

## SUBMISSION TO THE GENERAL MEETING OF SHAREHOLDERS

### *Approving 2019 financial statements and profit allocation and 2020 business plan*

- Pursuant to the Charter of Organisation and Operation of Vietnam National Reinsurance Corporation (VINARE);
- Following Resolution 09/2019/NQ-DHDCD dated 24/4/2019 of VINARE General Meeting of Shareholders (AGM);
- Based on the audited Financial Statements of 2019 of Vietnam National Reinsurance Corporation;

The Board of Directors submits to the General Meeting of Shareholders to approve the followings:

#### **1. To approve the financial statements 2019 audited by Deloitte:**

##### ***1.1.To approve the separate financial statements 2019:***

- Total assets: VND 6,772,562,125,506
  - Owner's equity: VND 22,921,058,225,708
  - Technical reserves:
- Outward reinsurance technical reserves:* VND 1,510,842,655,787
- Inward reinsurance technical reserves:* VND 2,825,201,498,892

Criteria	2019 VND	2019 Plan VND	2018 VND	2019/Plan	2019/18
<b>1. Gross written premium</b>	<b>2,221,248,294,242</b>	<b>1,967,000,000,000</b>	<b>1,802,718,232,456</b>		
- Not including Agriculture	2,221,248,294,242	1,967,000,000,000	1,802,718,232,456	112.9 %	123.2%
- From Agriculture	0	0	0		
<b>2, Net written premium</b>	<b>1,190,969,680,063</b>	<b>944,600,000,000</b>	<b>784,786,428,263</b>		
- Not including Agriculture	1,190,969,680,006	944,600,000,000	784,741,146,563	126.1%	151.8%
- From Agriculture	57		45,281,700		
<b>3, Profit from financial investment and other activities</b>	<b>301,543,392,923</b>	<b>295,000,000,000</b>	<b>260,249,437,033</b>		
- <i>In which:</i> Undistributable profit ( <i>foreign exchange gain</i> )	(248,994,817)		5,377,691,054		
- Profit from financial investment and other activities ( <i>excluding foreign exchange gain</i> )	301,792,387,740	295,000,000,000	254,871,745,979	102.3%	118.4%

Criteria	2019 VND	2019 Plan VND	2018 VND	2019/Plan	2019/18
<b>4, Pre-tax profit</b> (Excluding undistributable profit gained from foreign exchange)	<b>332,126,614,132</b>	<b>331,000,000,000</b>	<b>315,679,806,761</b>		
- <i>In which:</i> Undistributable profit (foreign exchange gain)	(248,994,817)		5,377,691,054		
- Pre-tax Profit (excluding foreign exchange gain)	332,375,608,949	331,000,000,000	310,302,115,707	100.4%	107.1%

(Audited Balance sheet and Income Statement attached)

**VINARE has fulfilled the business plan assigned.**

**1.2. To approve the consolidated financial statements 2019:**

- Total assets: VND 6,994,381,824,809
- Owner's equity: VND 3,107,341,671,545
- Technical reserves:
  - Outward reinsurance technical reserves: VND 1,510,842,655,787
  - Inward reinsurance technical reserves: VND 2,825,201,498,892

(Audited Balance sheet and Income Statement attached)

**2. To approve allocation of profit 2019:**

**2.1 Profit:**

Profit indicators	VND
<b>Undistributed profit as at 1/1/2019</b>	<b>440,887,305,670</b>
- Distributable profit	364,443,745,080
- Undistributable profit (foreign exchange gain)	76,443,560,590
<b>Profit after tax realized in 2019</b>	<b>274,561,743,847</b>
- Distributable profit	274,810,738,664
- Undistributable profit (foreign exchange gain)	(248,994,817)
<b>Accumulated profit after tax as at 31/12/2019</b>	<b>715,449,049,517</b>
- Distributable profit	639,254,483,744
- Undistributable profit (foreign exchange gain)	76,194,565,773

**2.2 Allocation of profit after tax 2019:**

<b>Allocation of profit after tax</b>	<b>VND</b>
Allocation to Business Development Fund (2% of after-tax profit)	0
Bonus Fund (1.5% of after-tax profit)	4,287,887,563
Corporate Welfare Fund (one-month salary)	4,287,887,563
Dividend payout 2019 (20%)	262,151,874,000
Deduction of after-tax profit due to deferred corporate tax	421,202,827
<b>Retained profit</b>	<b>366,692,561,101</b>
- Distributable profit	76,194,565,773
- Undistributable profit (foreign exchange gain)	76,194,565,773

- ❖ The AGM has approved the allocation of profit after tax in Resolution 07/NQ-DHDCD/2006 and its amendment in Resolution 08/NQ-DHDCD/2008.
- ❖ The AGM has approved projected dividend payment of 20% in 2019 in Resolution 09/2019/NQ-DHDCD dated 24/4/2019. Actual dividend payout in 2019 submitted to AGM is 12%.
- ❖ In fiscal year 2019, no allocation to the Business Development Fund was made.

### **2.3 Remuneration (including tax) for BOD, BOC and secretaries in 2019: VND 2,134,500,000.**

(The AGM has approved the maximum amount of remuneration in Resolution 06/2013/NQ-DHDCD).

## **3. To approve 2020 business plan:**

### **3.1. Business plan 2020**

Unit: VND million

<b>Criteria</b>	<b>2020 Plan</b>	<b>2019 Performance</b>	<b>Growth</b>
<b>Gross written premium</b>	<b>2.565.000</b>	<b>2.221.248</b>	<i>15,5%</i>
<b>Profit before tax</b>	<b>355.600</b>	<b>332.127</b>	<i>7,0%</i>
- Foreign exchange difference	(unidentified)	-249	
- Profit excluding foreign exchange gain	355.600	332.376	
<b>Projected dividend payment</b>	<b>12%</b>	<b>20%</b>	

- 3.2. The General Meeting of Shareholders delegate to the Board of Directors to approve the adjustment of business plan (if any) in line with actual situation.

For and on behalf of **BOARD OF DIRECTORS**

**CHAIRMAN**

**Le Song Lai**