholders.

## SCOPE AND LIMIT OF THE REPORT

The Report of sustainable development describes MIC's operations related to sustainable development issues during the year. The report's contents show MIC's approach to sustainable development issues, mention the key strategic issues and clearly point out the Corporation's medium- and long-term strategic development goals. The data and information stated in the report include the sustainable development-related activities done in 2024, sustainable development strategy for the next years and MIC's commitments to stakeholders. The report of non-life insurance services is prepared in Vietnam, including primary insurance and reinsurance activities such as vehicle insurance, personal insurance, property – engineering insurance, marine insurance; energy and aviation insurance; Other non-life insurance are financial investment and real estate.



## DETERMINATION METHOD OF REPORT CONTENTS

MIC's approach to sustainable development issues stems from the Corporation's long-term sustainable growth goals combined with social development and environmental protection goals, thereby actively contributing to the overall development of the whole society. MIC keeps on assessing and taking into consideration for the issues related to sustainable development goals in the correlation with the current operations, clearly identifying key issues to review, improve and express more fully in the content of the sustainable development report in 2024.

## CONTACT INFORMATION

Sustainable development is a key strategy of the Corporation that impacts stakeholders. For any comments related to sustainable development issues, please don't hesitate to send to the following address:

**Address:** the 5th – 6th Floor, No. 21 Cat Linh Street, Cat Linh Ward, Dong Da District, Hanoi City, Vietnam.  
**Phone No:** (024) 62.85.33.88  
**Email:** info@mic.vn



## SUSTAINABLE DEVELOPMENT STRATEGY

Towards being ranked TOP 3 in non-life insurance market share & TOP 1 in effective operation by 2026. Other than forceful business strategies in each period, MIC always focuses on combining economic goals with other environmental & social goals for the harmony of stakeholders' interests; because sustainable development is always a key goal in MIC's business development strategy, MIC pays special attentions to the following core goals

### ENSURE SUSTAINABLE GROWTH

Over the last 17 years, MIC has accompanied and protected the risks of enterprises and clients, making significant contributions to the rapid recovery and stabilization of economic activities when interrupted and also making active contributions to the overall development of the Vietnamese insurance. MIC provides diverse insurance services, creating jobs for employees, investing idle capital into the economy. MIC is always the pioneer of insurance programs according to the State's policies such as agricultural insurance, fishery insurance, natural disaster insurance, wind power insurance and rooftop solar power insurance.

### ENSURE THE INTERESTS OF SHAREHOLDERS AND STAKEHOLDERS

MIC's sustainable development in the new period with new challenges can only be achieved provided that MIC is fully trusted by shareholders and stakeholders. To obtain such achievement, MIC should enhance financial and governance transparency to promote competitiveness and raise brand position.

### ENSURE IMPLEMENTATION OF ENVIRONMENTAL - SOCIAL GOALS

MIC makes the best effort to demonstrate the highest responsibility for the community through pushing up implementation of positive contributions to improve the environment, raise awareness among employees as well as the community for the purpose of social development, image building of a humane enterprise.



“

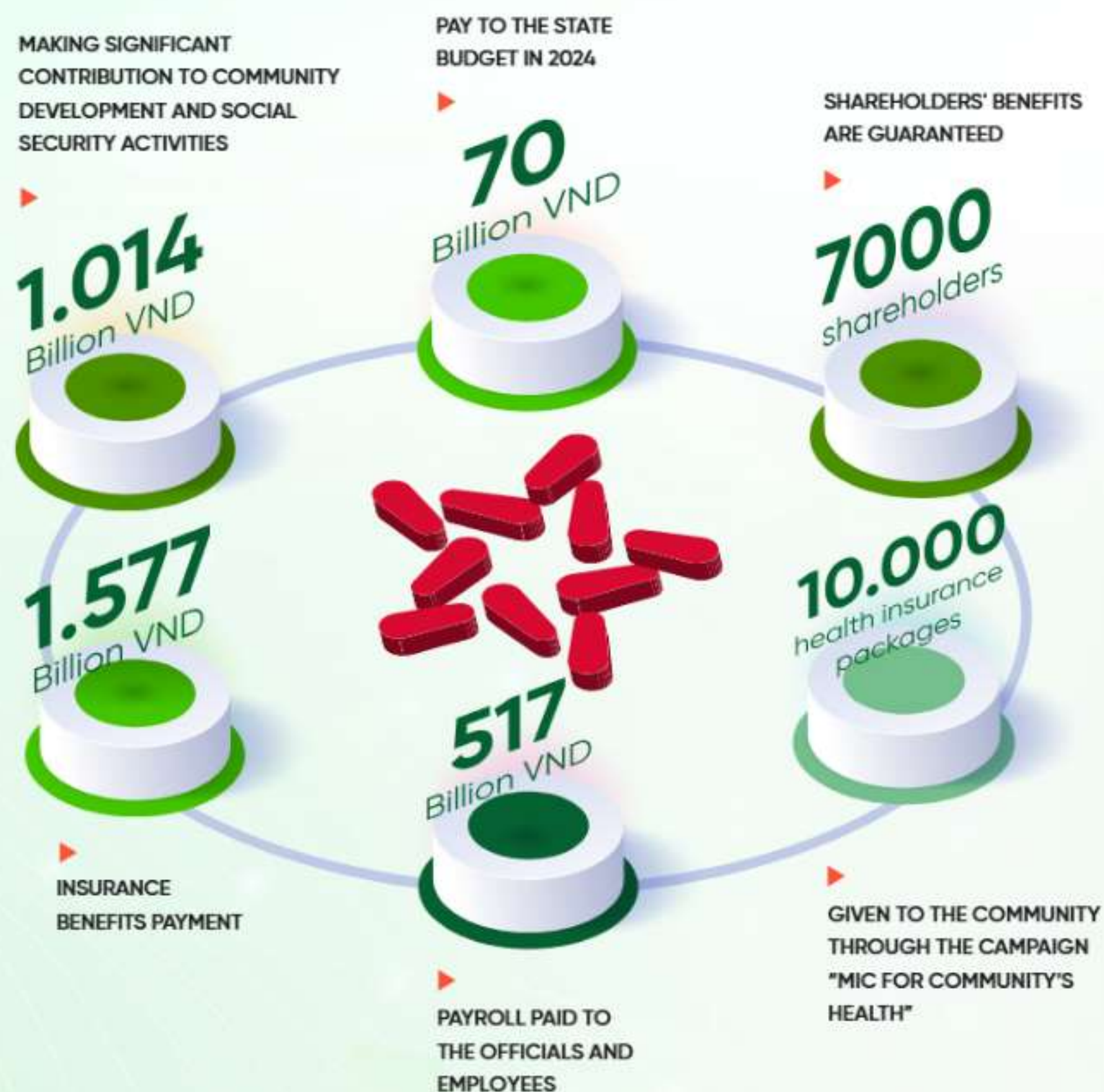
Over the past 16 years, MIC has consistently respected and promoted the values of safe development to provide the community and society with increasingly more sustainable values.

Uong Dong Hung  
Chairman of the Board  
of Directors





## OUTSTANDING SUSTAINABLE VALUES IN 2024



## KEY FINANCIAL AND NON-FINANCIAL INDICATORS





## RISK MANAGEMENT

### MIC'S PRINCIPLES OF GOVERNANCE TOWARDS SUSTAINABLE DEVELOPMENT



### THE ROLES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS, SUPERVISORY BOARD, AND EXECUTIVE BOARD FOR MIC'S SUSTAINABLE DEVELOPMENT.

#### THE ROLES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors is ultimately responsible for implementing MIC's sustainable development strategies and plans. Strategic orientation and action plans related to economic - social - environmental issues are presented at the annual General Meeting of Shareholders. Accordingly, the Board of Directors is responsible for organizing implementation of the Resolutions approved by the General Meeting of Shareholders, and the Executive Board is responsible for concretization into actions through activities at the Corporation.

#### THE ROLES AND RESPONSIBILITIES OF THE SUPERVISORY BOARD.

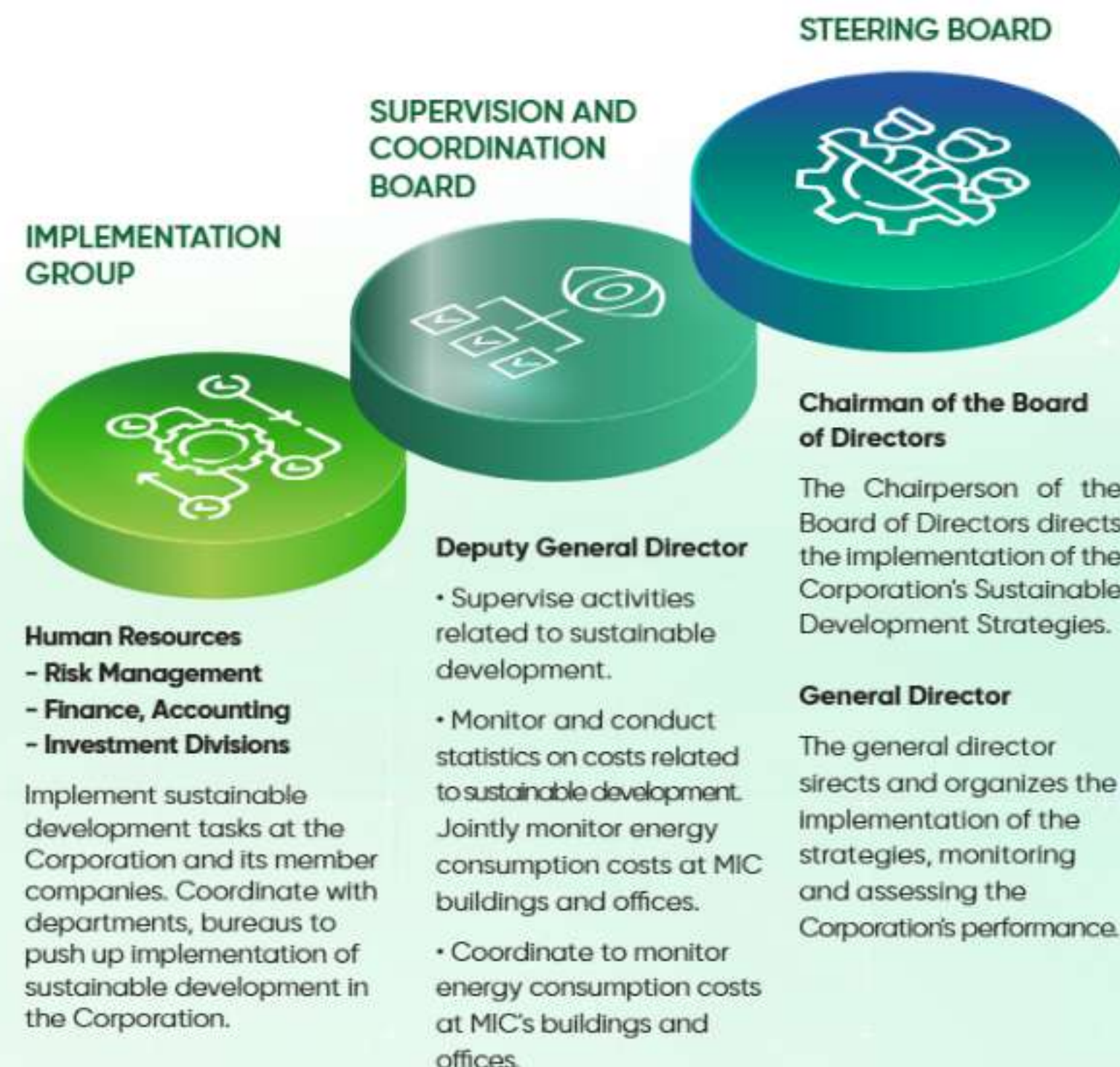
The Supervisory Board is a part of the governance structure of MIC, on behalf of the General Meeting of Shareholders to supervise the governance and operation of the Board of Directors, the Executive Board and all business activities of the Corporation in accordance with the the legal provisions and the Charter; moreover, it is responsible for performing assigned tasks to the General Meeting of Shareholders. In 2024, the Supervisory Board held regular meetings to review and submit to the General Meeting of

Shareholders for approval the financial statements in 2024, to submit to the General Meeting of Shareholders to authorize the Board of Directors to select an independent audit company to audit the financial statements in 2023, attended the Annual General Meeting of Shareholders in 2024 and fully participated in the Board of Directors' meetings. The Supervisory Board has inspected the reasonableness, legality, honesty and prudence in the management and operation of business activities, organization of

accounting, statistics and financial statement, appraised the income statements, annual and 6-month financial statements of the Corporation, reviewed the Corporation's plans and reports on investment, business cooperation development plans, organizational management, personnel, payroll, bonuses, policies related to employees and the Corporation.

### THE ROLES AND RESPONSIBILITIES OF THE EXECUTIVE BOARD

MIC's General Director is responsible for operating the Corporation's business activities, directing and supervising the schedule of implementing the business plan objectives of the Boards/Committees in the Corporation so as to ensure a relative balance among the three economic, social and environmental factors. Reporting impacts, risks and opportunities related to the economic - social - environmental issues periodically once a quarter to the Board of Directors to consider and decide on changes in production and business activities, or extraordinarily reporting the cases where it is considered that the economic - social - environmental situation strongly impacts on the business's operations.





## TECHNOLOGY TREND

Technology trends are strongly shaping the path of sustainable development of the insurance industry, especially in the non-life insurance sector. The development of artificial intelligence (AI), big data, block-chain and IoT (Internet of Things) not only helps improve the efficiency of risk assessment, but also optimizes and automates the entire insurance process, from the approval of insurance policy, payment to automatic compensation.

Technology is also changing the insurance distribution model as online sales channels, digital platforms and mobile applications are gradually replacing traditional sales methods, enabling customers easily access products without intermediaries. E-commerce platforms, digital banks and e-wallets are playing an increasingly important role in insurance distribution, improving users' experience. At the same time, technology also helps the insurance industry gradually adapt to climate change, minimize environmental impact and promote sustainable business models. However, along with opportunities, digital transformation also poses challenges in terms of data security, legal risks and competition from technology companies. Therefore, effectively and responsibly utilizing technology will be a key factor for the insurance industry's sustainable development in the future.

## THE CLOSE RELATIONSHIP WITH STAKEHOLDERS

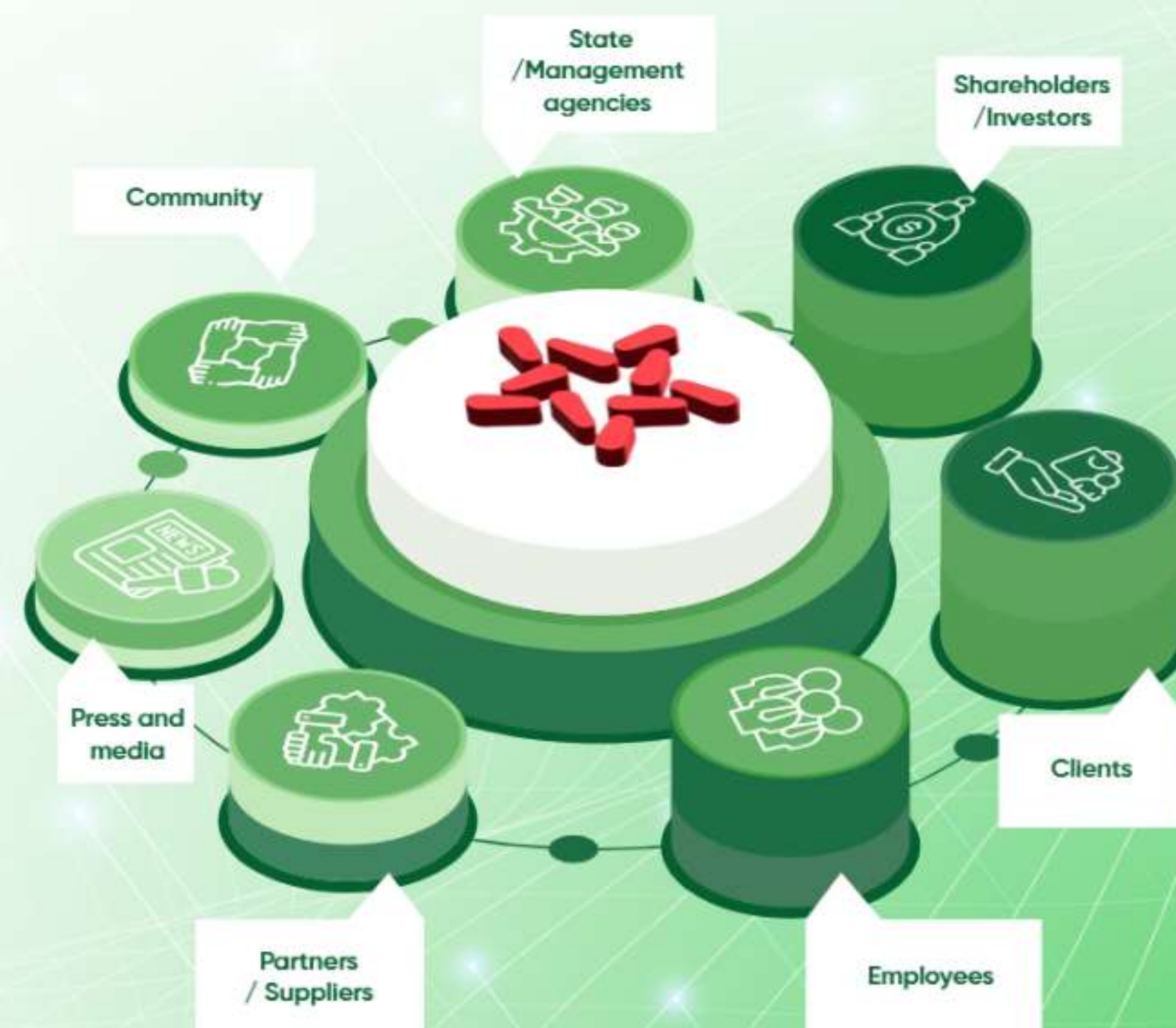
**"The relationship between MIC and its stakeholders is built on the basis of trust, transparency, and the principles of business ethics as well as the long-term sustainable benefits that the parties bring to each other. MIC always proactively receives feedback from stakeholders, actively coordinates with the stakeholders to ensure that the measures, policies and business strategies set out by MIC are being implemented in compliance with the directions committed by the Corporation"**

Ranked the TOP 5 prestigious non-life insurance company in the Vietnamese market, with a network covering 63 provinces and cities nationwide, MIC is clearly aware of its influence on its employees as well as the social community. MIC understands that the attention and feedback from investors and clients have made significant contribution to the Corporation's development goals and sustainable business strategies. In this context, MIC has extensive relationship and interactions with many domestic to regional and global stakeholders. MIC also identifies that the stakeholders have influence on or are influenced to a relatively greater extent by

MIC's business activities. The relationship between MIC and its stakeholders is built on the basis of trust, transparency, and the principles of business ethics as well as the long-term sustainable benefits that the parties bring to each other. MIC always proactively receives feedback from stakeholders, actively coordinates with the stakeholders to ensure that the measures, policies and business strategies set out by MIC are being implemented in compliance with the directions committed by the Corporation. For each different subject group, MIC always applies appropriate information approaches flexibly. The comments and feedback from stakeholders are

carefully and thoroughly considered and studied by MIC, and these feedbacks will be considered to include in the Corporation's operating policies.

