

Hanoi, April 19th, 2018

MINUTES

THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2018

Today, at 8.50 am on April 19th, 2018, Vietnam National Reinsurance Corporation (VINARE) convenes the Annual General Meeting of Shareholders 2018 at Nikko Hotel, 84 Tran Nhan Tong, Hanoi.

Meeting process:

1. Mr. Do Anh Duc, Manager of Investment Department announces the opening of the Meeting and Decision No. 03/2018/QD-HDQT dated 29th March 2018 of the Chairman of Board of Directors on the establishment of Shareholders Registration Committee at the Annual General Meeting of Shareholders 2018.

The Shareholders Registration Committee comprises of:

- Mr. Do Anh Duc - Manager of Investment Department, Head of Committee
- Mr. Tran Anh Tuan - Deputy Manager of Special Lines Department, Member
- Mr. Le Huy - IT Department, Member

2. On behalf of the Shareholders Registration Committee, Mr. Do Anh Duc presents the report on shareholder registration results (report attached).

- The total number of VINARE shares is 131,075,937 shares; equivalent to 131,075,937 voting rights (01 share/01 voting right).
- The total number of shareholders invited according to the list determined on March 28th, 2018 is 622 shareholders, representing 131,075,937 shares and equivalent to 131,075,937 voting rights at the Meeting.
- At the opening of the Meeting, (8.55') the number of shareholders and proxies present at the Meeting is 35 shareholders, equivalent to 123,318,075 shares with voting rights, accounting for 94.08% of the total number of shares with voting rights of VINARE.
- Pursuant to the Charter of Organization and Operation of the Corporation, the Annual General Meeting of Shareholders 2018 dated 19th April 2018 has met the quorum requirement and is eligible to be conducted.

3. Also present at the Meeting are members of BOD and BOC, representatives of Deloitte Vietnam, BOM members and staff of Vietnam National Reinsurance Corporation also attend the meeting.
4. Mr. Do Anh Duc invites Mr. Le Song Lai, Chairman of the Board of Directors, to conduct the Meeting.
5. Mr Le Song Lai: thanks and welcomes all delegates joining the meeting

The Chairman proposes the Meeting Steering Board:

- Mr. Le Song Lai, Chairman of the Board of Management
- Mr. Phan Kim Bang, Vice Chairman
- Mr. Pham Cong Tu, Member of the Board of Directors, CEO

The Chairman appoints the secretariat comprising of:

- Ms. Luu Thi Viet Hoa, Chief Accountant
- Ms. Nguyen Thi Minh Chau, Manager of Human Resource - General Affairs Department

and proposes members of the Counting Committee comprising of:

- Mr. Tran Phan Viet Hai - Member of the Board of Control, Head of Committee
- Mr. Nguyen Anh Duc - Deputy Manager of Investment Department, Member
- Mr. Nguyen Le Anh - Deputy Manager of Marine Department, Member

Members of the Secretariat and Counting Committee has been approved according to decision of the BOD.

Mr. Le Song Lai requests the Meeting to approve the members of Meeting Steering Board, Secretariat and Counting Committee.

The Meeting unanimously approves the list of the Meeting Steering Board, the secretariat and the Counting Committee.

6. The Chairman announces the agenda of the Meeting which has been sent to the shareholders on 4th April 2018:
 - The restated business plan 2017
 - Report on 2017 business results and business plan for 2018
 - The allocation of profit after tax and dividend payout 2017
 - The remuneration for Board of Directors, Board of Control and secretaries 2017
 - Report of the Board of Directors 2017
 - Report of the Board of Control 2017
 - Selection of independent auditing company for 2018

(Documents of the Meeting have been uploaded on the website of VINARE: www.vinare.com.vn)

7. Mr. Pham Cong Tu, Member of the BOD cum CEO presents the restated business plan 2017 (details in the report attached).
8. Mr. Pham Cong Tu, Member of the BOD cum CEO presents the report on 2017 business results and 2018 business plan (reports attached).
9. Mr. Mai Xuan Dung, Member of the BOD cum Deputy CEO presents the report on the allocation of profit after tax and dividend payout, remuneration for BOM, BOC, and secretaries 2017 (details in the submission attached).
10. Mr. Phan Kim Bang, Vice Chairman, presents the report of the Board of Directors 2017 (report attached).
11. Mr. Tran Trung Tinh, Head of BOC, presents the report of the Board of Control 2017 (report attached) and submits to the AGM to approve the selection of auditing company for 2018. Some key conclusions of the report:

On business operation:

- The company achieved the profit target but did not achieve the GWP target 2017 approved by the AGM 2017. However, VINARE has fulfilled the restated business plan approved by the AGM.
- VINARE has strictly adhered to financial regulations and made proper and cautious provisions.

