

**To: - State Securities Committee
- Ho Chi Minh Stock Exchange**

Ref Explanation of Business performance

Phu Nhuan Jewelry Joint Stock Company (PNJ) has submitted its Separate Financial Statements and the Consolidated Financial Statements for the fourth quarter of 2020 to the State Securities Commission, Ho Chi Minh City Stock Exchange and disclosure of information in accordance with regulations.

Pursuant to the Circular No. 155/2015 / TT-BTC dated October 6, 2015 of the Ministry of Finance guiding the information disclosure on the stock market, PNJ explained that the profit after tax in 2020 increased by 10.12% compared to the same period in 2019. The reasons are as follows:

Item	Q4.2020	Q4.2019	(+/-) %
Consolidated financial statements			
- Net revenue	5.842.951.745.863	5.321.342.260.908	9.80%
- Profit after tax	427.301.574.221	388.033.719.512	10.12%

Net revenue increased due to:

- Jewelry market demand has been improved after Covid 19 pandemics.
- PNJ has made effort to overcome the difficulty thanks to innovation in customer approach and marketing programs, cost optimization.

Profit after tax increased due to:

- PNJ continued to control and use effectively operating expenses in the period.
- Debts to finance working capital have been optimized which helped to reduce interest expenses.

Above are the main impacts that generate higher profit value in Q4.2020 than Q4.2019. PNJ commits that the content in the above explanatory letter is truthful and accurate.

Sincerely,

Recipients:

- As above
- Finance and operation Division
- Clerks
- Archive



GENERAL DIRECTOR

LE TRI THONG