

## SUBMISSION TO GENERAL MEETING OF SHAREHOLDERS

### *Increasing Charter Capital in 2021*

#### **I. Purpose of increasing charter capital**

Resolution of the General Meeting of Shareholders for the term of 2020-2024 dated 11/6/2020 has approved the development strategy of the Corporation for the period 2020-2024, in which the target for charter capital growth has been set at VND 2,000 billion by 2024. The schedule and method of issuance will be submitted to the General Meeting of Shareholders for approval”.

The purpose of charter capital increase is to meet with higher requirements and conditions for (core) Reinsurance business, to improve financial capacity, and to expand business activities to catch up with the development of the insurance industry.

The increase of charter capital will increase the volume of shares traded in the market and the liquidity of VNR share, at the same time, raising the responsibility of the Board of Directors and Board of Management in the effective management and use of shareholders' capital.

#### **II. Plan for increasing charter capital**

##### **1. The new charter capital**

1.1 Current charter capital: 1,310,759,370,000 VND, equivalent to 131,075,937 shares, of which:

- Number of ordinary shares issued: 131,075,937 shares.
- Number of ordinary shares in circulation: 131,075,937 shares.
- Number of treasury shares: 0
- Number of preferred shares: 0

1.2 The amount of capital to be raised in 2021: 196,613,900,000 VND, equivalent to 19,661,390 shares or an increase of 15%.

1.3 New charter capital: 1,507,373,270,000 VND, equivalent to 150,737,327 shares.

##### **2. Issuance Plan**

Name of share	Vietnam National Reinsurance Corporation
Share code	VNR
Face value	10,000 VND / share
Type of shares	Ordinary shares
Object and method of issue	Bonus shares issued to existing shareholders (named in the list of shareholders at the closing of registration) to increase share capital from equity.

Ratio	100:15 (A shareholder holding 100 existing shares is entitled to receive 15 new shares)
Source of equity: Surplus equity	VND 196,613,900,000.
Plan for using new capital	Raising the charter capital, enhancing the financial capacity of VINARE.
Transfer restriction	Bonus shares are ordinary shares issued to existing shareholders and not restricted for transfer.
Implementation time	After being approved by competent authority; Expected in 2021.
Plan for handling odd shares (if any)	<p>Odd shares arisen from rounding the decimals will be canceled and not issued. All odd shares cumulated will be canceled and considered non-issued shares.</p> <p>For example: shareholder A owns 189 shares. Shareholder A will receive <math>189 \times 15 / 100 = 28.35</math> (shares). The number of shares received according to the rounding-down principle is 28 shares, the fraction of 0.35 shares will be canceled. All the odd shares will be canceled and considered non-issued shares.</p>

3. **Expected changes in shareholder structure:** Since this is the issuance of bonus shares in proportion to current shareholding ratio from equity capital, there is no change in shareholder structure after the issuance.

### **III. Contents to be approved by the General Meeting of Shareholders**

1. To approve the plan to issue bonus shares to existing shareholders from capital surplus to increase charter capital.
2. The General Meeting of Shareholders authorize the Chairman of the Board of Directors to direct the following work:
  - + To coordinate the implementation of the issuance plan, to decide the time of issuance and carry out the registration procedures, including obtaining approval from the Ministry of Finance and reporting the issuance to the State Securities Commission, in compliance with the law.
  - + To make amendments to the Charter and register the increase in charter capital in accordance with the actual number of bonus shares issued.
  - + Making additional custody of the new shares at the Vietnam Securities Depository and listing the new shares on Hanoi Stock Exchange.
  - + The Chairman of the Board of Directors has full authority to handle issues arising in the process of implementing the issuance plan.
  - + The Chairman of the Board reports the issuance result to the General Meeting of Shareholders at the nearest meeting.

**Chairman of Board of Directors**