On corporate management:

- The BOD and BOC have been very close in their management with transparent decision.
 - All the issues have been discussed and informed to the BOM and the BOC.
 - The BOM strictly followed resolutions and direction from the BOD.
12. Mr. Le Song Lai requests the Meeting to discuss and comment on the reports and issues which have been presented.

- Mr. Deepak Mohan, representative of Swiss Re: VINARE achieved good business results although there were many challenges in the local and international (re)insurance market and natural catastrophe losses directly affected the business results of many (re)insurers in Vietnam and in the world. The results show that strict underwriting discipline and the focus on enhancing underwriting profit is the right direction for the sustainable development of VINARE. The management has also set up and completed internal corporate governance guidelines for the future development of VINARE. Swiss Re believes that VINARE will continue to develop and cultivate new successes in the future.
- Representative of MB Fund Management Company asks about VINARE's divestment plan from Tien Phong Bank (TPB) and SCIC's plan to divest from VINARE.

Answer (in summary): VINARE Board of Management have not had any plan to divest from TPB in 2018 and probably in a few years' time since this is a good investment and has many potential. The business operations of TPB have progressed very well, TPB share has started to be listed on the Ho Chi Minh Stock Exchange on 19th April 2018 and currently traded at the price ranging from VND32,000 – VND35,000.

Representative of SCIC answers that VINARE is among the enterprises which SCIC can divest from in the period of 2017 – 2020. However, SCIC has not had any specific plan to divest from VINARE in 2018.

- Shareholder Nguyen Van Thinh (code No. 263), asks whether VINARE intends to decrease its retrocession rate as it is currently above 60%.

Answer (in summary): The retention level has to comply with the regulations of the Ministry of Finance (the maximum retention per risk is 10% of owner's equity). The retention per risk of VINARE is determined based on risk assessment and loss profile, financial capacity and adherence to the regulations of the law. Decreasing retrocession rate depends on many factors such as the quantity and nature of the risk written, determination of the retention and loss trend of each type of risk. Therefore, it is not easy to have a specific plan on the rate of retroceded premium volume and increasing retention for each year. Insurers and reinsurers will tend to increase their retention gradually if the financial capacity and quality of the risk written are improved.

- Shareholder (code No. 357) asks whether there will be any change to the investment asset allocation to deposits and bonds as the bank deposits interest rate has been declining and how about the investment strategy for bonds. Please further explain the strategy for development of bancassurance products and the plan for divestment from TPB.

Answer (in summary): The asset allocation strategy is compliant with the regulations of the Ministry of Finance for insurance enterprises and the Investment Guidelines of the

Corporation. The Corporation continues to follow the asset allocation principle that ensures Safety – Efficiency – Sustainability - Liquidity. Deposits and Bonds asset class of VINARE still accounts for a high proportion in the investment portfolio like many other insurance enterprises. With a flexible investment strategy in place, depending on the situation in each period, the asset allocation will change accordingly to achieve the investment targets in the short and long term.

As for bonds, Government bond investment was not appealing to VINARE in comparison with other asset classes, particularly in comparison with corporate bonds and municipal bonds. VINARE has had direction to increase allocation for this asset class based on the Safety – Efficiency – Sustainability – Liquidity principle.

Regarding the divestment from TPB, we have responded to the question of representative of MB Fund Management Company that to divest or not and the time to divest depend on many factors: TPB's business situation and outlook, demand for the use of capital generated from divestiture or in other words, comparison of the investment returns from TPB with other investments.

- Shareholder Bui Quoc Chinh (code No. 30) asks whether the retention of VINARE is too conservative. Having the loss ratio quite stable over the years, does VINARE consider to increase net written premium to increase underwriting profit?

