

Ref: 03/2017/QD-HDQT

Hanoi, 21st March 2017

**DECISION OF THE BOARD OF DIRECTORS
8TH MEETING OF 3RD TERM**

THE BOARD OF DIRECTORS

- Pursuant to the Enterprise Law, the Insurance Business Law and the implementation guiding documents;
- Pursuant to Licence of Establishment and Operation 28GP/KDBH dated 15/11/2004, Amended Licence 28/GPDC4/KDBH dated 12/8/2014 of the Ministry of Finance;
- Pursuant to the Charter of Organization and Operation of Vietnam National Reinsurance Corporation;
- Based on the discussions and voting results at the 8th meeting of the Board of Directors, 3rd term, on March 21st, 2016;

DECIDES

Article 1: To approve the financial statements 2016 audited by Deloitte and submit to the GMS for approval.

1. To approve unconsolidated financial statements 2016:

- Total assets: VND 6,239,283,070,456
- Owner's equity: VND 2,647,098,934,943
- Technical reserves:
 - Outward reinsurance technical reserves: VND 1,724,101,545,186*
 - Inward reinsurance technical reserves: VND 2,563,847,704,518*

Criteria	2015 VND	2016 VND	2016 Plan VND	2016/Plan	2016/15
1. Gross written premium	1,618,441,954,053	1,655,557,770,806	1,730,000,000,000		
- Exclusive of Pilot Agro	1,617,142,212,907	1,655,557,770,806	1,730,000,000,000	95.69%	102.38%
- From Pilot Agro	1,299,741,146	0			
2. Net written premium	613,958,172,788	561,523,389,013			
- Exclusive of Pilot Agro	613,443,959,092	561,523,389,013	669,000,000,000	83.93%	91.54%
- From Pilot Agro	514,213,696	0			

3. Profit from financial investment and other activities	241,630,760,995	213,464,863,990	200,000,000,000		
<i>In which:</i> Undistributable profit (foreign exchange gain at year-end revaluation)	20,451,990,986	4,683,574,955			
Profit from financial investment and other activities (excluding foreign exchange gain at year-end revaluation)	221,178,770,009	208,781,289,035	200,000,000,000	104.39%	94.39%
4. Pre-tax profit (Excluding undistributable profit being foreign exchange gain at year-end revaluation)	254,289,191,968	266,042,744,080	260,000,000,000	102.32%	104.62%
5. Total revenue – (minus) Total expenses (not including salary fund)	296,119,474,019	309,936,142,633	303,000,000,000	102.29%	104.67%

(Audited Balance sheet and Income Statement attached)

2. To approve consolidated financial statements 2016:

- 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

(Audited Balance sheet and Income Statement attached)

Article 2: To approve the allocation of profit 2016 and submit to the GSM for approval:

1. Profit:

- Undistributed profit as at 1/1/2016: VND 258,134,931,590
 - In which:* Distributable profit: VND 190,193,410,571
 - Undistributable profit (foreign exchange gain): VND 67,941,521,019
- Profit after tax realized in 2016: VND 223,540,739,600
 - In which:* Distributable profit: VND 218,857,164,645
 - Undistributable profit (foreign exchange gain): VND 4,683,574,955
- Accumulated profit after tax as at 31/12/2016: VND 481,675,671,190
 - In which:* Distributable profit: VND 409,050,575,216
 - Undistributable profit (foreign exchange gain): VND 72,625,095,974

2. Allocation of profit after tax 2016 submitted to GMS for approval:

- Allocation of Compulsory Reserve Fund (5% of after-tax profit): VND 10,942,858,232
- Allocation to Business Development Fund (2% of after-tax profit): VND 4,377,143,293
- Bonus Fund (1.5% of after-tax profit): VND 3,282,857,470



- Corporate Welfare Fund (one-month salary):	VND 3,515,145,537
- Dividend payment in 2016 (12%):	VND 157,291,124,400
- Retained profit:	VND 302,266,542,258
<i>In which</i> : Distributable profit:	VND 229,641,446,284
Undistributable profit (foreign exchange gain):	VND 72,625,095,974

Article 3: To approve the Remuneration (including tax) for BOD, BOC and secretaries in 2016: VND2,532,000,000.

Article 4: To approve the Business plan for 2017 with key targets as follows:

Unit: VND million

Indicator	2016	2017 Plan	Growth
Gross written premium	1,655,558	1,770,000	6.9%
Net written premium	561,523	590,000	5.2%
Pre-tax profit	270,773	278,000	
- Foreign exchange gain	4,683	Not yet determined	
- Profit excluding foreign exchange gain	266,090	278,000	4.5%
Total revenue – (minus) Total expenses (not including salary fund)	309,936	324,000	4.5%
Dividend	12%	12%	

Article 5: To approve the Related Party Transactions in 2016.

Article 6: To approve the Report of the Board of Directors 2016 and 1st Quarter 2017.

Article 7: To agree with and submit to the GSM to approve the proposal of the BOC:

- To approve the list of auditing companies for 2017 as follows:
 - KPMG Vietnam Ltd
 - Deloitte Vietnam Ltd
 - Ernst & Young Vietnam Ltd (E & Y)
 - Pricewaterhouse Coopers Vietnam Ltd (PWC)
- To delegate to the BOD to select one of the above-mentioned auditing companies to audit 2017 financial statements.

Article 8: The BOD delegate to the Chairman to approve the documents to submit to the General Meeting of Shareholders and to decide on arising issues relating to the convention of 2017 Annual General Meeting of Shareholders.

Article 9: This decision is of full force and effect from the date of signing. The Chief Executive Officer and the relating personnel are responsible for the implementation of this decision./.

Receivers: BOM, BOC, BOD

Filing: G.A, Investment

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



Le Song Lai