The key issues that MIC often consults with stakeholders regarding the Corporation's sustainable development activities include: Business strategy, product and service features, development issues, improvement of human resources, training, activities related to the social community as well as protection of the natural environment...







## Shareholders/ Investors

### Topics of Interest

- Business growth is effective and sustainable.
- Ensure to use investment capital effectively.
- Ensure the information to be provided timely, publicly and transparently.
- Stabilize and increase the value of the enterprise and of shares on the stock exchange.
- Keep on improving corporation governance capacity.
- Fair treatment for shareholders' rights.

### MIC's Actions

- Annual General Meeting of Shareholders.
- Holding direct meetings with investors.
- Implement a fair policy between major and minor shareholders in providing information, creating favorable conditions for all shareholders to exercise their voting rights.
- Pay dividends fully and disclose information transparently.

### Results

- 2024 Dividend payment road-map: The dividend payment rate in 2024 is expected to be 10%, approved at the annual General Meeting in 2024 by the General Meeting of Shareholders.
- Issuing the Annual Report in 2024.



## Clients

### Topics of Interest

- Provide diverse products and services to meet customers' requirements.
- Consult and listen to customers' feedbacks via website, email, social networks, etc.
- Update information via mass media.

### MIC's Actions

- Develop products and services meeting diverse customers' needs; become a solid mainstay to protect customers from risks, provide customers with opportunities to realize their dreams, and ensure peace and prosperity for customers.
- Increase touch points for customers.
- Keep on innovating and enhancing service quality and sales processes.
- Increasing interaction and listening to customers' needs.

### Results

- Launching new innovative products to meet customers' needs in the era 4.0.
- Implementing fee incentives for customers when buying insurance packages, supporting with green insurance packages related to agricultural economy and environment.



## Employees

### Topics of Interest

- Promotion chart, KPIs.
- Reward and welfare policy.
- Happiness index assessment.
- Cultural - sports - art activities.
- Internal information page.
- Training programs.

### MIC's Actions

- Ensure income, welfare and occupational safety.
- A civilized working environment without discrimination.
- Given opportunities to be trained to improve capacity, skills for self-development.
- Dedication and contribution are recognized.

### Results

- Buying MIC Care health insurance and cancer insurance for employees.
- Nearly 2,000 employees participated in professional training.
- Develop exchange and entertainment programs to connect employees throughout the network.
- Establish a scholarship fund for the families' children in difficult circumstances and with good academic achievements.



## State/Management agencies

### Topics of Interest

- Keep on actively applying and implementing new policies, guidelines and regulations of the State.
- Actively share ideas at conferences, seminars and specialized working programs.
- Actively exchange, proactively propose and share ideas to adjust and supplement legal documents.

### MIC's Actions

- Fully perform obligations and support the policies and guidelines of the state.
- Strictly compliant with the legal provisions.
- Ensure to do business activities effectively while ensuring health safety during the epidemic season.



## Results

- Strictly comply with the financial obligations for the state budget.
- Sharing experiences at conferences, organizations, and industry associations.



## Press and media

### Topics of Interest

- Provide and share information openly, proactively and regularly so that the press can truthfully and objectively reflect the Corporation's activities to the public.

### MIC's Actions

- Closely connect with the press to ensure that MIC's news and activities are updated timely and reflected truthfully and objectively.
- Increase the number of news sent to the press through press releases and intensive internal analysis articles sent to press agencies.

## Results

- Coordinate with the Central press agencies to produce reportages and corporate films in order to bring MIC's information to the public.
- Approximately 1,000 news and articles about the Corporation's activities and MIC's social security activities were published in the press.



## Community

### Topics of Interest

- Coordinate with local authorities.
- Publicize and raise awareness of the value and benefits of insurance.

### MIC's Actions

- Doing business associated with social responsibility towards sustainable development.

## Results

- Organizing many programs of scholarship award, taking care of the people's lives in difficult circumstances and remote areas...
- Building and renovating schools to improve the living and teaching quality in remote areas, renovating roads to enable the people travel more conveniently in Yen Bai and Lao Cai,...

- "MIC for Community's Health" program gives away 10,000 Binh An 247 insurance packages as gifts to the community.



## Partners/ suppliers

### Topics of Interest

- Fair treatment for suppliers.
- Prioritize the selection of qualified suppliers satisfying management requirements, strictly complying with legal provisions and their operations not being harmful to the environment and society.

### MIC's Actions

- Requirements on environmental and social responsibility are included in the contract when negotiating with the main contractors.
- Supplement assessment criteria on governance - environment and society in investment plans and other activities of MIC.

## Results

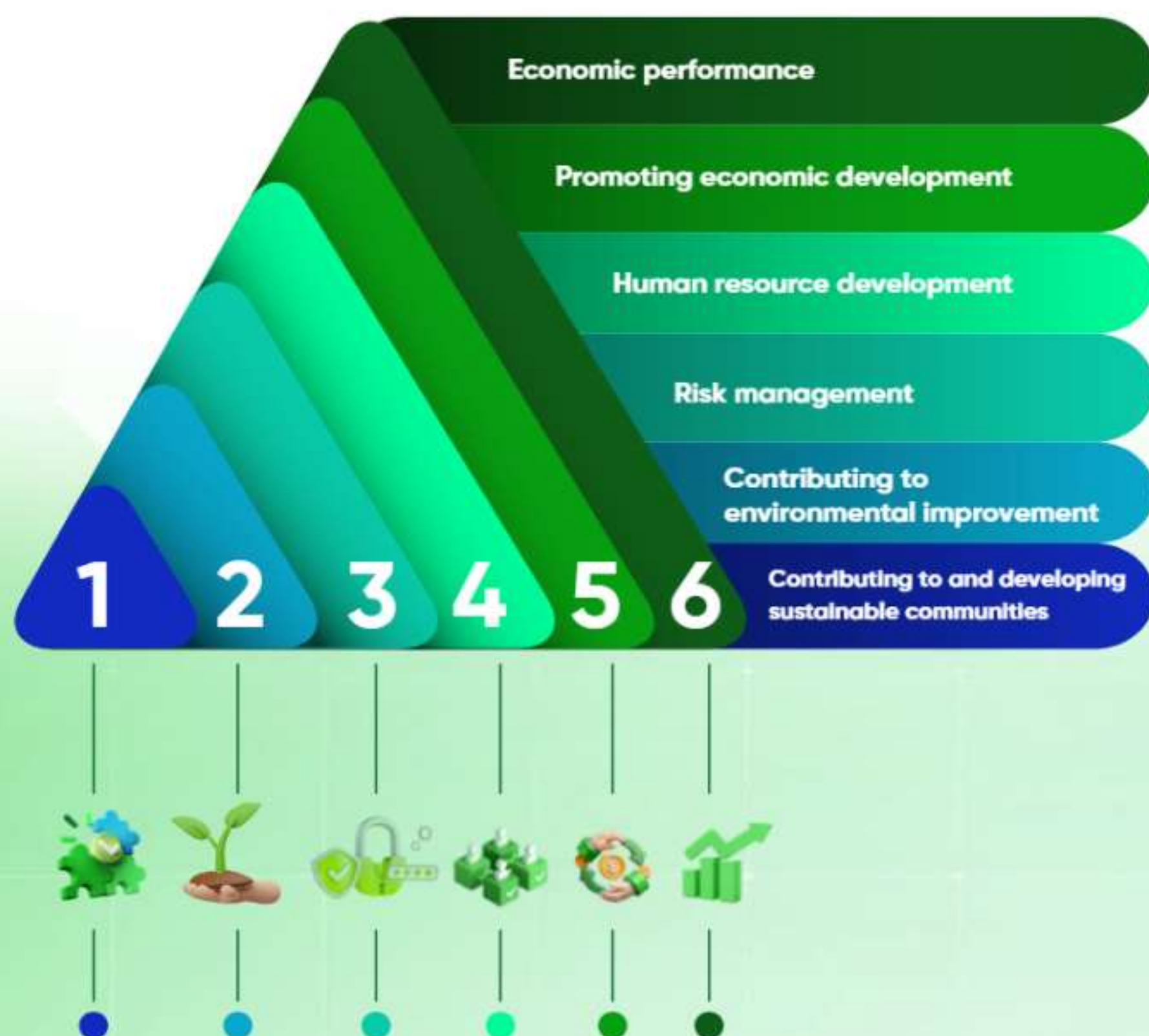
- Suppliers meet management requirements, strictly comply with legal provisions and their business operations are not harmful to the environment and society.





## KEY ISSUES

MIC approaches stakeholders through many various channels and forms. We always learn about the stakeholders' wishes and interests so that our activities are getting more and more effective. Particularly as follows:

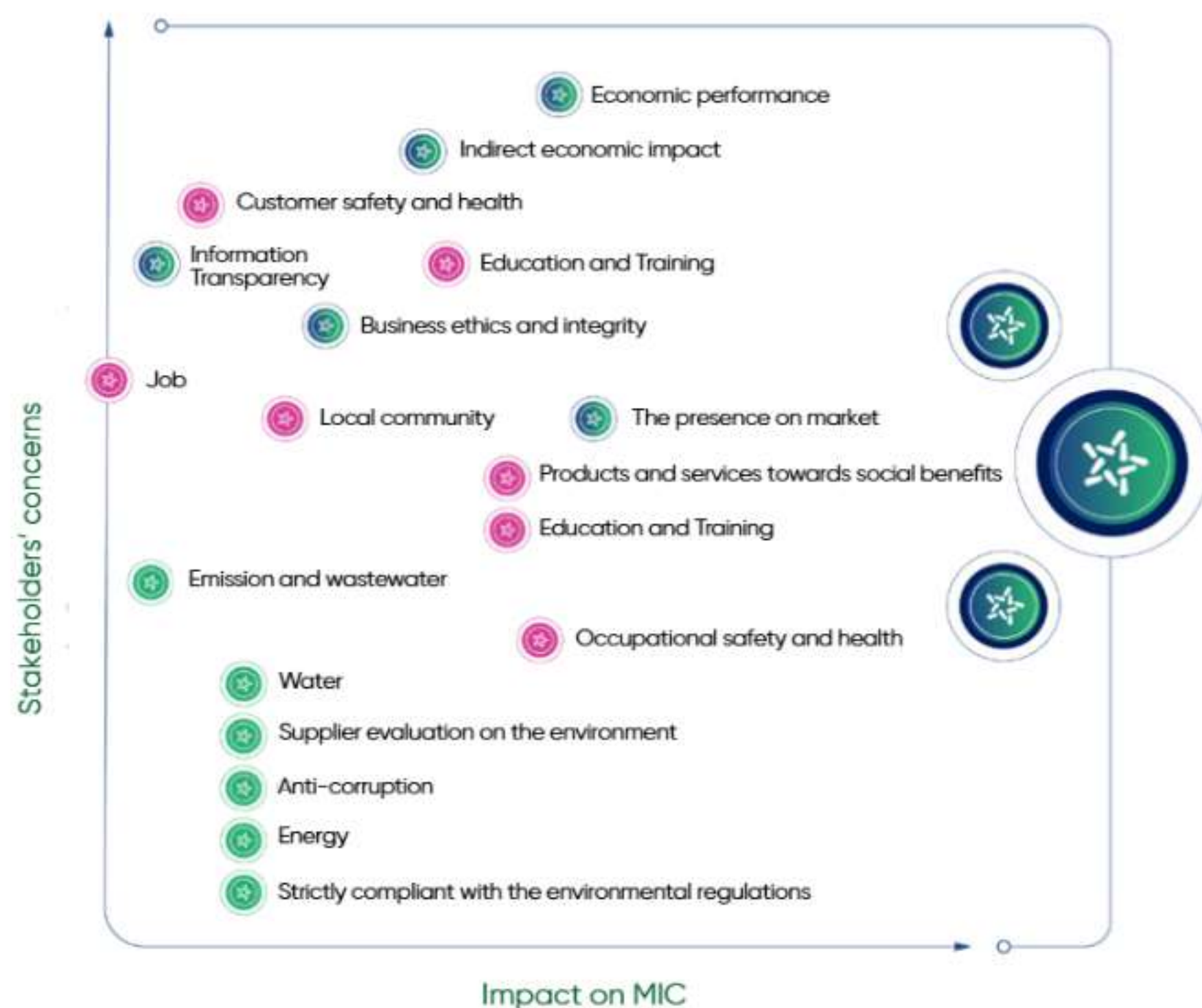


KEY AREAS	IMPACT LEVEL	IMPACT SCOPE
<b>Economic performance</b>		
Maintain sustainable growth targets over the years is MIC's top priority.	Impact on MIC's profits	Inside MIC
	Impact on relationships with shareholders and investors.	Outside MIC
<b>Promot the economic development</b>		
MIC aims to become the No. 1 brand in digital insurance and TOP 3 market share in Non-Life Insurance by 2026	Impact on MIC's revenue and brand	Inside MIC
	Impact on customer relationships	Outside MIC
<b>Development of human resources</b>		
Education and training	Strongly impact on MIC because employees are considered as valuable assets bringing the revenue to the corporation	Inside MIC
	Customers will receive the good service if employees are professionally trained.	Outside MIC
	Directly impact on MIC's officials and employees	Inside MIC
<b>Contribute and develop sustainable community</b>		
To show its responsibility to the community	Impact on customers' demand for products (outside MIC).	Outside MIC
Promote creativeness and raise awareness of social issues of concern to the community	Impact on MIC's officials, employees and community (Outside MIC)	Outside MIC
<b>Contribute to environmental improvement</b>		
Strictly compliant with the provisions on environment	Impact on the environment	Outside MIC
Minimize energy consumption	Impact on environment & society	Outside MIC



## ENVIRONMENTAL PROTECTION

By evaluating the importance of areas in relation to the level of interest of the parties and the level of impact on the corporation's operations, MIC has developed a "Matrix of Key Areas" to determine the level of priority and allocate resources appropriately to best meet the expectations of the parties involved as well as ensure the corporation's sustainable development.



As a financial service provider, MIC's business activities have a negligible impact on the environment. Therefore, we promote raising awareness of employees about environmental protection and responding to climate change in our internal activities; paying special attention to implementing waste treatment system control at MIC buildings; ensuring compliance with applicable environmental standards; minimizing the use of energy and natural resources in order to jointly reduce the intensity of greenhouse gas emissions.

### ENVIRONMENT

In 2023, no violation to the environmental laws and regulations are recorded at MIC. It is resulted from MIC's building and applying the Environmental and Social Management System (ESMS) with consultancy from PwC Company, based on international standards such as: financial initiative in the United Nations Environment Program, Equator Principles and the operating standards of the International Finance Corporation (IFC) for all project-level insurance activities, classifying environmental and social risks arising from the production and business activities of customers to whom MIC intends to provide insurance.



### ENERGY

In the course of business operations, MIC is deeply aware of controlling, reducing and balancing the energy sources directly or indirectly consumed by the Corporation. This is a practical action to minimize the impact on the environment. Regarding energy used in MIC's buildings, MIC pays great attention to management and supervision through direct tasks of the Security Team, Technical Staff, Accounting Department (Branch), Basic Construction Department and Administration Department (Head Office). Accordingly, MIC always clearly understand the energy consumption to make appropriate adjustments. Along with management work, MIC also strengthens internal communication to raise employees' awareness of environmental protection through energy saving, launching movements such as Earth Hour and Environment Day etc....

