

*Hanoi, April 18, 2025***AUDIT COMMITTEE REPORT****AT THE 2025 ANNUAL GENERAL MEETING OF  
SHAREHOLDERS*****To: Esteemed Shareholders!***

Pursuant to the authority and responsibilities of the Audit Committee (AC) as stipulated in the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020, the Charter of Petrolimex Insurance Corporation dated April 10, 2024, the Organizational and Operational Regulations, and current regulations, the Audit Committee hereby reports to the General Meeting of Shareholders (AGM) on the following matters:

**I. Audit Committee's Activities in 2024****1. Composition of the Audit Committee**

The Audit Committee was established under Decision No. 44/2021/PJICO/QĐ-HĐQT dated September 20, 2021, issued by the Board of Directors of Petrolimex Insurance Corporation, consisting of the following two members:

- 1- Ms. Le Thi Lan Anh: Independent Board Member - Chairwoman of the Audit Committee
- 2- Ms. Truong Dieu Linh: BOD Member - Member of the Audit Committee

**2. Audit Committee Meetings in 2024**

No.	Audit Committee Member	Meetings Attended	Attendance Rate	Voting Rate	Reason for Absence
1	Ms. Le Thi Lan Anh	02	100%	100%	
2	Ms. Truong Dieu Linh	02	100%	100%	

**3. Activities of the Audit Committee in 2024**

In 2024, the Audit Committee carried out the following tasks:

- Supervised and evaluated the implementation of the 2024 plan; assessed and analyzed financial indicators on a semi-annual and annual basis in 2024;
- Reviewed the Internal Control and Risk Management system;
- Reviewed transactions with related parties; proposed the BOD approve a resolution on transactions between PJICO and related parties to ensure compliance with the requirements of regulatory authorities;

- Supervised the activities of the Internal Audit Committee and the Risk Management Committee;
- Monitored the BOD and the Executive Board;
- Supervised PWC, an independent audit firm, in accordance with the audit service contract signed with PJICO in 2024;
- Attended BOD meetings and Executive Board meetings related to control and audit activities to provide recommendations on business operation directions, financial management, and improvements to management regulations;
- Prepared reports as required by major shareholders.

#### 4. Assessment of Coordination Between the Audit Committee and the Board of Directors, Executive Board, and Other Management Personnel.

During its supervisory activities, the Audit Committee consistently maintained good coordination with the BOD, the Executive Board, and relevant department managers within its supervisory function. The Executive Board facilitated and promptly fulfilled information requests to support the AC's supervisory work.

The Audit Committee consolidated members' opinions to prepare unified reports on supervision results for the Chairman and members of the Board of Directors in periodic meetings. It conducted analyses and provided recommendations for operational and management improvements to promptly address existing issues, ensuring PJICO's business activities achieve optimal efficiency.

#### 5. Performance Results of the Audit Committee in 2024

##### 5.1 Supervision of Financial Statements and Business Performance of PJICO in 2024

- The 2024 financial statements were prepared and presented in accordance with Vietnamese Accounting Standards (VAS), the accounting regime applicable to Vietnamese insurance enterprises, and current regulations;

- The financial statements fairly and accurately reflected PJICO's financial position and business performance as of December 31, 2024, in all material respects;

- The financial statements were independently audited by the Hanoi Branch of PwC Limited Liability Company (hereinafter referred to as PwC) with an unqualified audit opinion and were disclosed in accordance with regulations. Shareholders can view the full financial statements published on the website: <https://pjico.com.vn>

##### *- Implementation of key business plan targets for 2024:*

*Unit: Million VND*

No.	Indicators	2024 Plan	2024 Actual	Completion Rate
1	Total Revenue	5,279,215	4,847,583	110.7%
	<i>Of which: Direct insurance premium</i>	4,396,505	4,023,436	109.3%
	<i>Reinsurance Premium Income</i>	213,995	192,780	111.0%
	<i>Reinsurance Commission Income</i>	318,037	300,320	97.7%
	<i>Other Insurance Business Revenue</i>	178,144	168,582	148.4%

	Financial Income	147,802	136,595	162.0%
	Other Income	24,733	25,869	164.9%
2	Profit Before Tax	291,191	283,677	100.8%
3	Dividend Payout	Minimum 10% cash	12%	120%

