

PROPOSAL TO THE 2018 ANNUAL GENERAL MEETING OF SHAREHOLDERS

Re: Profit distributions, funds appropriation in 2017

Pursuant to:

- *Enterprise Law No. 68/2014 / QH13 passed by the National Assembly on November 26, 2014;*
- *Pursuant to Enterprise Income Tax Law passed by the National Assembly on June 3, 2008;*
- *Pursuant to the Charter of organization and operation of Phu Nhuan Jewelry Company;*
- *Based on the 2017 financial statements of Phu Nhuan Jewelry Joint Stock Company, audited by Deloitte Vietnam Co., Ltd.*

Board of Directors of Phu Nhuan Jewelry Joint Stock Company would like to propose the profit distribution and funds appropriation of 2017 to the Shareholders' General Meeting for approval as follow:

| | |
|---|----------------------------|
| I. PROFIT BEFORE TAX OF 2017 (CONSOLIDATED) | 907,379 million VND |
| - Corporate Income Tax | 182,038 million VND |
| - Profit After Tax of 2017 | 724,856 million VND |
| - Retained Profit After Tax of 2016 | 154,931 million VND |
| II. PROFIT DISTRIBUTIONS: | |
| 1. Total profit distributed | 879,787 million VND |
| 2. Dividend Payments: | 216,202 million VND |
| - 1st payment: | |
| 1 st interim dividend payment for 2017 (10% of par value): | 108,101 million VND |
| - 2nd payment: | |
| 2 st dividend payment for 2017 (08% of par value): | 86,481 million VND |
| - 3rd payment: | |
| Propose 3 rd dividend payment for 2017 (02% of par value): | 21,620 million VND |
| 3. Funds Appropriation: | 115,062 million VND |
| - Fund of bonus and welfare for employees | 36,240 million VND |
| - Fund of Investment and Development | 45,000 million VND |
| - Bonus for Board of Directors and Board of Management in accordance to Resolution of the AGM (*) | 33,822 million VND |
| 4. Retained Earnings: | 548,523 million VND |

(*) Detail explanation of bonus to Board of Directors and Board of Management for exceeding planned profit in 2017:

According to the Report on business performances in 2016 and Strategic orientations for 2017 issued by the Board of Directors, approved by the 2017 Annual General Meeting of Shareholders on 27/4/2017, the bonus for the Board of Directors and the Board of Management is as follow:

- Achieving the plan of after-tax profit (excluding abnormalities): bonus 1.5% of after-tax profit.
- Exceeding the plan of after-tax profit (excluding abnormalities): bonus 20% of the exceeding amount.

Then, bonus for exceeding the planned after-tax profit to the Board of Directors and the Board of Management in 2016 is calculated as follow:

$$(600,803 \text{ million VND} * 1.5\%) + (124,053 \text{ million VND} * 20\%) = 33,822 \text{ million VND}$$

Respectfully be submitted.

Recipients:

- BOD, SB
- BOM
- Shareholders of PNJ;
- Archives: BOD; clerk;
- P

FOR THE BOARD OF DIRECTORS

CHAIRWOMAN

(Signed and Stamped)

CAO THI NGOC DUNG