### ENERGY CONSUMPTION COSTS

MIC strongly believes that its efforts towards environmental goals will be recognized by stakeholders and will join hands to minimize energy consumption and raise awareness of environmental protection in business activities.

<b>TOTAL GASOLINE CONSUMPTION</b> (Unit: Liter)	<b>~ 5000</b>
<b>ELECTRICITY CONSUMPTION</b> (Unit: Kwh)	<b>~ 450.000</b>



## SOLUTIONS FOR ENERGY CONSUMPTION REDUCTION TO MINIMIZE GREENHOUSE GAS EMISSIONS

### SAVING ELECTRICITY IN BUILDINGS

MIC has promoted saving electricity in MIC's office buildings throughout the network.

#### Sources of electricity consumption:

- Effective solutions for electricity consumption. Air conditioning system (consuming 40-60% of electricity);
- Periodically maintain and cure machinery and equipment;
- Maintain temperature at 25-27°C, avoid temperature difference inside and outside the air-conditioned area, avoid arranging air-conditioned rooms from direct contact with solar radiation...;
- Turn off the entire air conditioning system after 5:30 p.m. Lighting system (consuming 15-20%);
- Replace the existing lighting system with low-efficiency ones (incandescent bulbs, fluorescent lamps with iron ballasts...) with energy-saving lighting equipment (energy-saving compact bulbs, electronic ballasts...);
- For outdoor lighting equipment, control on/off according to automatic modes (by time and environmental brightness...).

### EMISSIONS, WASTEWATER AND WASTES

MIC continues evaluating environmental impacts from the operations of the headquarters office buildings and member companies. These assessments include:

- Analyzing energy use including electricity and fuel consumption in 2023.
- Report implementation of environmental protection in the past time including measures to control air environment, water environment pollution, treatment of solid wastes and hazardous solid wastes; on-site fire prevention and fighting forces and equipment.



The summary of treatment measures for waste sources potentially harmful to the environment of MIC is as follows:

Waste sources are potentially harmful to the environment	Technical treatment measures	Environmental solutions
<p>1 <b>Common sources of solid wastes.</b></p> <ul style="list-style-type: none"> <li>• Solid waste is mainly from office staff's activities of in the building;</li> <li>• Solid waste includes the failed printing paper, pens out of ink, cardboard, fruit peels, etc.</li> </ul>	<ul style="list-style-type: none"> <li>• On each floor of the building, MIC equips 01 large composite bin and 01 small trash bin at the end of the stairs to collect trash;</li> <li>• Daily, the building's cleaning staff cleans each working room, hallways and areas around the building;</li> <li>• At the end of working hours, the building's cleaning staff will collect all trash in the trash bins on each floor to bring to the trash collection area in front of the building;</li> <li>• Sign a contract to collect household waste with Dong Da District Environmental Company for treatment thereof.</li> </ul>	<ul style="list-style-type: none"> <li>• Communicate to raise employees' awareness of printing documents to reduce the amount of paper printed. Instead, prioritize to transmit information via email, social networks, etc;</li> <li>• Reuse office supplies including pens, one-sided paper and plastic office supplies;</li> <li>• Implement 5S culture at the working place: SCREEN - ARRANGE - CLEAN - CARE - READY.</li> </ul>
<p>2 <b>Sources of emissions</b></p> <p>Emissions from means of transport:</p> <ul style="list-style-type: none"> <li>• From vehicles (using gasoline and DO oil) entering and leaving the building;</li> <li>• From guests' vehicles entering and leaving the building;</li> <li>• From vehicles on Cat Linh street;</li> <li>• Dust and emissions from means of transport in the project contribute to increasing air environment in the area in case no measures to reduce it;</li> <li>• The increase in air pollution will cause adverse impacts on the health of the community residing in the urban area and surrounding areas.</li> </ul>	<ul style="list-style-type: none"> <li>• Arrange the potted plants to prevent dust from spreading into the air;</li> <li>• Require vehicles entering the building to turn off their engines before entering the building gate;</li> <li>• Arrange and instruct the parking area for visitors to the building;</li> <li>• Clean daily;</li> <li>• Arrange ventilation fans in the building's basement to ensure good air circulation.</li> </ul>	<ul style="list-style-type: none"> <li>• Launch the Green Office program, encourage to decorate the working place with green plants;</li> <li>• Keep on promoting the program to build a green, clean and scientific working environment.</li> </ul>



# SOCIAL STANDARDS

## DEVELOPING THE CORPORATION CULTURAL CHARACTERS AND BEAUTY OF MIC.

At MIC, human resources are one of the four most important foundations for sustainable development, therefore the foundations need always be developed in parallel and balanced. Currently, MIC has nearly 2,000 employees across the network, so solidarity is a prerequisite to promote common activities and create a common bond between employees and the enterprise.

With the point of view that people are the core value and the internal strength of the enterprise, MIC always pays special attention to building a working environment associated with the 6C - 5S value system, in which, 6C means: "Commitment - Sharing - Care - Innovation - Proactive - Professional" and 5S means: "Screening - Arrangement - Cleanliness - Care - Readiness", thereby creating a sustainable working environment for employees.

In 2024, the economy was strongly affected by war and economic recession, but MIC clearly understood that security in the working environment plays the key role in sustainable development of the enterprise against the market's difficulties and challenges. The above values always aim at the balance between work and life so that every working day at MIC is a happy day. If 5S is established to improve the working environment, enhance the employees' working quality

and bring a higher productivity to the enterprise, then 6C is to aim at sincerity, openness, and promoting creativity to motivate each employee to work daily. In addition, training programs promote the employees' learning ability and creativeness also create a learning culture of MIC.

With the characteristic of the Insurance industry with the mission of caring for and protecting the community, MIC needs to do well from within, which is also MIC's own character associated with a dual value system. At MIC, the employees are cared for, shared with each other in all circumstances and bonded together like a family.



## DEVELOPMENT OF HUMAN RESOURCES

### EVALUATION OF PERFORMANCE, PAYROLL AND BONUS POLICY

#### Policies for performance evaluation

Performance management policies are maintained by MIC to establish, control, and evaluate the level of goal completion, classify the performance of each individual as a basis for considering annual payroll adjustments and performance bonuses for employee based on their achievements and contributions to the corporation' success; jointly creating a fair and competitive income mechanism in MIC's payroll policy.

The performance management system continues to be applied and increasingly completed to improve the effectiveness in practice. Since its implementation, the system has helped to bring MIC's goals close to each department and employee, making significant

contribution to enhancing the business performance. By equipping every individual in the organization with the capacity and tools to clearly identify MIC's expectations, creating favorable conditions for individuals to work effectively, bring into play their full potential and bring the best value to MIC's success. The annual performance assessment results are used by MIC as a basis for annual payroll adjustment and performance-based payment. This policy ensures that employees are paid in consistent, transparent manner and in accordance with the nature of their work, performance and efforts, creating strong motivation for employees.

#### Performance-based payroll policy

MIC's payroll and bonus policies are established properly to enhance the competitive advantage of human resources, attract talent, retain the qualified employees, motivate and improve labor productivity. With the human resource development strategy approved by the Board of Directors, in 2023, MIC continued to implement an income policy based on labor productivity and work efficiency, surveyed and investigated market' payroll to determine the salary scale and salary levels paid to employees corresponding to each job level and work achievement in order to ensure internal fairness and external competition.

#### MIC employees' Income In 2024 Includes

##### Payroll:

- Basic salary, fixed monthly salary;
- performance-based payroll.

##### Other benefits:

- Benefits on the occasions of MIC's founding day, holidays, Tet;
- Extraordinary bonuses (Bonuses for initiatives and for exceeding plans...);
- KPI completion bonuses, performance bonuses;
- Allowances for phone, business trip expenses, transportation, clothing, vacations...;
- Compulsory social insurance, health insurance, unemployment insurance, periodic health check-ups;
- Health insurance and hospitalization;



## RECRUITING AND ATTRACTING THE TALENTS

Deeply aware of the importance of human resources in successfully implementing MIC's annual business goals and sustainable development strategy, the Corporation constantly improves its policies and mechanisms, invests financial resources to improve the quality of human resources, enhance income, increase benefits, financial and non-financial welfare for employees in order to motivate them to work effectively, strengthen the cohesion and promote labor productivity through various human resources policies.

**In 2024, MIC recruited 330 new employees towards meeting the requirements of business development in units, develop Information Technology and Digital Insurance.**

### Talent attraction policy at MIC

- In MIC's development orientation, human resources are one of the four important foundations to create cohesion and nurture the development of resources within the corporation.
- At MIC, the payroll policy is built to enable the employees to work with peace of mind; first of all, MIC always ensures the income and the quality management system under international standards based on KPI indicators for the fairness and being worthy of the experience and capacity of employees. Other than MICers' income always being at the top of the market, MIC also creates attractive & challenging job opportunities to promote the employees' creativeness and abilities so that employees have the opportunity to increase their income.
- To foster and set up a core workforce, MIC has a system-wide intensive internal training strategy. Thereby, employees are given opportunities to improve their skills and expertise, to expand career development opportunities and build their own promotion path.
- Each employee at MIC, other than his/her professional expertise, can promote his/her own talents, strengths and freely express himself/herself. This is also one of the important factors helping MIC have a long-term staff and turning the workplace into a second home that no other treatment value may replace.



## Care policy for employees and their relatives' health

Over the years, MIC has always maintained a Health Care program dedicated to its employees. At the same time, employees' relatives also receive preferential treatment when participating in the Global Health Insurance Program. Moreover, MIC proactively enhances care policies with programs such as MIC Miracle Cancer Insurance. In the future, MIC will keep on maintaining and improving the policies to express its concern for employees' health through periodic health check-ups for employees, with a more extensive list of check-ups, maximizing the employees' benefits.

Furthermore, sports, cultural and artistic movements are also encouraged by MIC to improve the health of employees through activities such as friendly sports tournaments: Football, golf, sports festivals, teambuilding, etc. In addition, MIC always makes the best effort to strictly comply and well implement the provisions of current labor laws, dialogue activities through programs of lower-level organizations such as trade union congresses, women's congresses, etc, conducting internal surveys to understand the aspirations, as well as share MIC's business orientation and performance results, matching and harmonizing individual goals and motivations with the common goals of the Corporation.



### Fair treatment for employees

Fair treatment for employees plays an important role in creating a good working environment, motivating employees, promoting their abilities, and staying with MIC.

MIC's human resource policies are all aimed at the following main goals:

- No discrimination by gender, ethnicity, skin color, social class, marital status, beliefs, religion, health status or for reasons of establishing, joining and operating a trade union according to the provisions of labor law.
- Payroll policy for employees is conducted fairly based on their capacity and performance.
- Respect and listen to employees' opinions. All employees are entitled to contribute their opinions to building and development of MIC.
- All employees are given equal opportunities in recruitment, training and promotion.
- MIC ensures fairness in all business activities, takes care of material and spiritual life as well as creates favorable conditions for female staff to do professional work, to be planned and appointed to leadership positions.



## SOCIAL SECURITY ACTIVITIES

For MIC, its own brand identity was built from the very first days of its establishment, associated with community awareness, social responsibility and enriched with many pioneering humane values in its journey with the mission of "Creating a better life" to become a "Solid mainstay" for the successful and prosperous development of the country.

### 200 Scholarships for undergraduate students of the Faculty of Insurance

MIC Scholarship Program in 2024 – awarding scholarships of 18 million VND/final year students of the Faculty of Economics and Insurance



### 105 Gifts

Express the deep gratitude to those who have made great contribution to the revolution, preserve the tradition of drinking water and remembering its source, showing the deep gratitude and repaying kindness.

### 506 Gifts

Support households affected by super storm YAGI



### PROGRAM "TO HELP CHILDREN GO TO SCHOOL AFTER THE STORM AND FLOOD"

Provide with school supplies, give gifts to teachers and students at A Lu Kindergarten, Bat Xat District, Lao Cai Province, total funding of 200 million VND.





## SOCIAL SECURITY ACTIVITIES



### LIGHT UP THE COUNTRYSIDE ROADS AFTER THE STORM AND FLOOD

The "Ten Thousand Hands, Million Hearts" Fund donated 150 million VND to renovate and upgrade roads in Noc Village, Khanh Hoa Commune, Yen Bai Province.



MORE THAN **10.000** CUSTOMERS  
ARE PROTECTED

The "MIC For Community's Health" campaign presents Binh An 247 insurance products up to 100 million VND/person

**357** Units  
of blood

The "Giving Hearts with Love" program



**1.577** billion  
VND

Paying Insurance claims



CHAPTER 6

# FINANCIAL STATEMENTS FOR THE YEAR

ENDED 31 DECEMBER 2024

/01	Statement of the Board of Management	75
/02	Independent auditor's report	76
/03	Balance sheet as at 31 December 2024	77
/04	Statement of income for the year ended 31 December 2024	79
/05	Statement of cash flows for the year ended 31 December 2024 (Direct method)	80
/06	Notes to the financial statements for the year ended 31 December 2024	81



## CORPORATE INFORMATION

### INSURANCE BUSINESS LICENSE NO.

43GP/KDBH

8 October 2007

The Insurance Business License was issued by the Ministry of Finance, took effect from the date of signing and has been amended several times, the most recent of which is Amended License No. 43/GPDC41/KDBH dated 19 February 2024.

### BOARD OF DIRECTORS

Mr. Uong Dong Hung	Chairman
Mr. Dinh Nhu Tuynh	Deputy Chairman
Ms. Nguyen Thi Thuy	Member
Ms. Ngo Bich Ngoc	Member
Mr. Dang Quoc Tien	Independent Member

### BOARD OF MANAGEMENT

Mr. Dinh Nhu Tuynh	General Director (from 12 January 2024)
	Standing Deputy General Director (until 11 January 2024)
Ms. Hoang Thi Hien	Deputy General Director – Finance Director
Mr. Le Nhu Hai	Deputy General Director
Mr. Nguyen Quang Vinh	Deputy General Director (until 9 January 2024)

### BOARD OF SUPERVISION

Ms. Nguyen Thi Thao	Head of Board
Ms. Hoang Thi Tuyet Mai	Member
Ms. Bui Thi Hong Thuy	Member

### REGISTERED OFFICE

5<sup>th</sup>-6<sup>th</sup> Floor, MB Building, No. 21 Cat Linh Street,  
Cat Linh Ward,  
Dong Da District, Hanoi

### AUDITOR

KPMG Limited  
Vietnam

## STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Military Insurance Corporation ("the Corporation") presents this statement and the accompanying financial statements of the Corporation for the year ended 31 December 2024.

The Board of Management is responsible for the preparation and fair presentation of the financial statements of the Corporation in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and foreign non-life insurance business branches and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Management:

- the financial statements set out on pages to give a true and fair view of the financial position of the Corporation as at 31 December 2024, and of the results of operations and the cash flows of the Corporation for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and foreign non-life insurance business branches and the relevant statutory requirements applicable to financial reporting; and
- at the date of this statement, there are no reasons to believe that Corporation will not be able to pay its debts as and when they fall due.

The Board of Management has, on the date of this statement, authorized the accompanying financial statements for issue.

On behalf of the Board of Management,



Hoang Thi Hien  
Deputy General Director cum Chief Financial Officer  
(In accordance with Letter of Authorisation No. 535/2024/GUQ-MIC dated 27 February 2024)

Hanoi, 20 February 2025



# INDEPENDENT AUDITOR'S REPORT

**To: The Shareholders  
Military Insurance Corporation**

We have audited the accompanying financial statements of Military Insurance Corporation ("the Corporation"), which comprise the balance sheet as at 31 December 2024, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Corporation's Board of Management on 20 February 2025 as set out on pages to .

## Management's Responsibility

The Corporation's Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and branches of foreign non-life insurance companies and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Corporation's Board of Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Auditor's Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Military Insurance Corporation as at 31 December 2024 and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and branches of foreign non-life insurance companies and the relevant statutory requirements applicable to financial reporting.