In 2024, the total revenue was VND 5,279,215 million, marking the first time total revenue exceeded VND 5,000 billion, achieving a growth of 8.9% and reaching 110.7% of the target set by the Board of Directors for 2024. Direct insurance premium revenue amounted to VND 4,396,505 million, achieving 109.3% of the annual plan, and increasing by 9.3% compared to 2023;

Total profit before tax was VND 291,191 million, achieving 100.8% of the annual plan, and net profit after tax was VND 232,241 million;

The dividend payout ratio for shareholders in 2024 was 12%, achieving 120% of the annual plan;

With the above key indicators, in 2024, PJICO comprehensively fulfilled all planned targets approved by the Annual General Meeting of Shareholders in 2024. This achievement was due to the efforts and dedication of the Board of Directors, Executive Board, and all employees in successfully implementing the business plan despite various adverse market conditions, including natural disasters and storms impacting the overall insurance market as well as PJICO specifically.

***-Summary of Financial Information as of December 31, 2024:***

*Unit: Million VND*

No.	Indicators	Unit	2024	2023
<b>I</b>	<b>Assets and Liabilities Structure</b>	<b>Million VND</b>		
1	Total Assets	Million VND	8,424,811	7,448,720
1.1	Short-term Assets	Million VND	7,108,186	6,210,119
1.2	Long-term Assets	Million VND	1,316,624	1,238,601
2	Total Liabilities	Million VND	8,424,811	7,448,720
2.1	Liabilities	Million VND	6,517,430	5,584,098
2.2	Owner's Equity	Million VND	1,907,381	1,864,622
<b>3</b>	<b>Structure</b>			
3.1	Short-term Assets/Total Assets	%	84,37	83,37
3.1	Liabilities/Total Liabilities	%	77,36	74,97
3.2	Owner's Equity/Total Liabilities	%	22,64	25,03
<b>II</b>	<b>Solvency Ratios</b>			
1	Current Solvency Ratio	Time	1.29	1.33
2	Short-term Solvency Ratio	Time	1.10	1.12
3	Quick Solvency Ratio	Time	0.66	0.68
4	Solvency Margin	%	181,9%	202,2%
<b>III</b>	<b>Profitability</b>			
	Net Profit After Tax	Million VND	232,241	229,086
1	ROS (Return on Sales)	%	6.47%	6.76%
2	ROE (Return on Equity)	%	12.18%	12.29%
3	ROA (Return on Assets)	%	2.76	3.08
<b>IV</b>	<b>EPS (Earnings per Share)</b>	<b>VND</b>	<b>2,094</b>	<b>1,557</b>

V	Dividends		12%	12%
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Overall Assessment:

As of December 31, 2024, total assets amounted to VND 8,424,811 million, an increase of VND 976,090 million, equivalent to 13.1% compared to December 31, 2023. Among these:

Short-term assets increased by VND 898,067 million;

Long-term assets increased by VND 78,024 million;

The ratio of Short-term Assets/Total Assets as of December 31, 2024, was 84.37%, an increase of 1% compared to 83.37% as of December 31, 2023, primarily due to increased short-term investments and reinsurance assets;

The ratio of Liabilities/Total Liabilities as of December 31, 2024, was 77.36%, an increase of 2.39% compared to 74.97% as of December 31, 2023, mainly due to an increase in the insurance reserve fund;

The Current Solvency Ratio, Short-term Solvency Ratio, Quick Solvency Ratio, and Solvency Margin in 2024 showed no significant fluctuations compared to 2023;

PJICO's profit has steadily increased over the past five years. This growth is a result of PJICO's revenue growth strategy combined with effective and sustainable business operations;

In 2024, PJICO paid a 12% cash dividend to shareholders.

## 5.2 Transactions with Related Parties

All transactions between PJICO and related parties fall within strategic cooperation programs or support development within PJICO's business ecosystem. No transactions conflicting with PJICO's interests have been detected.

For the financial year ended December 31, 2024, key transactions between PJICO and insiders or related parties are presented on pages 62-64 of the audited financial statements.

## 5.3 Risk Management and Internal Control System, Credit Ratings

- Circular 70/2022/TT-BTC dated November 16, 2022, provides more specific regulations on risk management, internal control, and internal audit for insurance enterprises. Accordingly, in 2024, PJICO issued the Risk Management Regulations, declared its Risk Appetite Statement, and continued to improve risk management in accordance with the circular's provisions. Risk management reports have been submitted in compliance with regulations.

