

RESOLUTION
THE 2019 ANNUAL GENERAL MEETING OF SHAREHOLDERS
PHU NHUAN JEWELRY JOINT STOCK COMPANY

Pursuant to:

- *Enterprise Law No. 68/2014/QH13 dated on November 26th, 2014, passed by the National Assembly on November 26th, 2015;*
- *Securities Law No. 70/2006/QH11 passed by the National Assembly of the Socialist Republic of Vietnam on June 29, 2006;*
- *Charter of Organization and Operation of Phu Nhuan Jewelry Company;*
- *Contents and results of the 2019 Annual General Meeting of Shareholders, Phu Nhuan Jewelry Joint Stock Company, dated on April 20th, 2019..*

RESOLUTIONS:

Article 1. Approve the Summary Report of 2018 Business Results with the main indicators, which are detailed as follows:

Unit: Million VND

Indicators	Actual 2017	2018		+/- (%)
		Plan	Actual	
Total of net revenue	10,976,836	13,727,000	14,571,135	+33%
Gross profit	1,911,964	2,477,528	2,779,083	+45%
Financial income	8,795	21,701	6,846	-22%
Financial expenses	56,476	64,800	66,346	+17%
Selling expenses	774,978	1,086,655	1,170,069	+51%
General and administration expenses	187,936	247,767	345,868	+84%
Operating profit	901,369	1,100,007	1,203,646	+33%
Profit before tax	907,379	1,100,007	1,205,550	33%
Profit after tax	724,856	882,406	959,923	+32%
NPAT/Total equity (ROE)	24.57%		25.64%	
NPAT/Charter capital	67.05%		57.49%	
NPAT/Total assets (ROA)	15.86%		14.91%	

Article 2. Approve The 2018 Operation Report of Board of Directors.

Article 3. Approve The Strategic Operation Orientations in 2019.

Main indicators of business plan for 2019 (Consolidated):

Unit: Million VND

Indicator	Actual 2018	Plan 2019	+/- (%)
Net revenue	14,571,135	18,207,610	25%
<i>In which: Jewelry retail revenue</i>	<i>7,926,675</i>	<i>10,225,411</i>	<i>29%</i>
Gross profit	2,779,083	3,477,800	25%
Financial income	6,846	10,000	46%
Financial expenses	66,345	105,000	58%
Selling expenses	1,170,069	1,454,000	24%
General and administration expenses	345,868	448,000	30%
Net operation profit	1,203,646	1,480,000	23%
Net profit before tax	1,205,550	1,480,000	23%
Net profit after tax	959,923	1,181,760	23%
Gross profit /Revenue ratio	19.10%	19.10%	
Net profit after tax /Revenue ratio	6.60%	6.49%	
Dividend	20%	18%	

- If reaching the profit after tax plan, it is rewarded for BOD and key managers as follows:
 - Reward 1,5% of profit after tax
 - Share placement in accordance with ESOP: 1% on the number of outstanding shares.
- If exceeding the profit after tax plan, it is compensation to BOD and key managers: Share placement in accordance with ESOP: every over 1% of the profit after tax plan will be issued ESOP 0.03% on the number of outstanding shares but not exceed 0.5% on the number of outstanding shares.
- Total number of share placements if reaching and exceeding the profit after tax plan are not more than 1.5% on the number of outstanding shares, the issue price is VND 20,000 per share and the transfer restriction is 36 months from the date of completion of the issuance.

Article 4. Approve Report on Activities of Supervisory Board in 2018.

Article 5. Approve the Company's Audited Financial Statements for 2018 (Separate and Consolidated), audited by PricewaterhouseCoopers (Vietnam).

Article 6. Approve the selection of auditing company to audit the Company's financial

statements for the fiscal year 2019.