Answer: VINARE has determined the best retention rate for each type of risk. Underwriting profit is not fully proportional with the increase in net written premium. At this Meeting, we do not have enough time to explain further in terms of reinsurance knowledge related to this matter. If you would like to understand more about this, we are willing to explain to you in an appropriate time.

- Representative of Bao Viet Fund Management Company asks about the market share and competitiveness of VINARE in benchmarking with PVI Re and international reinsurers.

Answer (in summary): Objectively, VINARE has financial strength rating of B++ (according to A.M. Best) which is only behind SVI in the market (whilst SVI has Korean parent company holding 75% of its stake). However, the financial capacity of VINARE is still limited in comparison with other international and regional reinsurers. VINARE's vision is to become the leading reinsurer in the region.

- The Meeting has no other comments.

13. Mr. Le Song Lai requests the Meeting to vote to approve the issues reported.
14. Before the voting, Mr. Nguyen Anh Duc, Member of the Counting Committee, presents the Voting Rules at the Annual General Meeting of Shareholders 2018. The Meeting agrees and has no further comments.
15. Mr. Do Anh Duc, Head of the Shareholder Registration Committee, announces that after the opening of the Meeting, there are 05 more shareholders coming, representing 128,460 shares entitled to voting rights. At the time of voting, the number of shareholders and proxies attending the Meeting is 40 shareholders, representing 123,446,535 shares entitled to voting rights, accounting for 94.18% of the total number of shares entitled to voting rights.

The Meeting starts voting:

Issue 1: To approve the restatement of business plan 2017 as follows:

Unit: VND million

Indicator	2016 results	2017 Initial Plan	2017 Plan (restated)	Comparison with initial plan	Comparison with 2016

Gross written premium	1,655,558	1,770,000	1,635,000	92.4%	98.7%
Net written premium	561,523	590,000	532,000	90.2%	94.7%
Profit before tax	270,773	278,000	285,000	102.5%	105.3%
- Foreign exchange gain	4,683	(unidentified)	(unidentified)		
- Profit excluding forex gain	266,090	278,000	285,000	102.5%	107.1%

Issue 2: To approve the Financial Statements 2017 audited by Deloitte Vietnam:

2.1 To approve the Separate Financial Statements 2017:

- Total assets: VND 6,313,778,006,353
- Owner's equity: VND 2,585,247,709,757
- Technical reserves:
 - Outward reinsurance technical reserves: VND 1,591,083,715,991
 - Inward reinsurance technical reserves: VND 2,500,922,811,785

Indicators	2017 (VND)
Gross written premium	1,651,205,993,827
Exclusive of Pilot Agro	1,651,471,980,448
Inclusive of Pilot Agro	(265,986,621)
Net written premium	586,786,416,338
Exclusive of Pilot Agro	586,893,214,249
Inclusive of Pilot Agro	(106,797,911)
Investment income & others	233,042,254,147
Pre-tax profit	286,849,014,069
In which, undistributable profit	(1,559,226,438)

VINARE has fulfilled the business plan assigned.

2.2 To approve the Consolidated Financial Statements 2017:

- Total assets: VND 6,350,350,437,470
- Owner's equity: VND 2,755,345,415,787
- Technical reserves:
 - Outward reinsurance technical reserves: VND 1,724,101,545,186
 - Inward reinsurance technical reserves: VND 2,563,847,704,518

Issue 3: To approve the allocation of profit 2017:

3.1 Profit:

Profit indicators	VND
Undistributed profit as at 1/1/2017	302,266,542,258
- Distributable profit	229,641,446,284
- Undistributable profit (<i>foreign exchange gain</i>)	72,625,095,974
Profit after tax realized in 2017	233,852,647,190
- Distributable profit	235,411,873,628
- Undistributable profit (<i>foreign exchange gain</i>)	(1,559,226,438)
Accumulated profit after tax as at 31/12/2017	536,119,189,448
- Distributable profit	465,053,319,912
- Undistributable profit (<i>foreign exchange gain</i>)	71,065,869,536