## KPMG Limited

Vietnam

Review Report No. 24-02-00208-25-1



## Dam Xuan Lam

Practicing Auditor Registration

Certificate No. 0861-2023-007-1

Deputy General Director

Hanoi, 20 February 2025



Pham Thi Thuy Linh

Practicing Auditor Registration

Certificate No. 3065-2024-007-1



# BALANCE SHEET AS AT 31 DECEMBER 2024

CODE	ASSETS	NOTE	31/12/2024 VND	01/01/2024 VND
100	<b>A. CURRENT ASSETS</b> (100 = 110 + 120 + 130 + 140 + 150 + 190)		9,130,648,855,391	7,964,948,619,805
110	<b>I. Cash and cash equivalents</b>	5	3,295,566,432,891	181,584,419,261
111	1. Cash		3,295,566,432,891	181,584,419,261
120	<b>II. Short-term financial investments</b>		4,113,000,000,000	3,507,021,861,309
123	1. Short-term investments	6	4,113,000,000,000	3,521,688,373,299
129	2. Allowance for diminution in the value of short-term financial investments		-	(14,666,511,990)
130	<b>III. Short-term receivables</b>		682,870,160,587	862,248,873,839
131	1. Short-term receivables		118,995,932,790	131,112,574,227
131.1	1.1. Receivables from insurance policies	7	118,995,932,790	131,112,574,227
132	2. Prepayments to suppliers	8	342,219,144,991	434,878,349,727
135	3. Other receivables	9	230,463,254,594	305,987,366,805
139	4. Allowance for doubtful debts	10	(8,808,171,788)	(9,729,416,920)
140	<b>IV. Inventories</b>		768,253,077	822,542,693
141	1. Inventories		768,253,077	822,542,693
150	<b>V. Other current assets</b>		1,315,682,980,389	1,267,453,911,541
151	1. Short-term prepayments	11	1,303,602,275,791	1,245,497,752,972
151.1	1.1. Deferred commission expenses	11(a)	354,305,781,719	337,531,250,326
151.2	1.2. Other short-term prepayments	11(b)	949,296,494,072	907,966,502,646
152	2. Deductible value added tax		7,561,049,744	17,980,825,646
154	3. Taxes and other receivables from State Treasury		4,519,654,854	3,975,332,923
190	<b>VI. Reinsurance assets</b>		2,688,781,028,447	2,145,817,011,162
191	1. Reserve for ceded reinsurance unearned premiums	22(a)	1,748,584,333,083	1,711,677,205,502
192	2. Reserve for ceded reinsurance claims	22(a)	940,176,695,364	434,139,805,660

CODE	ASSETS	NOTE	31/12/2024 VND	01/01/2024 VND
200	<b>B. LONG-TERM ASSETS</b> (200 = 210 + 220 + 250 + 260)		704,297,678,043	854,216,358,353
210	<b>I. Long term receivables</b>		17,018,386,041	15,023,301,942
218	1. Other long-term receivables		17,018,386,041	15,023,301,942
218.1	1.1. Compulsory deposits	12	9,000,000,000	7,000,000,000
218.2	1.2. Other long-term receivables		8,018,386,041	8,023,301,942
220	<b>II. Fixed assets</b>		524,203,343,523	456,957,385,317
221	1. Tangible fixed assets	13	83,930,720,057	46,462,674,424
222	- Cost		137,526,645,373	91,154,059,237
223	- Accumulated depreciation		(53,595,925,316)	(44,691,384,813)
227	2. Intangible fixed assets	14	54,760,761,719	37,586,767,447
228	- Cost		70,683,393,858	48,082,649,524
229	- Accumulated amortization		(15,922,632,139)	(10,495,882,077)
230	3. Construction in progress	15	385,511,861,747	372,907,943,446
250	<b>III. Long-term financial investments</b>		150,000,000,000	365,000,000,000
258	1. Long-term investments	6	150,000,000,000	365,000,000,000
260	<b>IV. Other long-term assets</b>		13,075,748,479	17,235,671,094
261	1. Long-term prepaid expenses	16	13,075,748,479	17,235,671,094
270	<b>TOTAL ASSETS (270 = 100 + 200)</b>		9,834,946,333,434	8,819,164,978,158



# BALANCE SHEET AS AT 31 DECEMBER 2024 (CONTINUED)

CODE	NOTE	31/12/2024 VND	01/01/2024 VND
<b>300</b>	<b>C. LIABILITIES (300 = 310 + 330)</b>	<b>2,704,686,681,857</b>	<b>6,737,906,002,379</b>
<b>310</b>	<b>I. Current liabilities</b>	<b>2,325,625,843,649</b>	<b>6,560,556,545,557</b>
312	1. Accounts payable to suppliers	446,150,823,536	531,269,124,691
312.1	1.1. Accounts payable – insurance 17	444,722,407,237	526,842,194,280
312.2	1.2. Accounts payable – others	1,428,416,299	4,426,930,411
313	2. Advances from customers	10,897,346,622	21,297,059,864
314	3. Taxes and others payable to State Treasury 18	63,751,613,825	65,596,951,137
315	4. Payables to employees	116,777,037,793	123,204,651,497
316	5. Accrued expenses 19	34,710,043,418	52,412,329,510
319	6. Other short-term payables 20	768,228,869,326	591,135,097,353
319.1	7. Unearned commission revenue 21	1,013,741,572,442	1,128,420,780,331
323	8. Other short-term payables	8,869,474,425	5,038,293,643
329	9. Technical reserves	4,862,499,062,262	4,042,182,257,531
329.1	9.1. Reserve for direct and assumed reinsurance unearned premiums 22(a)	3,259,236,092,885	2,943,318,473,619
329.2	9.2. Reserve for direct and assumed reinsurance claims 22(a)	1,478,819,462,839	888,267,429,749
329.3	9.3. Catastrophe reserve 22(d)	124,443,506,538	210,596,354,163
<b>330</b>	<b>II. Long-term liabilities</b>	<b>379,060,838,208</b>	<b>177,349,456,822</b>
333	1. Other long-term payables	27,973,896,207	27,973,896,207
335	2. Deferred tax liabilities	58,981,081	300,059,551
338	3. Unearned revenue 23	351,027,960,920	149,075,501,064

CODE	NOTE	31/12/2024 VND	01/01/2024 VND
<b>400</b>	<b>D. EQUITY (400 = 410)</b>	<b>2,130,259,651,577</b>	<b>2,081,258,975,779</b>
<b>410</b>	<b>I. Owners' equity 24</b>	<b>2,130,259,651,577</b>	<b>2,081,258,975,779</b>
411	1. Share capital 24(d)	1,726,725,000,000	1,726,725,000,000
411a	1.1. Ordinary shares with voting rights	1,726,725,000,000	1,726,725,000,000
419	2. Statutory reserves	84,871,551,076	72,946,251,670
421	3. Retained earnings	318,663,100,501	281,587,724,109
<b>440</b>	<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>9,834,946,333,434</b>	<b>8,819,164,978,158</b>

NO	OFF BALANCE SHEET ITEMS	UNIT	31/12/2024	01/01/2024
1	Insurance policies signed but for which no obligations have arisen on the part of the Corporation	VND	277,318,701,480	285,589,885,280
2	Foreign currencies			
2.1	United States Dollar (USD)	USD	68,281,23	254,782,65
2.2	Euro (EUR)	EUR	4,498,59	198,13

Prepared by

**Nguyen Thi Phuong Anh**  
Deputy Accountant  
Department

Reviewed by

**Nguyen Huyen Trang**  
Chief Accountant

Approved by

**Hoang Thi Hien**  
Deputy General Director cum  
Chief Financial Officer

Hanoi, 20 February 2025



# STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

## PART I – SUMMARY STATEMENT OF INCOME

CODE		2024 VND	2023 VND
10	1. Net revenue from insurance activities	3,640,825,147,740	3,593,871,974,605
12	2. Financial income	304,819,527,650	293,470,589,233
13	3. Other income	814,902,257	3,738,853,312
20	4. Total expenses for insurance activities	3,095,452,700,634	3,030,285,094,212
22	5. Financial expenses	(1,843,652,179)	(901,497,279)
23	6. General and administration expenses	543,854,818,703	508,963,717,007
24	7. Other expenses	859,527,483	611,701,581
50	8. PROFIT BEFORE TAX (50 = 10 + 12 + 13 - 20 - 22 - 23 - 24)	308,136,183,006	352,122,401,629
51	9. Income tax expense – current	69,871,273,362	70,982,925,973
52	10. Income tax (benefit)/expense – deferred	(241,078,470)	584,603,719
60	11. NET PROFIT AFTER TAX (60 = 50 - 51 - 52)	238,505,988,114	280,554,871,937
70	12. BASIC EARNINGS PER SHARE (VND/SHARE)	1,295	1,432

## PART II – STATEMENT OF INCOME (BY ACTIVITIES)

CODE		NOTE	2024 VND	2023 VND
01	1. PREMIUM REVENUE (01 = 01.1 + 01.2 - 01.3)	25	4,742,462,343,135	4,562,824,803,873
01.1	1.1. Gross written premiums from direct insurance		5,017,239,641,403	4,678,399,784,229
01.2	1.2. Gross written premiums from inward reinsurance		46,140,320,998	41,741,145,020
01.3	1.3. Increase in unearned premium reserve for direct insurance and inward reinsurance	22(b)	315,917,619,266	157,316,125,376
02	2. OUTWARD REINSURANCE PREMIUMS (02 = 02.1 - 02.2)	26	2,420,823,008,707	2,242,854,608,730
02.1	2.1. Outward reinsurance premiums		2,457,730,136,288	2,324,997,496,997
02.2	2.2. Increase in unearned premium reserve for outward reinsurance	22(b)	36,907,127,581	82,142,888,267
03	3. NET INSURANCE PREMIUM (03 = 01 - 02)		2,321,639,334,428	2,319,970,195,143
04	4. COMMISSION INCOME FROM OUTWARD REINSURANCE AND OTHER INCOME FROM INSURANCE ACTIVITIES (04 = 04.1 + 04.2)		1,314,185,813,312	1,273,901,779,462
04.1	4.1. Commission income from outward reinsurance		1,299,391,077,738	1,264,148,751,533
04.2	4.2. Other income from insurance activities		14,794,735,574	975,027,929
10	5. NET REVENUE FROM INSURANCE ACTIVITIES (10 = 03 + 04)		3,640,825,147,740	3,593,871,974,605
11	6. CLAIMS PAID (11 = 11.1 - 11.2)		1,425,638,721,389	1,577,456,352,671
11.1	6.1. Claims paid		1,427,445,284,982	1,578,480,697,124
11.2	6.2. Claim expense reductions (third party claims and salvage recoveries 100%)		1,806,563,593	1,024,344,453
12	7. CLAIMS RECOVERY FROM OUTWARD REINSURANCE	22(c)	685,770,734,972	637,890,889,331
13	8. INCREASE/(DECREASE) IN CLAIMS RESERVE FOR DIRECT INSURANCE AND INWARD REINSURANCE	22(c)	590,552,033,090	(178,497,916,424)
14	9. DECREASE/(INCREASE) IN CLAIMS RESERVE FOR OUTWARD REINSURANCE		506,036,889,704	(72,748,341,025)
15	10. NET CLAIMS EXPENSE (15 = 11 - 12 + 13 - 14)	27	824,383,129,803	833,815,887,941



# STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

## PART II – STATEMENT OF INCOME (BY ACTIVITIES – CONTINUED)

CODE	NOTE	2024 VND	2023 VND
16	11. (Decrease)/increase in catastrophe reserve 22(d)	(86.152.847.625)	23.951.434.324
17	12. Other operating expenses for insurance activities (17 = 17.1 + 17.2) 28	2.357.222.418.456	2.172.517.771.947
17.1	- Commission on insurance activities	380.624.783.239	421.761.501.233
17.2	- Other insurance costs	1.976.597.635.217	1.750.756.270.714
18	13. Total expenses for insurance activities (18 = 15 + 16 + 17)	3.095.452.700.634	3.030.285.094.212
19	14. Gross profit from insurance activities (19 = 10 - 18)	545.372.442.106	563.586.880.393
23	15. Financial income 29	304.819.527.650	293.470.589.233
24	16. Financial expenses 30	(1.843.652.179)	(901.497.279)
25	17. Profit from financial activities (25 = 23 - 24)	306.663.179.829	294.372.086.512
26	18. General and administration expenses 31	543.854.818.703	508.963.717.007
30	19. Net operating profit (30 = 19 + 25 - 26)	308.180.808.232	348.995.249.898
31	20. Other income	814.902.257	3.738.853.312
32	21. Other expenses	859.527.483	611.701.581
40	22. Results of other activities (40 = 31 - 32)	(44.625.226)	3.127.151.731
50	23. Accounting profit before tax (50 = 30 + 40)	308.136.183.006	352.122.401.629
51	24. Income tax expense – current 32	69.871.273.362	70.982.925.973
52	25. Income tax (benefit)/expense – deferred 32	(241.078.470)	584.603.719
60	26. Net profit after tax (60 = 50 - 51 - 52)	238.505.988.114	280.554.871.937
70	27. Basic earnings per share (VND/share) 33	1.295	1.432

Prepared by

Nguyen Thi Phuong Anh  
Deputy Accountant  
Department

Hanoi, 20 February 2025

Reviewed by

Nguyen Huyen Trang  
Chief Accountant

Approved by

Hoang Thi Hien  
Deputy General Director cum  
Chief Financial Officer

# STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024 (DIRECT METHOD)

CODE	2024 VND	2023 VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
01 1. Receipt from sale of goods and rendering of services	5.048.511.562.000	4.504.483.073.890
02 2. Payments to suppliers of goods and services	(3.782.682.028.963)	(3.465.420.339.751)
03 3. Payments to employees	(517.655.326.800)	(528.229.124.919)
04 4. Payments of interest expenses	(735.601)	(582.881)
05 5. Payments of corporate income tax	(69.956.902.590)	(28.409.919.078)
06 6. Receipts from other operating activities	151.007.456.204	73.039.468.440
07 7. Other payments for operating activities	(426.812.367.466)	(280.013.323.547)
20 Net cash flows from operating activities	402.411.656.784	275.449.252.154
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
21 1. Purchase and construction of fixed assets and other long-term assets	(81.657.671.355)	(41.439.111.441)
22 2. Proceeds from disposals of fixed assets and other long-term assets	-	511.200.000
23 3. Payments for granting loans and purchase of debt instruments of other entities	(4.232.200.000.000)	(2.533.000.000.000)
24 4. Receipt of loans granted and proceeds from sale of debt instruments of other entities	3.855.864.903.711	2.284.439.992.176
27 5. Receipt of interests, dividends and distributed profits	374.719.945.587	185.949.576.480
30 Net cash flows from investing activities	(83.772.822.057)	(103.538.342.785)
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
36 1. Dividends and profits paid to owners	(171.318.000.940)	(81.988.755.950)
40 2. Net cash flows from financing activities	(171.318.000.940)	(81.988.755.950)
50 3. Net cash flows during the year (50 = 20 + 30 + 40)	379.060.838.208	89.922.153.419
60 4. Cash and cash equivalents at the beginning of the year	181.584.419.261	91.662.400.598
61 5. Effect of exchange rate fluctuations on cash and cash equivalents	161.179.843	(134.756)
70 6. Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 5)	329.566.432.891	181.584.419.261



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

## 1. REPORTING ENTITY

<b>Ownership structure</b>	Military Insurance Corporation ("the Corporation") is a joint stock company established in Vietnam in accordance with Business License No. 43GP/KDBH initially issued by the Ministry of Finance on 8 October 2007 and the latest Amended Business License No. 43/GPDC41/KDBH dated 19 February 2024.
<b>Principal activities</b>	The Corporation's principal activities are to provide non-life insurance, reinsurance, prevention and reduction of losses, loss survey, compensation settlement, third party recoveries and salvages; investing and constructing activities, and other activities that are in line with prevailing laws and regulations.
<b>Normal operating cycle</b>	The normal operating cycle of the Corporation is generally within 12 months.
<b>Corporation structure</b>	As at 31 December 2024, the Corporation had 1,914 employees (1/1/2024: 1,945 employees).
<b>Head Office</b>	The Corporation has its Head Office located at 5 <sup>th</sup> -6 <sup>th</sup> Floors, MB Building, No. 21 Cat Linh Street, Cat Linh Ward, Dong Da District, Hanoi.

## 2. BASIS OF PREPARATION

### Statement of compliance

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, Circular No. 232/2012/TT-BTC dated 28 December 2012 issued by the Ministry of Finance on the promulgation of accounting guidance for non-life insurance companies, reinsurance companies and foreign non-life insurance business branches and the relevant statutory requirements applicable to financial reporting.

These accounting policies may differ in some material respects from generally accepted accounting principles and practices in other countries. Accordingly, the accompanying financial statements are not intended to present the Corporation's financial position, results of operations and cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilization is not designed for those who are not informed about Vietnam's accounting principles, procedures and practices for non-life insurance companies, reinsurance companies and foreign non-life insurance business branches.

### Basis of measurement

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the direct method.

### Annual accounting period

The annual accounting period of the Corporation is from 1 January to 31 December.

### Accounting and presentation currency

The Corporation's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted by the Corporation in the preparation of these financial statements.

### 3.1. FOREIGN CURRENCY TRANSACTIONS

Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate/account transfer selling rate at the end of the annual accounting period quoted by the commercial bank where the Corporation most frequently conducts transactions.

All foreign exchange differences are recorded in the statement of income.

### 3.2. CASH AND CASH EQUIVALENTS

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

### 3.3. INVESTMENTS

#### a) Short-term and long-term investments

Investments include: term deposits with banks, certificates of deposit, bonds and trusted investments in the form of investment management contracts.

Held to maturity investments and trusted investments are stated at their acquisition cost. After initial recognition, these investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the statement of income and deducted against the value of such investments.

#### b) Allowance for diminution in the value of investments

Allowance for diminution in the value of investments is made when it is probable that there will be impairment of these investments at the balance sheet date.

Increase or decrease to the allowance are recorded as financial expenses in the statement of income.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

## 3.4. ACCOUNTS RECEIVABLE

Trade receivables and other receivables are stated at cost less allowance for doubtful debts.

Allowance for doubtful debts is made based on the overdue status of debts or expected losses on undue debts which may occur when an economic organization is bankrupted or liquidated; or debtor is missing, running away, being prosecuted, under a trial or pending execution of sentences or deceased.

