

PROPOSAL TO THE GENERAL MEETING OF SHAREHOLDERS

Re: Shares placement to increase equity from retained profit

Pursuant to:

- Law on Securities No.70/2006/QH11 dated June 29, 2006; Law on amendment, supplementation of certain articles of the Law on Securities No.62/2010/QH12 dated November 24, 2010 and other documents guiding, instructing the implementation of the Law on Securities and the Law amending and supplementing certain articles of Securities Law;*
- Government's Decree No.58/2012/ND-CP dated 20 July 2012 providing detailed regulations and guidelines for the implementation of a number of articles of Law on Securities and the Law amending and supplementing some articles of Law on Securities;*
- Circular No. 162/2015/TT-BTC dated 26 October 2015 providing guidelines for public offer for sale of securities, offer for sale of shares for swap, issue of additional shares, redemption of shares, sale of treasury shares and public offer to acquire shares;*
- The Charter of Phu Nhuan Jewelry Joint Stock Company;*
- Financial statements of 2017 audited by Deloitte Vietnam Co., Ltd,*

Based on the production and business result of the Company in 2017, we would like to propose the Board of Directors to increase the chartered capital in 2018 as follows:

I. PLACEMENT PLAN:

- Name of share: Phu Nhuan Jewelry Joint Stock Company
- Par value: VND10,000/share
- Type of share: Ordinary share
- Company's chartered capital as of 31/12/2017: VND1,081,020,340,000
- Treasury shares as of 31/12/2017: VND7,090,000
- Outstanding shares as of 31/12/2017: 108,101,325 shares.
- Number of shares to be issued: 54,050,662 shares.
- Total par value of issuance: VND540,506,625,000.
- The expected chartered capital after issuance: VND1,621,526,965,000
- Conducting ratio: 50%, equal to a rate of 2:1. At the closing date of shareholders list to exercise rights, shareholders owning 2 existing shares will receive 01 new share more.
- Rounding plan, fractional share handling plan: The number of shares issued to increase share capital from owner's equity will be rounded down to dozens. 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 50%, shareholder A receives $125 \times 50\% = 62.5$ shares. According

to the principle of rounding, shareholder A receives 60 shares. Fractional shares 2.5 are cancelled.

- The right to receive shares issued to increase share capital from owner's equity is untransferrable. 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.
- Sources to issuing shares: Undistributed profit after tax as of 31/12/2017 according to separate financial statements of the headquarter.
- Time of issuance: In 2018, 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 issues to complete the assigned task.

Respectfully be submitted to the AGM for consideration and approval./.

Recipients:

- BOD, SB;
 - GD;
 - PNJ shareholders;
 - Filed at: BOD; Clerk;
- P

GENERAL DIRECTOR

(Signed and sealed)

CAO THI NGOC DUNG