General Meeting of Shareholders approves the list of auditing companies and authorizes the Board of Directors to select one of auditing companies on the list to audit the Company's financial statements for the fiscal year of 2019:

1. Deloitte Vietnam Co., Ltd
2. ERNST & YOUNG Vietnam Co., Ltd
3. KPMG Co., Ltd
4. PRICEWATERHOUSECOOPERS Vietnam Co., Ltd

Article 7. Approve the proposal of profits distribution and fund appropriations in 2018, details as follows:

Unit: Million VND

I. 2018 RESULTS (CONSOLIDATED)	
- Profit before tax 2018	1,205,550
- Corporate Income tax	249,485
- Deferred income tax	(3,858)
- Profit After Tax	959,923
II. PROFIT DISTRIBUTION 2018	959,923
1. Funds Appropriation:	131,431
- Fund of Investment and Development	47,996
- Fund of bonus and welfare for employees	47,996
- Fund of operation of BOD	6,700
- Fund of bonus of Board of Directors and Board of Management	28,739
2. Dividend Payments:	329,138
- 1 st interim dividend payment for 2018 (10% of par value)	162,138
- 2 st dividend payment for 2018 (8% of par value)	133,600
- Propose 3 rd dividend payment for 2018 (2% of par value)	33,400
III. RETAINED EARNINGS 2018	499,354
IV. ACCUMULATED RETAINED EARNINGS	598,134
- Retained earnings of previous years	98,780
- Retained earnings 2018	499,354

Article 8. Approve the Proposal of shares placement to raise capital through retained earnings:

I. Placement plan:

- Name of share: Phu Nhuan Jewelry Joint Stock Company.
- Par value: VND10,000/share.
- Type of share: Common share.

- Company's chartered capital as of 31/12/2018: VND1,670,029,820,000.
- Treasury shares as of 31/12/2018: 709 shares.
- Outstanding shares as of 31/12/2018: 167,002,273 shares.
- Expected number of shares to be issued: 55,667,424 shares.
- Total par value of issuance: VND556,674,240,000.
- The expected chartered capital after issuance: VND2,226,704,060,000.
- Conducting ratio: 3:1. At the closing date of shareholders list to exercise rights, shareholders owning 3 existing shares will receive 01 new share more.
- Rounding plan, fractional shares handling plan: The number of shares issued to increase share capital from owner's equity will be rounded down to the nearest number. The fractional shares (if any) due to rounding down will be canceled.
For example: At the closing date of the shareholder list to exercise the right to receive shares issued to increase share capital from owner's equity, shareholder A owns 125 shares. At the rate of 3:1, shareholder A will receive $125:3 = 41.6$ shares. According to the principle of rounding, shareholder A receives 41 shares. Fractional shares 0.6 are cancelled.
- The right to receive shares issued to increase share capital from owner's equity is not transferable. Treasury shares at the time of right execution are not entitled to the rights arising from the issuance of shares to increase share capital from equity. Shares placement to increase equity from owner's equity with no transfer restrictions.
- Sources to issuing shares: Undistributed profit after tax as of 31/12/2018 according to separate financial statements audited by Pricewaterhousecoopers Vietnam Co., Ltd.
- Time of issuance: In 2019, after the issuance is approved by the State Securities Commission.

II. Registration of listing and depository of all additional shares issued

All additional shares issued will be registered for listing at Ho Chi Minh City Stock Exchange and depository at the Vietnam Securities Depository after completion of shares issuance.

III. Authorizing The Board of directors on issues related to increasing chartered capital

The General Meeting of Shareholders authorizes the Board of Directors to decide all issues related to the shares issuance to increase share capital from owners' equity, specifically:

- Perform necessary procedures to register the shares issuance at the State Securities Commission (SSC) and explain them to SSC (if any);
- Supplement or amend the issuance plan at the request of the SSC or for the compliance with relevant laws (if any);
- Select the time to finalize the list of shareholders exercising rights and deploy appropriate issuance;
- Perform procedures for registration of new charter capital increase at the Department of Planning and Investment of Ho Chi Minh City after the end of the share issuance;
- Amendments relating to charter capital, shares and stocks in the Charter of organization and operation of the Company after the completion of the share issuance to be in line with the issuance result;

- Perform necessary procedures for registration of listing and depository of all additional issued shares at the Ho Chi Minh Stock Exchange and the Vietnam Securities Depository;
- Other relevant works to complete the assigned task.

Article 9. Approve Proposal of Shares issuance for key managers of PNJ and subsidiaries in 2019.