The allowance for doubtful debts based on overdue status is made in accordance as follows:

Overdue time	Allowance rate
Not overdue or overdue for less than six (06) months	0%
From six (06) months to less than one (01) year	30%
From one (01) to less than two (02) years	50%
From two (02) to less than three (03) years	70%
Over three (03) years	100%

## 3.5. DEFERRED COMMISSION EXPENSES

Commission expenses on direct insurance business and inward reinsurance business are recognised when premiums from direct insurance and inward reinsurance are recognised. At the end of year, commission expenses are amortised on the same basis as the allocation of unearned premium reserve and mathematical reserve as described in Note 3(k). The balance of deferred commission expenses at the reporting date represents the commission expenses relating to unearned premium.

## 3.6. TANGIBLE FIXED ASSETS

### a) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to statement of income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalized as an additional cost of tangible fixed assets.

### b) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

Buildings and structures	5 – 30 years
Office equipment	3 – 7 years
Motor vehicles	8 – 10 years

## 3.7. INTANGIBLE FIXED ASSETS

### a) Long-term land use rights

Long-term land use rights are stated at cost. The initial cost of a land use right comprises the value of the right as stated in the Investment License and any directly attributable costs incurred in conjunction with securing the land use rights. No amortization was charged for long-term land use rights.

### b) Software

The cost of acquiring new software, which is not an integral part of the related hardware, is capitalized and treated as an intangible asset. Software costs are amortized on a straight-line basis from 3 years to 10 years.

## 3.8. PREPAID EXPENSES

### a) Office repair/renovation expenses

Office repair/renovation expenses are recorded at cost and amortised on a straight-line basis over a period not exceeding 3 years.

### b) Tools and instruments

Tools and instruments include assets held for use by the Corporation in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over a period not exceeding 3 years.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

## 3.9. INSURANCE PAYABLES AND OTHER PAYABLES

Insurance payables and other payables are stated at their cost.

## 3.10. PROVISIONS

A provision is recognised if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation at the end of the accounting period.

## 3.11. TECHNICAL RESERVES

Technical reserves are provided in accordance with Official Letter 2455, Official Letter 8475 and guidelines in Circular No. 67/2023/TT-BTC dated 2 November 2023 ("Circular 67") issued by the Ministry of Finance providing detailed regulations on the implementation of the Law on Insurance Business, Decree No. 46/2023/ND-CP dated 1 July 2023 of the Government providing detailed regulations on the implementation of the Law on Insurance Business ("Decree 46").

Technical reserves of the Corporation include:

### a) Technical reserves for non-life insurance

#### (i) Unearned premium reserve

Unearned premium reserve is calculated as a percentage of total premium or in accordance with a coefficient of the insurance contracts' terms, such as:

- For line of insurance of cargo delivered by road, water, inland water, railway and airway with a term of less than 1 year, unearned premium reserve is made at 25% of the total insurance premium.
- For other insurance lines with a term of less than 1 year, unearned premium reserve is made at 50% of the total insurance premium.

Regarding insurance policies with term more than 1 year, the Corporation applied the daily basis to calculate unearned premium reserve for all types of insurance and reinsurance businesses, following the formula:

$$\text{Unearned premium reserve} = \frac{\text{Insurance premiums} \times \text{Remaining day of insurance policy}}{\text{Number of coverage days}}$$

Gross and assumed unearned premium reserve are presented as current liabilities; unearned premium reserve of outward reinsurance is presented as current reinsurance asset.

#### (ii) Claims reserve

Claims reserve includes the reserve for outstanding claims and for claims incurred but not reported.

- Outstanding claim reserve is established based on the estimated claim payments for each claim for which the insurer is liable, which is either notified to the insurer or requested for payment but is still unresolved at the end of the fiscal year after deducting the amount recoverable from reinsurers; and
- Reserve for incurred but not reported claims for which the insurer is liable ("IBNR") is established at the rate of 3% of insurance premium for each line of insurance.

#### (iii) Catastrophe reserve

Catastrophe reserve is provided every accounting period until such reserve reaches 100% of the retained premiums of the current fiscal year (not including health insurance) and is made based on retained premiums according to Circular 67. Catastrophe reserve is presented as current liabilities.

On 28 December 2005, the Ministry of Finance issued Decision No. 100/2005/QĐ-BTC governing the publication of four new accounting standards, one of which is Vietnamese Accounting Standard ("VAS") 19 – Insurance Contract. Following the issuance of this Standard, starting from January 2006, the provision of catastrophe reserve is no longer required since it represents "possible claims under contracts that are not in existence at the reporting date". However, since the Ministry of Finance has not issued detailed guidance for the implementation of VAS 19 and in accordance with the provision set out in Decree 46, the Corporation has elected to adopt the policy of providing for the catastrophe reserve for the year ended 31 December 2024. The current applicable rate is 1% of the total retained premiums for each type of insurance.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 3.11. TECHNICAL RESERVES (CONTINUED)

### b) Technical reserve of health insurance

#### (i) Mathematical reserve

- Regarding health insurance and reinsurance policies with a term of more than 1 year, except the policies which only cover death or total permanent disability, mathematical reserve is set aside as follows:

$$\text{Mathematical reserve} = \frac{\text{Premiums} \times \text{Remaining day of insurance policy}}{\text{Number of coverage days}}$$

In any cases, mathematical reserve must give results not less than those obtained from 1/8 method.

- Regarding health insurance policies provided by a non-life insurer or foreign branch which only cover death or total permanent disability, it may set aside as follows:

$$\text{Mathematical reserve} = \frac{\text{Premiums} \times \text{Remaining day of insurance policy}}{\text{Number of coverage days}}$$

Mathematical reserve is recorded in unearned premium reserve account in the balance sheet.

#### (ii) Unearned premiums reserve

Regarding health insurance policies with a term of less than or equal to 1 year, unearned premiums reserve is made at 50% of total insurance premium in the fiscal year of this lines of insurance.

#### (iii) Claim reserve

Claim reserve includes the reserve for outstanding claims and for claims incurred but not reported.

- Outstanding claim reserve is established based on the estimated claim payments for each claim for which the insurer is liable, which is either notified to the insurer or requested for payment but is still unresolved at the end of the fiscal year; and
- Reserve for incurred but not reported claims for which the insurer is liable ("IBNR") is established at the rate of 3% of insurance premium for each line of insurance.

Gross and assumed reinsurance claim reserve is presented as current liabilities; claim reserve of outward reinsurance is presented as current reinsurance asset.

#### (iii) Equalization reserve

Equalization reserve for health insurance is established at 1% of retained premium and recognised in catastrophe reserve account on the balance sheet.

## 3.12. DISTRIBUTION OF PROFITS

Net profit after tax of the Corporation is used for appropriation to reserves and funds and payments of dividends to shareholders upon approval of the General Meeting of Shareholders of the Corporation.

### a) Statutory reserve fund

In accordance with Decree 46, after payment of corporate income tax and appropriation to statutory reserve, insurance companies, insurance brokers and branches of foreign insurance companies can distribute the remaining profits in accordance with the prevailing regulations. Statutory reserve is appropriated annually from profit after tax at the rate of 5% until the reserve reaches 10% of the Corporation's charter capital.

### b) Other equity funds

Other equity funds are allocated from profit after tax. The allocation from profit after tax and the utilisation of other equity funds are approved by the General Meeting of Shareholders of the Corporation.

## 3.13. STATUTORY SECURITY DEPOSITS

According to the provisions of Clause 2, Article 96, Section 5, Chapter III, Law on Insurance Business No. 08/2022/QH15 dated 16 June 2022 passed by the National Assembly, the Corporation has to maintain a statutory security deposit of 2% of its minimum charter capital at a commercial bank operating in Vietnam, in which the minimum charter capital is prescribed in Article 35, Section 6, Chapter II of Decree 46. The Corporation is entitled to interest on the statutory security deposit and can only withdraw this deposit upon termination of operations. The statutory security deposit can only be used to meet commitments to the insurance buyer in case of illiquidity and must be approved in writing by the Ministry of Finance. Insurance and reinsurance enterprises established, organized and operating before the effective date of Decree 46 and having a charter capital lower than the minimum charter capital prescribed in this Article shall, before 1 January 2028, complete the addition of charter capital as prescribed.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

## 3.14. TAXATION

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

## 3.15. REVENUE RECOGNITION

### a) Premium from direct insurance

Premium from direct insurance is recognised in accordance with Circular 67. Particularly, direct insurance premium is recognised when:

- The insurance contract has been entered into between the Corporation and the insurance buyer has fully paid the insurance premium;
- There is evidence that the insurance contract has been entered into and the insurance buyer has fully paid the insurance premium;
- The insurance contract has been entered into and the Corporation has an agreement with the insurance buyer on the premium payment deadline as prescribed in Points a and c, Clause 2, Article 26, Circular 67, the Corporation shall account for the revenue from insurance premium that the insurance buyer is required to pay as agreed in the insurance contract at the beginning of the insurance period;
- The insurance contract has been entered into and there is an agreement for the insurance buyer to pay insurance premium periodically in the insurance contract, the Corporation shall account for insurance premium revenue corresponding to the period or periods in which premium is incurred, not account for revenue from insurance premium that is not yet due to be paid by the insurance buyer as agreed in the insurance contract.

### b) Premium revenue from reinsurance activities and outward reinsurance premiums

Inward reinsurance premium is recorded when the liability is incurred, at the amount stated on the reinsurers' statement sent to the Corporation and confirmed by the Corporation.

Outward reinsurance premium is recorded at the premium amount to be ceded to reinsurers, corresponding to the direct insurance premium recognised in the year.

Commission income from outward reinsurance is recorded simultaneously with outward reinsurance premium incurred in the year. During the year, the entire commission income from outward reinsurance is presented in the item "Commission income from outward reinsurance". At the year end, the Corporation should determine unearned commission income from outward reinsurance corresponding to outward reinsurance premium not yet recognized in this year so as to allocate such commission income to the subsequent accounting years according to the fee reserve method. Details are as follows:

#### *For insurance policies with terms of less than or equal to 1 year*

Unearned commission income is set aside at the rate of 25% of the outward reinsurance premium regarding all types of cargo insurance and 50% for insurance service of other types.

#### *For insurance policies with terms of more than 1 year*

Apply the daily allocation method in accordance with Point c, Clause 2, Article 35 of Circular 67.

### c) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

### d) Dividends

Income from dividends is recognised when the Corporation's right to receive the dividend is established. Share dividends or bonus share are not recognised as an income, only the number of shares is reflected in the investment portfolio of the Corporation. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

## 3.16. CLAIM EXPENSES AND COMMISSION EXPENDITURE FROM INSURANCE ACTIVITIES

Claim settlement expenses of direct insurance are recorded as incurred, that is, when the Corporation accepts to settle the insured's claims following respective settlement notice.

Claim settlements of reinsurance inward activities are recorded as incurred based on the statement of accounts the reinsurers sent to the Corporation and the claim is accepted by the Corporation.

Claim receipts from ceded policies are recognised based on the receivable amount incurred corresponding to the claim settlement expenses recorded in the year and the ceded ratios.

Commission expenditure from insurance activities is recognised when incurred. In the period, the entire commission expenses for direct insurance and inward reinsurance are presented in the items "Commission expenses for direct insurance" and "Commission expenses for inward reinsurance". At the year end, the Corporation should determine commission expenses for direct insurance and inward reinsurance which have not been recognized as expenses for the year yet corresponding to unearned direct premium and inward reinsurance premium so as to allocate such commission expenses to the subsequent years. Details are as follows:

#### *For insurance policies with terms of less than or equal to 1 year*

Un-allocated commission expense is set aside at the rate of 25% of all types of cargo insurance and 50% for insurance service of other types.

#### *For insurance policies with terms of more than 1 year*

Apply the daily allocation method in accordance with Point c, Clause 2, Article 35 of Circular 67.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

## 3.17. ACQUISITION COSTS

Acquisition costs incurred on the underwriting or renewal of insurance policies are recognised in the statement of income when incurred except for commission expenditure from insurance activities, agency management expenses and outside services expenses to serve insurance policy management allocated corresponding to premiums from direct insurance and inward reinsurance earned in the current year; the allocation principles are described in Note 3(p).

Agency management expenses and outside services expenses to serve insurance policy management are allocated as follows:

### *For insurance policies with terms of less than 1 year*

Un-allocated commission expense is set aside at the rate of 25% of all types of cargo insurance and 50% for insurance service of other types.

### *For insurance policies with terms of more than 1 year*

Apply the daily allocation method in accordance with Point c, Clause 2, Article 35 of Circular 67.

## 3.18. LEASES

### **Lease payments**

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense, over the term of the lease.

## 3.19. EARNINGS PER SHARE

The Corporation presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare fund for the annual accounting period) of the Corporation by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

## 3.20. SEGMENT REPORTING

A segment is a distinguishable component of the Corporation that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Corporation's Board of Management assessed that the Corporation currently operates in one business segment which is insurance, and in one geographical segment which is Vietnam.

## 3.21. RELATED PARTIES

Parties are considered to be related to the Corporation if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Corporation and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

## 3.22. CLASSIFICATION OF FINANCIAL INSTRUMENTS

Solely for the purpose of providing disclosures about the significance of financial instruments to the financial position and results of operations of the Corporation and the nature and extent of risk arising from financial instruments, the Corporation classifies its financial instruments as follows:

### **a) Financial assets**

#### *Financial assets are measured at fair value through the statement of income*

Financial asset measured at fair value through the statement of income is a financial asset that meets one of the following conditions:

- Financial assets are classified as held for trading. A financial asset is classified as held for trading if:
  - Assets purchased primarily for the purpose of short-term resale;
  - There is evidence that the instrument is traded for short-term profit; or
  - Derivative financial instruments (except for derivative financial instruments that are identified as a contract of financial guarantee or an effective hedging instrument)
- At the time of initial recognition, the Corporation classifies financial assets as stated at fair value through the statement of income.

#### *Held-to-maturity investments*

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Corporation has the intention and ability to hold to maturity, except:

- Financial assets which at the time of initial recognition have been designated by the Corporation at fair value through the statement of income;
- Financial assets have been classified as available for sale by the Corporation; or
- Financial assets that meet the definitions of loans and receivables.

#### *Receivables*

Receivables are non-derivative financial assets with fixed or determinable payments and are not listed on an exchange, except:

- Amounts which the Corporation intends to sell immediately or in the near future are classified as holdings for trading purposes, and those which at the time of initial recognition are classified by the Company as assets determined at fair value through the statement of income;
- Amounts classified by the Corporation as available for sale at initial recognition; or
- Amounts for which the holder may not recover most of the original investment, not due to credit deterioration, and are classified as available for sale.

#### *Financial assets available for sale*

Available-for-sale financial assets are non-derivative financial assets that are determined to be available for sale or are not classified as:

- Financial assets measured at fair value through the statement of income;
- Held-to-maturity investments; or
- Receivables.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024(CONTINUED)

## 3.22. CLASSIFICATION OF FINANCIAL INSTRUMENTS (CONTINUED)

### b) Financial liabilities

#### *Financial liabilities are measured at fair value through the statement of income*

A financial liability at fair value through the statement of income is a financial liability that meets one of the following conditions:

- Financial liabilities are classified as held for trading. A financial liability is classified as held for trading if:
  - The debt is created primarily for short-term redemption purposes;
  - There is evidence that the instrument is traded for short-term profit; or
  - As a derivative financial instrument (except for derivative financial instruments that are identified as a contract of financial guarantee or an effective hedging instrument).
- At the time of initial recognition, the Corporation classifies financial liabilities as fair value through the statement of income.

#### *Financial liabilities are measured at amortized value*

Financial liabilities that are not classified as financial liabilities measured at fair value through the statement of income will be classified as financial liabilities measured at amortized value.

The above classifications of financial instruments are for presentation and disclosure purposes only and are not intended to describe the method of valuation of financial instruments. Accounting policies regarding the valuation of financial instruments are disclosed in other relevant notes.

## 3.23. COMPARATIVE INFORMATION

Comparative information in these financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these financial statements is not intended to present the Corporation's financial position, results of operation or cash flows for the prior year.

## 4. CHANGES IN ACCOUNTING ESTIMATES

In preparing annual financial statements, the Board of Management makes a number of accounting estimates. Actual results may differ from these accounting estimates. For the year ended 31 December 2024, there were no material changes in the accounting estimates made since the end of the prior year.

## 5. CASH AND CASH EQUIVALENTS

UNIT: VND

	31/12/2024	01/01/2024
Cash on hand	569,018,449	438,691,564
Cash at bank	328,990,962,746	179,909,778,343
Cash in transit	6,451,696	1,235,949,354
<b>TOTAL</b>	<b>329,566,432,891</b>	<b>181,584,419,261</b>

## 6. FINANCIAL INVESTMENT

UNIT: VND

	31/12/2024		01/01/2024	
	Cost	Fair value	Cost	Fair value
<b>Short-term</b>	(*)	4,113,000,000,000	(*)	3,521,688,373,299
Term deposits (i)		3,078,000,000,000		2,199,000,000,000
Trusted investment (iii)		1,035,000,000,000		983,800,000,000
Bond		-		168,888,373,299
Certificate of deposit		-		170,000,000,000
<b>Long-term</b>	(*)	150,000,000,000	(*)	365,000,000,000
Term deposits (ii)		150,000,000,000		365,000,000,000
		4,263,000,000,000		3,886,688,373,299

(\*) The Corporation has not determined fair values of these financial instruments for disclosure in the financial statements because there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System. The fair values of these financial instruments may differ from their carrying amounts.