3.2 Allocation of profit after tax 2017:

Allocation of profit after tax	VND
Allocation of Compulsory Reserve Fund (<i>5% of after-tax profit</i>)	11,770,593,681
Allocation to Business Development Fund (<i>2% of after-tax profit</i>)	4,708,237,473
Bonus Fund (<i>1.5% of after-tax profit</i>)	3,531,178,104
Corporate Welfare Fund (<i>one-month salary</i>)	3,805,632,872
Dividend payout in 2017 (12%) (<i>included 10% advanced on 29th January 2018</i>)	157,291,124,400
Retained profit	355,012,422,918
- Distributable profit	283,946,553,382
- Undistributable profit (<i>foreign exchange gain</i>)	71,065,869,536

(The allocation of profit after tax has been approved in Resolution 07/ NQ-DHDCD/2006 and its amendment in Resolution 08/NQ-DHDCD/2008)

Issue 4: To approve the Remuneration (including tax) for Board of Directors, Board of Control and secretaries in 2017: **VND2,644,000,000**. *(The maximum amount of remuneration has been given in Resolution 06/2013/NQ-DHDCD)*

Issue 5: To approve the Business plan for 2018 with key targets as follows:

Unit: VND million

Criteria	2018 Plan	2017 Performance	Growth
----------	-----------	------------------	--------

Gross written premium	1,770,000	1,651,742	7.2%
Net written premium	677,000	586,893	15.4%
Profit before tax	308,000	285,290	7.9%
- Foreign exchange difference	(not yet determined)	(1,559)	
- Profit excluding foreign exchange gain	308,000	286,849	
Projected dividend payment	12%	12%	

Issue 6: To approve the Report of the Board of Directors 2017. (Report attached)

Issue 7: To approve the Report of the Board of Control 2017. (Report attached)

Issue 8: To approve the selection of independent auditor for 2018 as follows:

8.1 To approve the list of auditing companies for 2018 as follows:

- KPMG Vietnam Ltd
- Deloitte Vietnam Ltd
- Ernst & Young Vietnam Ltd (E & Y)
- Pricewaterhouse Coopers Vietnam Ltd (PWC)

8.2 To delegate to the Board of Directors to select one of the above-mentioned auditing companies to audit 2018 financial statements.

16. Mr. Nguyen Anh Duc presents the Minutes of Counting (Minutes attached) with the following voting results:

At the time of voting, there are 40 shareholders and proxies who receive voting cards, equivalent to 123,446,535 shares entitled to voting rights at the Meeting.

Issue 1: To approve the restatement of business plan 2017

- Total number of voting cards provided: 22 cards, equivalent to 123,446,535 voting rights
- Total number of voting cards collected: 22 cards, equivalent to 123,446,535 voting rights
- Number of valid cards: 22 cards, equivalent to 123,446,535 voting rights
- Number of invalid cards: 0 card, equivalent to 0 voting rights
- Voting results as follows:

No.	Voting	Voting rights	%/total participating rights	%/participating voting rights
1	Approve	123,444,535 rights	99.9984%	99.9984%
2	Disapprove	2,000 rights	0.0016%	0.0016%
3	No opinion	0 right	0%	0 %

Based on the Voting Rules and the result of voting, the AGM has approved Issue 1.

Issue 2: To approve the Financial Statements 2017

- Total number of voting cards provided: 22 cards, equivalent to 123,446,535 voting rights
- Total number of voting cards collected: 22 cards, equivalent to 123,446,535 voting rights
- Number of valid cards: 22 cards, equivalent to 123,446,535 voting rights
- Number of invalid cards: 0 card, equivalent to 0 voting rights
- Voting results as follows:

No.	Voting	Voting rights	%/total participating rights	%/participating voting rights
1	Approve	123,444,535 rights	100%	100%
2	Disapprove	0 right	0%	0%
3	No opinion	0 right	0%	0%

Based on the Voting Rules and the result of voting, the AGM has approved Issue 2.

Issue 3: To approve the allocation of profit 2017

- Total number of voting cards provided: 22 cards, equivalent to 123,446,535 voting rights
- Total number of voting cards collected: 22 cards, equivalent to 123,446,535 voting rights
- Number of valid cards: 22 cards, equivalent to 123,446,535 voting rights
- Number of invalid cards: 0 card, equivalent to 0 voting rights
- Voting results as follows:

No.	Voting	Voting rights	%/total participating rights	%/participating voting rights
1	Approve	123,444,535 rights	100%	100%
2	Disapprove	0 right	0%	0%
3	No opinion	0 right	0%	0%

Based on the Voting Rules and the result of voting, the AGM has approved Issue 3.