I. Issuance Plan:

- Name of stock: Phu Nhuan Jewelry Joint Stock Company.
- Type of stock: Common stock.
- Par value: 10,000 VND/share.
- Chartered capital after the issuance of shares from equity (expected): 2,226,704,060,000 VND.
- Number of outstanding shares (expected): 222,669,697 shares.
- Information about the objects, number of issued shares and transfer conditions:

- Issuing for BOD, BOM members, key managers of PNJ and its subsidiaries who have excellent contribution in completing the business plan in 2018. Specific criteria, list and number of shares will be approved by the BOD. The detail issuing information is as follows:
 - Number of share issued: 2.226.696 shares, equivalent to 1% of outstanding shares after completing the shares issuance to raise capital from equity.
 - Issuing price: 20,000 VND/share.
 - Transfer restriction: 100% of shares will be restricted to transfer in 12 months, 70% of shares will be restricted to transfer in 24 months, 40% of shares will be restricted to transfer in 36 months.
- Particularly for Mr Robert Alan Willett's case, he has been an independent member of BOD since April 2018. In the recent ESOP 2018, Mr Robert was not in the list consisting of employees who were allowed to buy shares due to inadequate condition for working seniority at the company.

The BOD considered that in spite of lack of seniority, he has contributed a lot to PNJ's development strategy and operational activities, as well as looking forward to have a long-term commitment with PNJ. On that basis, this shares issuance will encourage him to continue making more contributions to the sustainable development of PNJ in the future. Base on that, shares would be issued to Mr. Robert are as follows:

- Number of share: 400,000 shares.
- Issuing price will be discounted 25% compared to the average closing price of 10 consecutive trading days before the day that BOD approves the list and number of share issued for key managers.
- Transfer restriction: 100% of shares will be restricted to transfer in 12 months since the day completing share issuance.
- Expected number of share issued: 2,626,696 shares.
- Total expected value issued at par value: 26,266,960,000 VND.
- Expected chartered capital after the shares issuance: 2,252,971,020,000 VND.
- Stock redemption: if the BOD members resign for BOM members, key managers stop working (except for special cases approved by the BOD not to redeem shares), the Company will repurchase shares which are restricted to transfer of that employee with

the repurchasing price equal to the issuing price to become treasury shares.

- The General Meeting of Shareholders authorizes the Chairwoman of the BOD to decide all issues relating to repurchasing shares as treasury shares, but not limit to redeem shares in installment, implementing the procedures for registering with the SSC in accordance with regulations.
- Expected issuing time: after completing the issuance to increase capital from owners' equity. The specific issuance time is decided by the BOD.

II. Registering for listing and depositing of all additional issued shares:

All additional issued shares will be registered for listing with Ho Chi Minh City Stock Exchange and for depositing with Vietnam Securities Depository after completing the issuance.

III. Authorizing the BOD to decide all issues relating to shares issuance:

The General Meeting of Shareholders authorizes the BOD to decide all issues relating to shares issuance under Employee stock ownership program, specifically:

- Approving the criteria for selection of employees to buy shares, list and number of shares to be purchased.
- Complementing all necessary procedures to register for issuance with the State Securities Commission (SSC) and explain to the SSC (if any);
- Adding or modifying the issuance plan at the request of the SSC or for the purpose of complying with relevant laws (if any);
- Implementing procedures to register to increase the new charter capital with the Department of Planning and Investment of Ho Chi Minh City after the end of the share issuance;
- Modifying the terms related to charter capital, shares, shares in the Charter of organization and operation of the Company after completing the issuance of shares in accordance with the issuance results;
- Implementing necessary procedures to register for listing and depositing of all additional issued shares with Ho Chi Minh City Stock Exchange and Vietnam Securities Depository Center;
- Other related works to accomplish all the assigned issues mentioned above.

Article 10. Approve the resignation of the Board of Director members and election for additional BOD members for the term of 2019 – 2024

1. Approve the resignation of the Board of Director member for the term of 2017 – 2022 of Mrs Nguyen Thi Cuc since 11/06/2018.
2. List of nominees for additional members of the Board of Directors for the term of 2019 – 2024:
 - Ms. Dang Thi Lai.

Article 11. Authorize the Board of Directors to implement the Resolution of the 2019 Annual General Meeting of Shareholders.

**ON BEHALF OF THE SHAREHOLDERS' GENERAL MEETING
PHU NHUAN JEWELRY JOINT STOCK COMPANY
CHAIRWOMAN OF THE BOARD OF DIRECTORS**



CAO THI NGOC DUNG