(i) These include deposits with original term of more than 3 months and remaining maturity of less than 1 year, with annual interest rates as at 31 December 2024 ranging from 5.00% to 7.20% (1/1/2024: from 4.60% to 12.00%).

(ii) These include deposits with remaining maturity of more than 1 year, with annual interest rates as at 31 December 2024 from 5.80% to 6.00% (1/1/2024: from 5.00% to 7.20%).

(iii) The trust is being managed by MB Investment Fund Management Joint Stock Company (MB Capital), a related party, according to Investment Management Contract No. 0110/2014/QLOT/MBCapital-MIC between the Corporation and MB Capital dated 9 October 2014 and attached appendices. At 31 December 2024 and 31 December 2023, the trusted portfolio includes cash, cash equivalents, listed shares, listed and unlisted bonds, certificates of deposit and other accounts receivable/payable.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 7. ACCOUNTS RECEIVABLE – INSURANCE

UNIT: VND

	31/12/2024	01/01/2024
Gross written premium receivables	80.661.198.381	99.412.545.315
Reinsurance assumed receivables	26.565.492.406	22.696.479.204
Receivables from co-insurers	11.769.242.003	9.003.549.708
<b>TOTAL</b>	<b>118.995.932.790</b>	<b>131.112.574.227</b>

## 8. PREPAYMENTS TO SUPPLIERS

UNIT: VND

	31/12/2024	01/01/2024
Advance for claim payments	64.260.811.827	62.006.090.265
Advance for ceded reinsurance policies	239.711.408.615	331.833.281.596
Advance for D47 designing expense (i)	36.841.800.000	36.841.800.000
Other advances	1.405.124.549	4.197.177.866
<b>TOTAL</b>	<b>342.219.144.991</b>	<b>434.878.349.727</b>

(i) This represents the advance of design expense for MIC Tower office building construction project ("D47 Project"). The Corporation is the owner of this project which was approved by the Hanoi People's Committee under the Document No. 5859/UBND-KHDT on 15 July 2011 and the Document No. 3564/BQP-TM on 23 June 2010. Accordingly, the Corporation has constructed an office building at 54 To Huu Street, Trung Van Ward, Me Tri, South Tu Liem District, Hanoi.

## 9. OTHER RECEIVABLES

UNIT: VND

	31/12/2024	01/01/2024
Accrued interest	91.650.823.283	171.233.767.133
Advance for D47 project (i)	107.363.984.740	107.363.984.740
Advances for employees	7.501.157.558	6.458.728.338
Other receivables	23.947.289.013	20.930.886.594
<b>TOTAL</b>	<b>230.463.254.594</b>	<b>305.987.366.805</b>

(i) This is an advance for processing D47 project, which will be capitalized to project cost once finalized with the contractors.

## 10. ALLOWANCE FOR SHORT-TERM DOUBTFUL DEBTS

Detail of allowances for short-term doubtful debts as follows:

UNIT: VND

	31/12/2024	01/01/2024
Allowance for doubtful debts	8.808.171.788	9.729.416.920

Movements of allowance for short-term doubtful debts during the year were as follows:

UNIT: VND

	31/12/2024	01/01/2024
Opening balance	9.729.416.920	9.551.564.216
Allowance (reversed)/made during the year (Note 31)	(921.245.132)	177.852.704
Closing balance	<b>8.808.171.788</b>	<b>9.729.416.920</b>

## 11. SHORT-TERM PREPAID EXPENSES

Deferred commission expenses

UNIT: VND

	31/12/2024	01/01/2024
Opening balance	332.531.250.326	373.351.549.309
Deferred commission expenses incurred during the year	397.399.314.632	385.941.202.249
Amortised during the year	(380.624.783.239)	(421.761.501.232)
Closing balance	<b>354.305.781.719</b>	<b>337.531.250.326</b>

Other short-term prepaid expenses

UNIT: VND

	31/12/2024	01/01/2024
Rental cost	3.649.812.592	2.069.833.455
Tools and instruments	93.108.978	668.680.908
Head office renovation cost	21.539.899	161.887.507
Business expenses waiting to be allocated	945.532.032.603	905.066.100.776
Closing balance	<b>949.296.494.072</b>	<b>907.966.502.646</b>



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 12. STATUTORY SECURITY DEPOSITS

UNIT: VND

	31/12/2024	01/01/2024
Statutory security deposits	9,000,000,000	7,000,000,000

According to the provisions of Clause 2, Article 96, Section 5, Chapter III, Law on Insurance Business No. 08/2022/QH15 promulgated on 16 June 2022 by the National Assembly, the Corporation has maintained a compulsory insurance deposit equivalent to 1.56% of minimum charter capital (minimum charter capital is VND450 billion). This deposit is deposited at Military Commercial Joint Stock Bank in VND and earns interests at an annual rate of 5.4% as at 31 December 2024 (1/1/2024: 7.4%). This deposit is not allowed to be disbursed until the termination of business operations or prior approval of the Ministry of Finance. However, interest can be withdrawn at any time.

## 13. TANGIBLE FIXED ASSETS

### Movements in tangible fixed assets for the year ended 31 December 2024

UNIT: VND

	BUILDINGS AND STRUCTURES	OFFICE EQUIPMENT	MOTOR VEHICLES	TOTAL
<b>Cost</b>				
Opening balance	57,040,347,975	25,254,337,624	8,859,373,638	91,154,059,237
Additions	-	104,400,000	-	104,400,000
Transfer from construction in progress		46,516,552,500	-	46,516,552,500
Disposals	-	(248,366,364)	-	(248,366,364)
<b>Closing balance</b>	<b>57,040,347,975</b>	<b>71,626,923,760</b>	<b>8,859,373,638</b>	<b>137,526,645,373</b>
<b>Accumulated depreciation</b>				
Opening balance	18,530,513,868	19,569,277,256	6,591,593,689	44,691,384,813
Change for the year	1,308,052,673	7,333,221,759	511,632,435	9,152,906,867
Disposals	-	(248,366,364)	-	(248,366,364)
<b>Closing balance</b>	<b>19,838,566,541</b>	<b>26,654,132,651</b>	<b>7,103,226,124</b>	<b>53,595,925,316</b>
<b>Net book value</b>				
Opening balance	38,509,834,107	5,685,060,368	2,267,779,949	46,462,674,424
<b>Closing balance</b>	<b>37,201,781,434</b>	<b>44,972,791,109</b>	<b>1,756,147,514</b>	<b>83,930,720,057</b>

Included in tangible fixed assets were assets costing VND26,905 million which were fully depreciated as of 31 December 2024 (1/1/2024: VND18,115 million) but which are still in active use.

### Movements in tangible fixed assets for the year ended 31 December 2023

UNIT: VND

	BUILDINGS AND STRUCTURES	OFFICE EQUIPMENT	MOTOR VEHICLES	TOTAL
<b>Cost</b>				
Opening balance	57,040,347,975	25,263,029,591	10,849,423,997	93,152,801,563
Additions	-	212,634,092	-	212,634,092
Disposals	-	(221,326,059)	(1,990,050,359)	(2,211,376,418)
<b>Closing balance</b>	<b>57,040,347,975</b>	<b>25,254,337,624</b>	<b>8,859,373,638</b>	<b>91,154,059,237</b>
<b>Accumulated depreciation</b>				
Opening balance	17,183,448,452	15,994,993,032	7,605,339,383	40,783,780,867
Change for the year	1,347,065,416	3,698,867,790	821,004,523	5,866,937,729
Disposals	-	(124,583,566)	(1,834,750,217)	(1,959,333,783)
<b>Closing balance</b>	<b>18,530,513,868</b>	<b>19,569,277,256</b>	<b>6,591,593,689</b>	<b>44,691,384,813</b>
<b>Net book value</b>				
Opening balance	39,856,899,523	9,268,036,559	3,244,084,614	52,369,020,696
<b>Closing balance</b>	<b>38,509,834,107</b>	<b>5,685,060,368</b>	<b>2,267,779,949</b>	<b>46,462,674,424</b>

## 14. INTANGIBLE FIXED ASSETS

### Movements in intangible fixed assets for the year ended 31 December 2024

UNIT: VND

	LAND USE RIGHTS	COMPUTER SOFTWARE	TOTAL
<b>Cost</b>			
Opening and closing balance	17,052,184,000	31,030,465,524	48,082,649,524
Transfer from construction in progress	-	22,600,744,334	22,600,744,334
<b>Closing balance</b>	<b>17,052,184,000</b>	<b>53,631,209,858</b>	<b>70,683,393,858</b>



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

UNIT: VND

	LAND USE RIGHTS	COMPUTER SOFTWARE	TOTAL
<b>Accumulated depreciation</b>			
Opening balance	-	10,495,882,077	10,495,882,077
Change for the year	-	5,426,750,062	5,426,750,062
<b>Closing balance</b>	-	<b>15,922,632,139</b>	<b>15,922,632,139</b>
<b>Net book value</b>			
Opening balance	17,052,184,000	20,534,583,447	37,586,767,447
Closing balance	17,052,184,000	37,708,577,719	54,760,761,719

Included in intangible fixed assets were assets costing VND10,001 million which were fully amortised as of 31 December 2024, but which are still in active use (1/1/2024: VND5,018 million).

## Movements in intangible fixed assets for the year ended 31 December 2023

UNIT: VND

	LAND USE RIGHTS	COMPUTER SOFTWARE	TOTAL
<b>Cost</b>			
Opening balance	17,052,184,000	17,626,770,524	34,678,954,524
Additions	-	1,747,320,000	1,747,320,000
Transfer from construction in progress	-	11,656,375,000	11,656,375,000
<b>Closing balance</b>	<b>17,052,184,000</b>	<b>31,030,465,524</b>	<b>48,082,649,524</b>
<b>Accumulated amortisation</b>			
Opening balance	-	7,607,339,264	7,607,339,264
Change for the year	-	2,888,542,813	2,888,542,813
<b>Closing balance</b>	-	<b>10,495,882,077</b>	<b>10,495,882,077</b>
<b>Net book value</b>			
Opening balance	17,052,184,000	10,019,431,260	27,071,615,260
Closing balance	17,052,184,000	20,534,583,447	37,586,767,447

## 15. CONSTRUCTION IN PROGRESS

UNIT: VND

	2024	2023
<b>Opening balance</b>	<b>372,902,943,446</b>	<b>345,963,161,097</b>
Additions	81,721,215,135	39,479,157,349
Transfer to tangible fixed assets (Note 13)	(46,516,552,500)	-
Transfer to intangible fixed assets (Note 14)	(22,600,744,334)	(11,656,375,000)
Other decreases	-	(878,000,000)
<b>Closing balance</b>	<b>385,511,861,747</b>	<b>372,902,943,446</b>

Details of the construction projects in progress were as follows as:

UNIT: VND

	31/12/2024	01/01/2024
D47 Construction Project (*)	303,827,379,508	303,827,379,508
MIPEC Tower Construction Project	30,813,086,895	30,813,086,895
Core Insurance Project	47,466,245,344	34,525,842,043
Other projects	3,405,150,000	3,741,635,000
<b>Closing balance</b>	<b>385,511,861,747</b>	<b>372,902,943,446</b>

(\*) At 31 December 2024, the project is continuing to complete legal procedures with the authorities and will be completed as soon as the legal procedures are completed.

## 16. LONG-TERM PREPAID EXPENSES

UNIT: VND

	31/12/2024	01/01/2024
Office renovation	856,600,000	2,868,353,891
Tools and instruments	5,086,172,449	5,211,373,067
Rental cost	5,763,382,404	5,778,799,113
Others	1,369,593,626	3,377,145,023
	<b>13,075,748,479</b>	<b>17,235,671,094</b>



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 17. ACCOUNTS PAYABLE – INSURANCE

UNIT: VND

	31/12/2024	01/01/2024
Ceded reinsurance payables	440,911,424,893	501,304,548,719
Direct insurance payables	2,206,537,231	4,736,078,901
– Claims payable	1,790,511,771	4,177,521,999
– Inspection payable	244,263,596	238,544,587
– Commission payables	171,761,864	320,012,315
Assumed reinsurance payables	1,604,445,113	20,801,566,660
	444,722,407,237	526,842,194,280

## 18. ACCRUED EXPENSES

UNIT: VND

	31/12/2024	01/01/2024
Compulsory fire and miscellaneous fund	-	1,086,778,150
Insurance supervision & management fund	1,505,171,892	1,403,519,935
Accrued selling expenses	-	2,757,888,929
Other accrued expenses	33,204,871,526	47,164,142,496
	34,710,043,418	52,412,329,510

## 19. TAXES AND OTHERS PAYABLE TO STATE TREASURY

For the year ended 31 December 2024

UNIT: VND

	01/01/2024	INCURRED	NET-OFF	PAID	31/12/2024
Value added tax	26,633,530,818	189,544,190,277	-	(191,760,927,098)	24,416,793,997
Corporate income tax	34,685,600,552	69,871,393,362	-	(69,956,902,590)	34,600,091,324
Personal income tax	3,580,783,372	38,028,082,650	-	(38,136,506,512)	3,472,359,510
Agent income tax	262,864,204	714,349,853	-	(699,704,448)	277,509,609
Other taxes	434,172,191	3,193,409,893	-	(2,642,722,699)	984,859,385
	65,596,951,137	301,351,426,035	-	(303,196,763,347)	63,751,613,825

For the year ended 31 December 2023

UNIT: VND

	01/01/2023	INCURRED	NET-OFF	PAID	31/12/2023
Value added tax	42,070,260,347	156,927,879,464	-	(172,364,608,993)	26,633,530,818
Corporate income tax	-	70,982,925,973	-	(28,409,919,078)	34,685,600,552
Personal income tax	1,750,300,328	31,988,639,337	(7,887,406,343)	(30,158,156,293)	3,580,783,372
Agent income tax	589,826,909	458,291,055	-	(785,253,760)	262,864,204
Other taxes	1,414,137,945	2,725,838,248	-	(3,705,804,002)	434,172,191
	45,824,525,529	263,083,574,077	(7,887,406,343)	(235,423,742,126)	65,596,951,137



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 20. OTHER SHORT-TERM PAYABLES

UNIT: VND

	31/12/2024	01/01/2024
Trade union fee	4,284,970.674	4,803,672.796
Social insurance	34,876.816	56,164,411
Health insurance	11,113.871	11,078.636
Unemployment insurance	14,591.166	19,837,970
Other reinsurance payables	26,757,147,957	29,285,532,081
Dividend payable	3,555,656,085	3,147,023,653
Other short-term payables (*)	192,720,512,757	12,906,587,806
Short-term received deposits	540,850,000,000	540,905,200,000
	<b>768,228,869,326</b>	<b>591,135,097,353</b>

(\*) Other short-term payables include VND177 billion which was deposited by investors into the Corporation's account to buy additionally issued shares. As at 31 December 2024, the procedure on issuing additional shares to existing shareholders have not been completed.

On 4 June 2024, the Corporation's Board of Management approved Resolution No. 09/2024/NQ-HDQT on shares issuance to the existing shareholders under the Plan on charter capital increase approved in the Resolution of the 2024 Annual General Meeting of Shareholders. Accordingly, the Corporation started to distribute 25,900,875 shares in accordance with the Certificate of Registration for additional public offering No. 220/GCN-UBCK dated 26 November 2024, with a registration period from 18 December 2024 to 8 January 2025. The proceeds from this issuance shall be recognised as an increase in the charter capital after the Corporation has completed relevant procedures under prevailing regulations.