- PJICO has established an internal control system to meet the following requirements: Efficiency and safety in operations; protection, management, and effective use of assets and resources; ensuring the accuracy, reasonableness, completeness, and timeliness of financial and management information systems; ensuring business operations comply with laws and internal regulations, policies, and procedures.

- Overall, according to AM Best's assessment, PJICO's risk management framework is appropriate for its scale and operational complexity. PJICO's processes have improved and continue to be enhanced to meet integration requirements.

- In 2024, AM Best maintained PJICO's credit rating at B++ (Good) and its Issuer Credit Rating (ICR) at "bbb" with a Stable outlook. Additionally, PJICO's National Scale Rating (NSR) was rated "aaa.VN," the highest rating under AM Best's Vietnam rating scale.

## 5.4 Audit Committee Supervision of the Board of Directors (BOD), Executive Board (EB), and Audit Activities

### - *The Audit Committee supervises through:*

Directly monitoring BOD activities via meetings, discussions, and direct participation in voting on key BOD decisions.

Overseeing the EB's compliance with BOD resolutions and the delegation mechanisms between the BOD and the CEO.

Direct interactions with the CEO and unit directors to understand PJICO's business activities.

Supervision through reporting channels.

- **BOD Activities:** In 2024, the BOD held four meetings, issued 25 Resolutions and 89 Decisions related to its functions, directing, managing, and supervising PJICO's activities.

The BOD has outlined appropriate strategic steps, systematically organized business operations, safeguarded and developed shareholders' capital, ensured employee income, enhanced liquidity for customers, fulfilled obligations to the state budget, and accumulated financial, legal, and technological resources for future development.

- **CEO and EB Activities:** Facing continued challenges in 2025, the CEO and EB have implemented solutions to fulfill the BOD's mandates: ensuring business efficiency, refining management processes, and developing IT systems to lay the foundation for future growth.

The EB's activities comply with current laws and PJICO's internal regulations.

- **Internal Audit Activities:** PJICO's Internal Audit (IA) function operates as the third line of defense, reporting functionally and independently to the Audit Committee and BOD. IA's role includes approving and monitoring the annual audit plan, reviewing operational regulations, and refining internal audit methodologies.

In 2024, IA successfully executed its annual audit plan and other tasks assigned by the Audit Committee and BOD. The audit function is progressively adding value by integrating training within audit activities and providing risk mitigation advisory services. The goal is to refine and apply a risk-based internal audit approach, with the 2025 audit plan submitted for BOD approval.

- **Independent Audit Services:** PwC, an independent audit firm, has fully complied with its contractual obligations with PJICO, including:

Ensuring the reliability, accuracy, and quality of the audited financial statements.

Adhering to audit timelines as required.

Coordinating with and responding to the Audit Committee's requests for information.

PwC has confirmed its audit of PJICO's financial statements for the fiscal year ending December 31, 2024, in compliance with independence requirements under Vietnamese Auditing Standards, the Code of Ethics for Professional Accountants and Auditors in Vietnam, and the International Ethics Standards Board for Accountants (IESBA). PwC has reviewed and confirmed that it has not provided any non-audit services to PJICO during the year, in accordance with independence regulations.

## II. Audit Committee's Plan for 2025



Based on the responsibilities of the Audit Committee as stipulated in the Charter, Organizational and Operational Regulations, and other relevant provisions, the Audit Committee (AC) has outlined its activity plan for 2025 as follows:

- Monitor and evaluate the implementation of the 2025 plan; assess and analyze financial indicators on a semi-annual and annual basis for 2025.

- Supervise the activities of the Internal Audit Department and the Risk Management Division.

- Review transactions with related parties within the approval authority of the BOD or the AGM and provide recommendations on transactions that require approval from the BOD or AGM; propose that the BOD approve a resolution on transactions between PJICO and related parties for 2026.

- Submit to the AGM for review and approval the "Proposal on Selection of an Independent Auditing Firm for 2025." Monitor and evaluate the independence and objectivity of the independent auditing firm and the effectiveness of the audit process.

- Assess the coordination between the Audit Committee and the activities of the BOD, the Executive Board (EB), and other management personnel.

- Supervise to ensure that PJICO complies with legal regulations, requirements of regulatory authorities, and other internal regulations of PJICO.

Respectfully submitted./.

**FOR AND ON BEHALF OF THE AUDIT  
COMMITTEE**

**CHAIRWOMAN**

**Le Thi Lan Anh**