Issue 4: To approve the Remuneration (including tax) for Board of Directors, Board of Control and secretaries in 2017

- Total number of voting cards provided: 22 cards, equivalent to 123,446,535 voting rights
- Total number of voting cards collected: 22 cards, equivalent to 123,446,535 voting rights
- Number of valid cards: 22 cards, equivalent to 123,446,535 voting rights
- Number of invalid cards: 0 card, equivalent to 0 voting rights
- Voting results as follows:

No.	Voting	Voting rights	%/total participating rights	%/participating voting rights
1	Approve	123,444,535 rights	99.9991%	99.9991%

2	Disapprove	0 right	0%	0%
3	No opinion	1,170 right	0.0009%	0.0009%

Based on the Voting Rules and the result of voting, the AGM has approved Issue 4.

Issue 5: To approve the Business plan for 2018

- Total number of voting cards provided: 22 cards, equivalent to 123,446,535 voting rights
- Total number of voting cards collected: 22 cards, equivalent to 123,446,535 voting rights
- Number of valid cards: 22 cards, equivalent to 123,446,535 voting rights
- Number of invalid cards: 0 card, equivalent to 0 voting rights
- Voting results as follows:

No.	Voting	Voting rights	%/total participating rights	%/participating voting rights
1	Approve	123,444,535 rights	100%	100%
2	Disapprove	0 right	0%	0%
3	No opinion	0 right	0%	0%

Based on the Voting Rules and the result of voting, the AGM has approved Issue 5.

Issue 6: To approve the Report of the Board of Directors 2017

- Total number of voting cards provided: 22 cards, equivalent to 123,446,535 voting rights
- Total number of voting cards collected: 22 cards, equivalent to 123,446,535 voting rights
- Number of valid cards: 22 cards, equivalent to 123,446,535 voting rights
- Number of invalid cards: 0 card, equivalent to 0 voting rights
- Voting results as follows:

No.	Voting	Voting rights	%/total participating rights	%/participating voting rights
1	Approve	123,444,535 rights	100%	100%
2	Disapprove	0 right	0%	0%
3	No opinion	0 right	0%	0%

Based on the Voting Rules and the result of voting, the AGM has approved Issue 6.

Issue 7: To approve the Report of the Board of Control 2017

- Total number of voting cards provided: 22 cards, equivalent to 123,446,535 voting rights
- Total number of voting cards collected: 22 cards, equivalent to 123,446,535 voting rights
- Number of valid cards: 22 cards, equivalent to 123,446,535 voting rights
- Number of invalid cards: 0 card, equivalent to 0 voting rights

- Voting results as follows:

No.	Voting	Voting rights	%/total participating rights	%/participating voting rights
1	Approve	123,444,535 rights	100%	100%
2	Disapprove	0 right	0%	0%
3	No opinion	0 right	0%	0%

Based on the Voting Rules and the result of voting, the AGM has approved Issue 7.

Issue 8: : To approve the selection of independent auditor for 2018

- Total number of voting cards provided: 22 cards, equivalent to 123,446,535 voting rights
- Total number of voting cards collected: 22 cards, equivalent to 123,446,535 voting rights
- Number of valid cards: 22 cards, equivalent to 123,446,535 voting rights
- Number of invalid cards: 0 card, equivalent to 0 voting rights
- Voting results as follows:

No.	Voting	Voting rights	%/total participating rights	%/participating voting rights
1	Approve	123,444,535 rights	100%	100%
2	Disapprove	0 right	0%	0%
3	No opinion	0 right	0%	0%

Based on the Voting Rules and the result of voting, the AGM has approved Issue 8.

17. Passing the Meeting Minutes and Resolution

On behalf of the secretariat, Ms. Nguyen Thi Minh Chau reads the Minutes and the Resolution of the Meeting. The Meeting unanimously passes the Meeting Minutes and Resolution without any comments.

18. Mr. Le Song Lai announces the closing of the Meeting. The Meeting closes at 11.15 o'clock of the same day.

Secretariat



Luu Thi Viet Hoa



Nguyen Thi Minh Chau



For and on behalf of STEERING BOARD



Le Song Lai