## 21. UNEARNED COMMISSION REVENUE

UNIT: VND

	2024	2023
Opening balance	1,128,420,780,331	1,186,342,445,452
Increased during the year	1,184,711,869,849	1,206,222,086,412
Allocated during the year	(1,299,391,077,738)	(1,264,148,751,533)
Closing balance	<b>1,013,741,572,442</b>	<b>1,128,420,780,331</b>

## 22. TECHNICAL RESERVES

### a) Claims reserve and unearned premium reserve

UNIT: VND

	RESERVE FOR DIRECT INSURANCE AND INWARD REINSURANCE (1)	RESERVE FOR OUTWARD REINSURANCE (2)	NET RESERVE (3) = (1) - (2)
<b>As at 31 December 2024</b>			
Unearned premium reserve and mathematical reserve	3,259,236,092,885	1,748,584,333,083	1,510,651,759,802
Claims reserve	1,478,819,462,839	940,176,695,364	538,642,767,475
	<b>4,738,055,555,724</b>	<b>2,688,761,028,447</b>	<b>2,049,294,527,277</b>
<b>As at 1 January 2024</b>			
Unearned premium reserve and mathematical reserve	2,943,318,473,619	1,711,677,205,502	1,231,641,268,117
Claims reserve	888,267,429,749	434,139,805,660	454,127,624,089
	<b>3,831,585,903,368</b>	<b>2,145,817,011,162</b>	<b>1,685,768,892,206</b>

### b) Movements of unearned premium reserve and mathematical reserve

UNIT: VND

	RESERVE FOR DIRECT INSURANCE AND INWARD REINSURANCE (1)	RESERVE FOR OUTWARD REINSURANCE (2)	NET RESERVE (3) = (1) - (2)
<b>For the year ended 31 December 2024</b>			
Opening balance	2,943,318,473,619	1,711,677,205,502	1,231,641,268,117
Increase during the year (Notes 25, 26)	315,917,619,266	36,907,127,581	279,010,491,685
Closing balance	<b>3,259,236,092,885</b>	<b>1,748,584,333,083</b>	<b>1,510,651,759,802</b>
<b>For the year ended 31 December 2023</b>			
Opening balance	2,786,002,348,243	1,629,534,317,235	1,156,468,031,008
Incurred during the year (Notes 26, 27)	157,316,125,376	82,142,888,267	75,173,237,109
Closing balance	<b>2,943,318,473,619</b>	<b>1,711,677,205,502</b>	<b>1,231,641,268,117</b>



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 23. TECHNICAL RESERVES

### a) Claims reserve and unearned premium reserve

UNIT: VND

	RESERVE FOR DIRECT INSURANCE AND INWARD REINSURANCE (1)	RESERVE FOR OUTWARD REINSURANCE (2)	NET RESERVE (3) = (1) - (2)
<b>As at 31 December 2024</b>			
Unearned premium reserve and mathematical reserve	3,259,236,092.885	1,748,584,333.083	1,510,651,759.802
Claims reserve	1,478,819,462.839	940,176,695.364	538,642,767.475
	<b>4,738,055,555.724</b>	<b>2,688,761,028.447</b>	<b>2,049,294,527.277</b>
<b>As at 1 January 2024</b>			
Unearned premium reserve and mathematical reserve	2,943,318,473.619	1,711,677,205.502	1,231,641,268.117
Claims reserve	888,267,429.749	434,139,805.660	454,127,624.089
	<b>3,831,585,903.368</b>	<b>2,145,817,011.162</b>	<b>1,685,768,892.206</b>

### b) Movements of unearned premium reserve and mathematical reserve

UNIT: VND

	RESERVE FOR DIRECT INSURANCE AND INWARD REINSURANCE (1)	RESERVE FOR OUTWARD REINSURANCE (2)	NET RESERVE (3) = (1) - (2)
<b>For the year ended 31 December 2024</b>			
Opening balance	2,943,318,473.619	1,711,677,205.502	1,231,641,268.117
Increase during the year (Notes 25, 26)	315,917,619.266	36,907,127.581	279,010,491.685
<b>Closing balance</b>	<b>3,259,236,092.885</b>	<b>1,748,584,333.083</b>	<b>1,510,651,759.802</b>
<b>For the year ended 31 December 2023</b>			
Opening balance	2,786,002,348.243	1,629,534,317.235	1,156,468,031.008
Incurred during the year (Notes 26, 27)	157,316,125.376	82,142,888.267	75,173,237.109
<b>Closing balance</b>	<b>2,943,318,473.619</b>	<b>1,711,677,205.502</b>	<b>1,231,641,268.117</b>

### c) Movements of claims reserve

UNIT: VND

	CLAIMS RESERVE FOR DIRECT INSURANCE AND ASSUMED REINSURANCE (1)	CEDED REINSURANCE CLAIMS RESERVE (2)	NET RESERVE (3) = (1) - (2)
<b>For the year ended 31 December 2024</b>			
Opening balance	888,267,429.749	434,139,805.660	454,127,624.089
Increase during the year (Note 28)	590,552,033.090	506,036,889.704	84,515,143.386
<b>Closing balance</b>	<b>1,478,819,462.839</b>	<b>940,176,695.364</b>	<b>538,642,767.475</b>
<b>For the year ended 31 December 2023</b>			
Opening balance	1,066,765,346.173	506,888,146.685	559,877,199.488
Decrease during the year (Note 28)	(178,497,916.424)	(72,748,341.025)	(105,749,575.399)
<b>Closing balance</b>	<b>888,267,429.749</b>	<b>434,139,805.660</b>	<b>454,127,624.089</b>

### d) Movements of catastrophe reserve and equalization reserve

UNIT: VND

	2024	2023
Opening balance	210,596,354.163	186,644,919.839
Increase during the year	26,056,504.266	23,951,434.324
Decrease during the year (*)	(112,209,351.891)	-
<b>Closing balance</b>	<b>124,443,506.538</b>	<b>210,596,354.163</b>

(\*)The catastrophe reserve was used during 2024 in accordance with the Approval No. 148/2024/TB-HDQT dated 3 December 2024 by the Board of Management.

### e) Unearned revenue

UNIT: VND

	2024	2023
Opening balance	149,075,501.064	113,751,552.482
Increased during the year	313,107,516.767	122,533,923.468
Allocated during the year	(111,155,056.911)	(87,209,974.886)
<b>Closing balance</b>	<b>351,027,960.920</b>	<b>149,075,501.064</b>



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 23. OWNERS' EQUITY

### a) Statement of changes in equity

UNIT: VND

	CONTRIBUTED CAPITAL	STATUTORY RESERVES	RETAINED EARNINGS	TOTAL
Balance as at 1 January 2023	1,644,500,000,000	58,918,508,073	189,080,527,325	1,892,499,035,398
Net profit for the year	-	-	280,554,871,937	280,554,871,937
Appropriation to statutory reserves	-	14,027,743,597	(14,027,743,597)	-
Appropriation to bonus and welfare fund	-	-	(9,569,931,556)	(9,569,931,556)
Dividend payment	-	-	(82,225,000,000)	(82,225,000,000)
Increase of charter capital via share dividend	82,225,000,000	-	(82,225,000,000)	-
Balance as at 1 January 2024	1,726,725,000,000	72,946,251,670	281,587,724,109	2,081,258,975,779
Net profit for the year	-	-	238,505,988,114	238,505,988,114
Appropriation to statutory reserves	-	11,925,299,406	(11,925,299,406)	-
Appropriation to bonus and welfare fund	-	-	(16,833,292,316)	(16,833,292,316)
Dividend payment (*)	-	-	(172,672,500,000)	(172,672,500,000)
Adjustment of retained earnings in accordance with Inspection Minutes of the Insurance Supervisory Authority	-	-	480,000	480,000
Balance as at 31 December 2024	1,726,725,000,000	84,871,551,076	318,663,100,501	2,130,259,651,577

(\*) On 17 April 2024, the General Meeting of Shareholders of the Corporation resolved to approve the cash dividend payment plan for the fiscal year 2023 to existing shareholders with a payment rate of 10% of par value, the total amount paid is VND172,672,500,000 (2023: VND82,255,000,000).

### b) Shareholders of Corporation

UNIT: VND

	31/12/2024		01/01/2024	
	VND	Tỷ lệ	VND	Tỷ lệ
Military Commercial Joint Stock Bank - parent bank	1,180,617,730,000	68,37%	1,180,617,730,000	68,37%
Other shareholders	546,107,270,000	31,63%	546,107,270,000	31,63%
	1,726,725,000,000	100%	1,726,725,000,000	100%

### c) Capital transactions with owners

UNIT: VND

	2024	2023
Dividends/profit distributed	172,672,500,000	164,450,000,000

### d) Authorised and issued share capital are

UNIT: VND

	31/12/2023		01/01/2023	
	Number of shares	VND	Number of shares	VND
Authorized share capital	172,672,500	1,726,725,000,000	172,672,500	1,726,725,000,000
Issued share capital				
Ordinary shares	172,672,500	1,726,725,000,000	172,672,500	1,726,725,000,000
Shares in circulation				
Ordinary shares	172,672,500	1,726,725,000,000	172,672,500	1,726,725,000,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Corporation. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Corporation's residual assets.

### e) Movements in share capital during the year

UNIT: VND

	2023		2022	
	Number of shares	VND	Number of shares	VND
Balance at the beginning of the year	172,672,500	1,726,725,000,000	164,450,000	1,644,500,000,000
Shares issued during the year	-	-	8,222,500	82,225,000,000
Balance at the end of the year	172,672,500	1,726,725,000,000	172,672,500	1,726,725,000,000



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 24. PREMIUMS REVENUE

UNIT: VND

	2024	2023
Gross written premiums from direct insurance	5,060,470,743,038	4,702,646,855,460
Human insurance	1,553,619,068,762	1,398,005,005,878
Property insurance	710,199,085,111	672,301,789,339
Cargo insurance	158,430,135,182	131,516,207,094
Hull and P&I	361,694,059,475	284,628,795,892
Liability insurance	113,425,565,443	58,073,249,800
Aviation insurance	55,330,003,299	40,329,935,394
Motor vehicle insurance	1,803,917,135,136	1,828,684,285,300
Engineering Insurance	252,679,073,097	265,367,521,613
Endowment Insurance	51,019,868,309	22,792,775,563
Energy Insurance	156,749,224	94,289,587
The deduction from premiums from direct insurance	(43,231,101,635)	(24,247,071,231)
	5,017,239,641,403	4,678,399,784,229



UNIT: VND

	2024	2023
Gross written premiums from inward reinsurance	46,473,884,438	42,607,890,896
Human insurance	73,633,625	17,115,629
Property insurance	17,729,465,212	14,240,194,759
Cargo insurance	252,329,109	320,828,955
Hull and P&I	3,567,654,468	1,744,357,640
Liability insurance	1,344,537,678	1,782,526,884
Aviation insurance	-	332,757,714
Motor vehicle insurance	20,898,300,717	17,397,217,062
Engineering Insurance	2,203,314,546	5,153,309,506
Endowment Insurance	392,522,215	428,077,489
Energy Insurance	12,126,868	1,191,505,258
Deduction from premiums from inward reinsurance	(333,563,440)	(866,745,876)
	46,140,320,998	41,741,165,020
Increase in unearned premium reserve for direct insurance and inward reinsurance (Note 22(b))	(315,917,619,266)	(157,316,125,376)
	4,747,462,341,135	4,562,824,803,873



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 25. REINSURANCE PREMIUM CEDED

UNIT: VND

	2024	2023
Total reinsurance premium ceded	2,457,730,136,288	2,324,997,496,997
Human insurance	648,088,498,215	648,493,884,974
Property insurance	313,896,297,704	292,736,412,515
Cargo insurance	22,146,874,239	17,200,618,615
Hull and P&I	178,447,386,736	148,350,666,063
Liability insurance	20,879,326,269	24,921,111,887
Aviation insurance	32,075,274,759	37,591,559,261
Motor vehicle insurance	1,079,241,654,282	990,488,817,550
Engineering Insurance	148,930,830,242	149,821,171,979
Endowment Insurance	12,777,769,016	15,074,606,547
Energy insurance	1,246,224,826	318,647,606
Increase in ceded premium reserve (Note 22(b))	(36,907,127,581)	(82,142,888,267)
	2,420,823,008,707	2,242,854,608,730

## 26. CLAIM EXPENSES

UNIT: VND

	2024	2023
Total claim expenses	1,422,445,284,982	1,578,480,697,124
Human insurance	271,693,264,408	244,393,099,858
Property insurance	53,001,212,759	116,362,672,282
Cargo insurance	26,501,424,086	34,845,244,170
Hull and P&I	88,774,418,997	92,845,919,166
Liability insurance	4,060,397,690	5,869,611,559
Aviation insurance	7,320,619,722	2,496,784,495
Motor vehicle insurance	936,301,805,583	1,052,773,365,064
Engineering Insurance	38,019,517,356	25,214,556,585
Endowment Insurance	1,541,240,910	3,112,183,606
Energy insurance	231,383,471	567,260,339
Deductions (third party claims and salvage recoveries 100%)	(1,806,563,593)	(1,024,344,453)
Recovery from ceded reinsurance claim	(685,770,734,972)	(637,890,889,331)
Increase/(decrease) in claim reserve for direct insurance and reinsurance assumed (Note 22(c))	990,552,033,090	(178,497,916,424)
(Decrease)/increase in ceded reinsurance claims reserve (Note 22(c))	(506,036,889,704)	72,748,341,025
	824,383,129,803	833,815,887,941





# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 27. OTHER OPERATING EXPENSES

UNIT: VND

	2024	2023
Commission expenses	380,624,783,239	421,761,501,233
Agent management activities	237,813,760,053	181,355,317,141
Employee expenses	301,169,558,276	288,231,579,099
Insurance risk assessment expenses	267,624,166	871,849,620
Loss prevention activities	7,028,664,280	7,520,814,009
Expenses for tools and supplies, raw materials and fuel	20,163,121,968	27,389,669,367
External services expenses	538,596,969,692	460,329,044,580
Other expenses	871,557,936,782	785,057,996,898
	<b>2,357,222,418,456</b>	<b>2,172,517,771,947</b>

## 28. FINANCIAL INCOME

UNIT: VND

	2024	2023
Interest income from deposits	188,255,754,358	245,841,535,575
Interest income from bonds	14,618,765,797	19,536,616,464
Income from trusted investments	100,340,191,547	25,199,704,267
Gain from exchange rate differences	1,604,815,948	2,892,732,927
	<b>304,819,527,650</b>	<b>293,470,589,233</b>

## 29. FINANCIAL EXPENSES

UNIT: VND

	2024	2023
Interest expense	735,601	582,881
Expenses for trusted investments	5,635,521,030	6,178,924,556
Reversal of allowance for investments	(14,666,511,990)	(11,750,113,703)
Foreign exchange losses	7,175,833,907	4,667,599,351
Other finance expenses	10,769,273	1,509,636
	<b>(1,843,652,179)</b>	<b>(901,497,279)</b>

## 30. GENERAL AND ADMINISTRATION EXPENSES

UNIT: VND

	2024	2023
Employee expenses	286,996,906,309	254,257,284,312
Material expenses	22,657,980,742	26,612,619,670
Depreciation expenses	14,582,230,540	8,755,480,542
Tax, fees and charges	28,293,661,180	26,524,594,906
Expenses for external services	86,171,047,041	90,136,782,717
(Reversal of)/expense for allowance for doubtful debts (Note 10)	(921,245,132)	177,852,704
Other cash expenses	106,074,238,023	102,499,102,156
	<b>543,854,818,703</b>	<b>508,963,717,007</b>



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 31. CORPORATE INCOME TAX

### a) Recognised in the statement of income

UNIT: VND

	2024	2023
<b>Current tax expense</b>		
Current tax	69,871,273,362	40,343,445,196
<b>Deferred tax expenses</b>		
(Reversal)/origination of temporary differences	(241,078,470)	584,603,719
	<b>69,630,194,892</b>	<b>71,567,529,692</b>

### b) Reconciliation of effective tax rate

UNIT: VND

	2024	2023
<b>Accounting profit before tax</b>	<b>308,136,183,006</b>	<b>352,122,401,629</b>
Tax at the Corporation's tax rate	61,627,236,601	70,424,480,326
Tax on non-deductible expenses	8,244,036,761	558,445,647
Others	(241,078,470)	584,603,719
	<b>69,630,194,892</b>	<b>71,567,529,692</b>

### c) Applicable tax rates

The Corporation has an obligation to pay the Government income tax at the rate of 20% of taxable profits. The corporate income tax computation is subject to review and approval of the tax authorities.

## 32. BASIC EARNINGS PER SHARE

### a) Net profit after tax attributable to ordinary shareholders

UNIT: VND

	2024	2023 (RESTATED)	2023 (ASPREVIOUSLY STATED)
Net profit in the year	238,505,988,114	280,554,871,937	280,554,871,937
Appropriation to bonus and welfare fund (Note 24(a)) (*)	-	(16,833,292,316)	-
<b>Net profit after tax attributable to ordinary shareholders</b>	<b>238,505,988,114</b>	<b>263,721,579,621</b>	<b>280,554,871,937</b>

(\*) The Board of Directors of the Corporation has not estimated the amount of bonus and welfare fund that can be appropriated from the profits of the year ended 31 December 2024 as the General Meeting of Shareholders has not yet issued a resolution on appropriations to equity funds from retained profits for the current year.

### b) Weighted average number of ordinary shares

UNIT: VND

	2024 NUMBER OF SHARES	2023 (RESTATED)	2023 (ASPREVIOUSLY STATED)
Weighted average number of ordinary shares at the beginning of the year	172,672,500	164,450,000	164,450,000
Effect of shares issued to pay dividends in 2023	-	8,222,500	8,222,500
Effect of shares issued to existing shareholders in 2024	11,441,649	11,441,649	-
<b>Weighted average number of ordinary shares at the end of the year</b>	<b>184,114,149</b>	<b>184,114,149</b>	<b>172,672,500</b>

### c) Basic earnings per share

UNIT: VND

	2024	2023 (RESTATED)	2023 (ASPREVIOUSLY STATED)
	VND/SHARE	VND/SHARE	VND/SHARE
Basic earnings per share	1,295	1,432	1,625

At the reporting date and for the year then ended, the Corporation had no potential ordinary shares and therefore does not present diluted EPS.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## d) Restatement of weighted average number of shares and basic earnings per share for the year ended 31 December 2023

As described in Note 20, during 2024, the Corporation started to distribute 25,900,875 shares to existing shareholders in accordance with the Certificate of Registration for additional public offering No. 220/GCN-UBCK dated 26 November 2024, with an ex-dividend date being 9 December 2024 and a registration period from 18 December 2024 to 8 January 2025. The issuance price is VND10,000/share, lower than the current market price, which is considered as bonus element upon share issuance. As a result, the weighted average number of shares of 2023 for calculation of basis earnings per share for the year ended 31 December 2023 has been changed.

Basic earnings per share for the year ended 31 December 2023 were restated as follows:

UNIT: VND

	WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	BASIC EARNINGS PER SHARE
As previously stated	172,672,500	1,625
Effect of changes in net profit attributable to ordinary shareholders (Note (a))	-	(97)
Effect of share issuance to existing shareholders in 2024	11,441,649	(96)
<b>As restated</b>	<b>184,114,149</b>	<b>1,432</b>

## 33. SOME INDICATORS TO ASSESS THE OVERALL FINANCIAL POSITION

### a) Asset structure and capital structure

UNIT: VND

INDICATORS	UNIT	31/12/2024	01/01/2024
1. Asset structure			
- Long term asset/Total assets	%	7,16	9,69
- Short term asset/Total assets	%	92,84	90,31
2. Capital structure			
- Liabilities/Total capital	%	78,34	76,40
- Equity/Total capital	%	21,66	23,60

## b) Liquidity ratios

UNIT: VND

INDICATORS	UNIT	31/12/2024	01/01/2024
1. Current ratio	Lần	2,62	2,31
2. Short-term debt coverage	Lần	1,25	1,21
3. Quick ratio	Lần	2,62	2,31

## c) Profitability ratio

INDICATORS	UNIT	2024	2023
1. Profit/Revenue ratio			
- Profit before tax/Revenue ratio	%	7,81	9,05
- Profit after tax/Revenue ratio	%	6,04	7,21
2. Profit/Total assets ratio			
- Profit before tax/Total assets ratio	%	3,13	3,99
- Profit after tax/Total assets ratio	%	2,43	3,18
3. Profit after tax/Owner's equity	%	11,20	13,48

## 34. COMMITMENTS

The Corporation has lease commitments related to office leasing, the minimum operating lease payments according to future commitments at the end of the year as follows:

UNIT: VND

	31/12/2024	01/01/2024
Within one year	37,129,082,140	39,602,244,282
Within two to five years	25,404,400,704	47,354,825,416
More than five years	-	16,027,397
	<b>62,533,482,844</b>	<b>86,973,097,095</b>



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024<sup>(CONTINUED)</sup>

## 35. SIGNIFICANT TRANSACTIONS AND BALANCES WITH RELATED PARTIES

In addition to balances with related parties as disclosed in other notes to the financial statements, during the year, the Corporation had the following significant balances and transactions with related parties:

UNIT: VND

TRANSACTION	2024	2023
<b>Related companies with the same Parent Bank</b>		
<b>MB Capital Management Joint Stock Company</b>		
Trusted investment income	100.340.191.547	25.199.704.267
Gross written premium	246.852.636	246.256.545
Trust investment management fee	(5.635.521.030)	(6.178.924.556)
<b>MB Securities Joint Stock Company</b>		
Gross written premium	1.836.143.275	1.661.611.346
Revenue related to securities accounts	4.550	3.854
Expenses related to securities accounts	(105.600)	(87.584)
<b>MB Shinsei Finance Limited Liability Company</b>		
Gross written premium	2.938.417.768	2.173.281.393
Interest income from deposits	85.074.383.550	69.249.849.321
Commissions for agencies	(125.859.279.094)	(120.587.419.660)
Other expenses	(465.679.332.646)	(446.173.452.743)
<b>MBAM Company Limited (MB AMC)</b>		
Gross written premium	100.028.339	1.507.042.348
Rental and service expense	(10.411.372.089)	(10.939.872.302)
<b>MB Ageas Life Insurance Company Limited</b>		
Gross written premium	5.630.967.207	5.975.361.524
<b>MBV Modern Bank of Vietnam (from 17 October 2024)</b>		
Interest income from deposits	666.301.370	-
Commissions for agencies	(232.957.145)	-
Support and service expense	(114.436.655)	-
Gross written premium	153.565.750	-

(\*) The transaction during 2024 is dividend payment for 2023 in accordance with Decision on approving the 2023 dividend distribution plan dated 17 April 2024 (The transaction during 2023 was implemented in accordance with Decision on approving the 2022 dividend distribution plan dated 20 April 2023).

UNIT: VND

BALANCE	31/12/2024	01/01/2024
<b>Parent bank</b>		
<b>Military Commercial Joint Stock Bank</b>		
Demand deposit	130.022.251.774	145.359.349.121
Term deposit	599.000.000.000	826.000.000.000
Guaranteed deposits	696.556.085	833.435.718
Interest income from deposits	23.725.419.172	52.563.597.260
Contributed capital	1.180.617.730.000	1.180.617.730.000
<b>Related companies with the same Parent Bank</b>		
<b>MB Capital Management Joint Stock Company</b>		
Trusted investment	1.035.000.000.000	983.800.000.000
Payables	-	374.476.037
<b>MB Shinsei Finance Limited Liability Company</b>		
Term deposit	1.420.000.000.000	910.000.000.000
Accrued interest income	43.783.452.050	64.347.397.260
<b>MBAM Company Limited</b>		
Rental deposit	2.688.036.600	2.688.036.600
<b>MBV Modern Bank of Vietnam (from 17 October 2024)</b>		
Demand deposit	878.166.409	-
Term deposit	50.000.000.000	-
Accrued interest income	745.205.479	-
TRANSACTION	2024	2023
<b>Parent bank</b>		
<b>Military Commercial Joint Stock Bank</b>		
Interest income from deposits	38.079.204.710	76.147.553.899
Interest expense	(786.678)	(4.372.471)
Management of collection accounts	(8.048.088.587)	(4.859.009.988)
Dividend (*)	(118.061.773.000)	(56.219.892.000)
Gross written premium	82.103.443.194	72.572.994.906
Insurance commission expense	(55.453.261.874)	(27.570.413.515)
Agent support and service costs	(56.940.187.396)	(42.660.688.763)
Guarantee money transfer fee	(805.010.251)	(622.427.710)



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024(CONTINUED)

## 35. SIGNIFICANT TRANSACTIONS AND BALANCES WITH RELATED PARTIES (CONTINUED)

UNIT: VND

Remuneration of Board of Directors, Board of Supervision and salary of Board of Management

		2024	2023
<b>Board of Directors</b>			
Mr. Uong Dong Hung	Chairman	(630.000.000)	(400.000.000)
Mr. Dinh Nhu Tuynh	Vice chairman	(450.000.000)	(300.000.000)
Ms. Nguyen Thi Thuy	Member	(450.000.000)	(300.000.000)
Ms. Ngo Bich Ngoc	Member	(450.000.000)	(160.000.000)
Mr. Dang Quoc Tien	Independent Member	(360.000.000)	(240.000.000)
<b>Board of Supervision</b>		(360.000.000)	(100.000.000)
<b>Board of Management</b>			
Mr. Dinh Nhu Tuynh	General Director	(3.960.000.000)	(3.960.000.000)
Hoang Thi Hien	Deputy General Director	(1.867.008.000)	(1.867.008.000)
Le Nhu Hai	Deputy General Director	(1.867.008.000)	(1.867.008.000)
Nguyen Quang Vinh	Deputy General Director (until 9 January 2024)	(624.370.783)	(1.893.696.000)
Nguyen Duc Tuan	Deputy General Director (until 19 October 2024)	-	(1.572.370.722)

## 36. FINANCIAL INSTRUMENTS

### a) Financial risk management

#### (i) Overview

The Corporation has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk;

This note presents information about the Corporation's exposure to each of the above risks, the Corporation's objectives, policies and processes for measuring and managing risk.

The Corporation's Board of Directors oversees how management monitors compliance with the Corporation's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Corporation.

#### (ii) Risk management framework

The main purpose of the financial and risk management framework is to protect the Corporation's shareholders from events that prevent the Corporation from achieving its financial objectives in a stable manner. The Board of Directors and the Board of Management recognize the importance of an effective risk management system.

The Corporation has established a risk management function with clear regulations agreed by the Board of Directors. This has a clear organizational structure and operates in accordance with documented delegated authorities and responsibilities from the Board of Directors to the Board of Management and other senior management. A policy framework on risk management has been developed and implemented which sets out the risk profiles of the Corporation and risk management, control and business conduct standards of the Corporation. Each policy has a member of the Board of Management charged with overseeing compliance with the policy throughout the Corporation.

### b) Credit risk

Credit risk is the risk of financial loss to the Corporation if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Corporation's receivables from customers and investments with the maximum exposure to credit risk at the reporting date as follows:

UNIT: VND

	NOTE	31/12/2024	01/01/2024
Cash at bank	(i)	328.997.414.442	181.145.727.697
Short-term receivable	(ii)	118.995.932.790	131.112.574.227
Other short-term receivables	(ii)	230.463.254.594	305.987.366.805
Other long-term receivable	(ii)	17.018.386.041	15.023.301.942
Short term investments – gross	(iii)	4.113.000.000.000	3.521.688.373.299
Long term investments – gross	(iii)	150.000.000.000	365.000.000.000
		<b>4.958.474.987.867</b>	<b>4.519.957.343.970</b>

#### (i) Cash at bank and cash equivalents

Cash at bank and cash equivalents of the Corporation are mainly held with well-known financial institutions. Board of Management does not foresee any significant credit risks from these deposits and does not expect that these financial institutions may default and cause losses to the Corporation.

#### (ii) Trade and other short-term, long term receivables

The Corporation's exposure to credit risk is influenced mainly by the individual characteristics of each customer. In response to the risk, the Corporation has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Corporation's standard payment and delivery terms and conditions are offered.

The trade receivables, which are subject to credit risk, include trade receivables come from insurance, reinsurance, advances to customers and other receivables. Customer credit risk is managed by the Corporation based on its established policy, procedures and control relating to customer credit risk management.

Trade and other receivables that are neither past due nor impaired are mostly due from companies with good collection track records with the Corporation. Management believes that those receivables are of high credit quality.

#### (iii) Long term and short term held-to-maturity investments

The Corporation limits its exposure to credit risk by only investing in term deposits at reputable financial institutions and liquid securities of counterparties that have equivalent or higher credit ratings than the Corporation. Given these high credit ratings, Board of Management does not expect any counterparty to fail to meet its obligations.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (CONTINUED)

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### c) Liquidity risk

Liquidity risk is the risk that the Corporation will not be able to meet its financial obligations as they fall due. The Corporation's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Corporation's reputation.

The financial liabilities with fixed or determinable payments have the following contractual maturities as follows:

UNIT: VND

AT 31 DECEMBER 2024	LESS THAN 1 YEAR	FROM 1 YEAR TO 5 YEARS	TOTAL
Short-term trade payables	446,150,823,536	-	446,150,823,536
Accrued expenses – short-term	34,710,043,418	-	34,710,043,418
Other short-term payables	768,228,869,326	-	768,228,869,326
Other long-term payables	-	27973,896,207	27973,896,207
	<b>1,249,089,736,280</b>	<b>27,973,896,207</b>	<b>1,277,063,632,487</b>
AT 1 JANUARY 2024	LESS THAN 1 YEAR	FROM 1 YEAR TO 5 YEARS	TOTAL
Short-term trade payables	531,269,124,691	-	531,269,124,691
Accrued expenses – short-term	52,412,329,510	-	52,412,329,510
Other short-term payables	591,135,097,353	-	591,135,097,353
Other long-term payables	-	27973,896,207	27973,896,207
	<b>1,174,816,551,554</b>	<b>27,973,896,207</b>	<b>1,202,790,447,761</b>

### d) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and stock prices will affect the Corporation's results of operations or the value of the financial instruments held by the Corporation. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

#### (i) Currency risk

Exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Corporation is exposed to exchange rate risk from buying and selling transactions in a currency other than the Corporation's accounting currency. The currency of these transactions is mainly USD.

#### The impact of exchange rate risk

The Corporation has the following net monetary assets subject to exchange rate risk:

UNIT: VND

	31/12/2024		01/01/2024	
	USD VND	OTHER CURRENCY VND	USD VND	OTHER CURRENCY VND
Financial assets	15,107,765,272	5,613,387,337	33,609,674,895	5,625,578,181
Cash	1,728,197,931	116,837,379	6,132,618,386	5,208,838
Accounts receivable from customers	13,379,567,341	5,496,549,958	27,477,056,509	5,620,369,343
Financial liabilities	27,060,459,053	399,543,176	27,993,963,129	839,092,292
Payable to suppliers	25,163,938,633	399,543,176	27,907,384,185	839,092,292
Other payable	1,896,520,420	-	86,578,944	-
	<b>(11,952,693,781)</b>	<b>5,213,844,161</b>	<b>5,615,711,766</b>	<b>4,786,485,889</b>

The following are the foreign exchange rates applied by the Corporation:

	Exchange rate at date	
	31/12/2024	01/01/2024
USD/VND buying rate	25.310	24.070
USD/VND selling rate	25.551	24.440

Below was an analysis of the possible impact on the net profit of the Corporation after taking into account the current level of exchange rates and the historical volatility as well as market expectations. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted sales and purchases:

	Impact on profit before tax – increase	
	31/12/2024	01/01/2024
USD (strengthening 3%)	(358,580,813)	168,471,353

The opposite movement of the USD exchange rate has the same but opposite impact on the Corporation's net profit.



# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024(CONTINUED)

## 36. FINANCIAL INSTRUMENTS (CONTINUED)

### d) Market risk (Continued)

#### (ii) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument of the Corporation will fluctuate because of changes in market interest rates.

At the reporting date, the interest rate profile of the Corporation's interest-bearing financial instruments was as follows.

UNIT: VND

BALANCE	31/12/2024	01/01/2024
<b>Financial instruments with fixed interest rates</b>		
Cash	328.997.414.442	181.145.727.697
Term deposits	3.228.000.000.000	2.564.000.000.000
Bonds	-	168.888.373.299
Certificates of deposit	-	170.000.000.000
Statutory security deposit	9000.000.000	7000.000.000
	<b>3.565.997.414.442</b>	<b>3.091.034.100.996</b>

## 37. INSURANCE RISK

### Capital management and statutory requirements

The first and foremost objective of the Corporation in capital management is to always maintain a sufficient source of capital to support its business development and ensure compliance with the requirements on legal capital. The Corporation has realized the impacts on profits attributable to shareholders corresponding to their ratio of capital contribution and has always sought to maintain a prudent balance.

Legal capital requirements arise from the Corporation's business activities and require the Corporation to have a sufficient capital to service its debts and meet relevant regulations on solvency margin in Vietnam. The regulations on solvency margin applicable to the Corporation are stipulated in the Circular 67.

The following table provides the minimum solvency margin and the Corporation's solvency margin. Policy makers focus on protecting rights of insurance buyers and monitor to ensure the strong performance of insurance companies for the benefit of insurance buyers. Policy makers also pay attention to ensuring that insurance companies sustain their appropriate liquidity positions to respond to unexpected insurance liabilities due to economic recession or natural disasters.

UNIT: VND

	31/12/2024	01/01/2024
<b>I. Solvency margin (I = (1) - (2) - (3))</b>	<b>1.061.908.337.674</b>	<b>990.538.378.959</b>
1. Difference between the value of assets and liabilities	2.130.259.651.577	2.081.258.975.779
2. Value of assets entirely excluded in solvency calculation	754.327.182.357	640.579.689.904
3. Value of assets partially excluded in solvency calculation	314.024.131.546	450.140.906.916
<b>II. Minimum solvency margin [the higher of (a) and (b)]</b>	<b>651.412.456.528</b>	<b>598.785.858.063</b>
1. 25% total retained insurance premium	651.412.456.528	598.785.858.063
2. 12.5% total premiums from direct insurance and inward reinsurance	632.922.495.300	590.017.616.156
<b>III. Compare (I) and (II)</b>		
1. Absolute value	410.495.881.146	391.752.520.896
2. Percentage	163%	165%

The solvency margin calculation as at 31 December 2024 and for the 12-month period then ended was made based on guidance in Circular 67.

## 38. COMPARATIVE INFORMATION

information as at 1 January 2024 was derived from the balances and amounts reported in the Corporation's financial statements for the year ended 31 December 2023.

## 39. POST BALANCE SHEET EVENT

On 21 January 2025, the Board of Directors of the Corporation approved the Plan for issuing shares under the employee stock option program in Resolution No. 03/2025/NQ-HDQT. Accordingly, the Corporation will issue an additional 2,860,000 shares, with an issuance price of VND10,000/share to its selected employees. On 11 February 2025, the Corporation received Official Letter No. 667/UBCK-QLCB from the State Securities Commission of Vietnam ("SSC") regarding the SSC's receipt of the Corporation's report on the issuance of shares under the employee stock option program.

## 40. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Management of the Corporation on 20 February 2025.

### Prepared by

**Nguyen Thi Phuong Anh**  
Deputy Accountant  
Department

Hanoi, 20 February 2025

### Reviewed by

**Nguyen Huyen Trang**  
Chief Accountant

### Approved by

**Hoang Thi Hien**  
Deputy General Director cum  
Chief Financial Officer





**MILITARY INSURANCE CORPORATION**

📍 5<sup>th</sup>-6<sup>th</sup> Floor, MB Building,  
No. 21 Cat Linh Street, Cat Linh Ward,  
Dong Da District, Hanoi

☎ 024 6285 3388

📠 024 6285 3366

🌐 [www.mic.vn](http://www.mic.vn)