

## **PROPOSAL TO THE 2024 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

*Re: Approval of Transactions/Agreements/Principle Contracts between the Company and Its Subsidiary/Affiliated Company*

*Pursuant to:*

- *Enterprise Law No. 59/2020/QH14 approved by the National Assembly of the Socialist Republic of Vietnam on June 17th, 2020;*
- *Charter of Organization And Operation of Phu Nhuan Jewelry Joint Stock Company;*

Aimed to fulfill the operational requirements and to contribute economic and strategic advantages to PNJ, the Board of Directors ("BOD") would like to propose to the Annual General Meeting of Shareholders ("AGM") for consideration the approval of transactions that may arise during the business operations between Phu Nhuan Jewelry Joint Stock Company ("PNJ") and its subsidiary as outlined below:

1. Transactions/agreements/principle contracts between PNJ and its subsidiaries scheduled for 2024 and 2025 (prior to the 2025 Annual General Meeting of Shareholders) are detailed in Appendix 01 attached herewith.
2. Authorizes the Company CEO - Legal Representative to sign the detailed terms and conditions of the above transactions/agreements/principle contracts (excluding the main contents and issues of the transaction approved by the General Meeting of Shareholders); to sign and execute/terminate the transaction to ensure compliance with legal regulations and for the benefit of PNJ.

Respectfully submitted to the AGM for consideration and approval.

Recipients:

- BOD, Audit Committee
- CEO
- PNJ shareholders
- Stored at BOD Office
- Stored at Clerical Office

**ON BEHALF OF THE BOARD OF DIRECTORS**

**CHAIRPERSON**

*(Signed and sealed)*

**CAO THI NGOC DUNG**

## APPENDIX 01

No.	Name of Organization	Relationship to PNJ	Business Registration Certificate No.	Address	Main Content of Contract	Validity of Contract
1.	PNJ Jewelry Production and Trading Company Limited (“PNJP”)	Subsidiaries (100% charter capital owned by PNJ)	0315018466	No. 23, Street 14, Ward 5, Go Vap District, Ho Chi Minh City, Vietnam	Purchase of goods <i>(details according to the attached Principle Contract)</i>	Take effect upon approval by the AGM

**SOCIALIST REPUBLIC OF VIETNAM**

**Independence - Freedom - Happiness**

\* \* \*

**PRINCIPLE CONTRACT FOR PURCHASE OF GOODS**

No.: ...../2024/PNJ-PNJP

- Pursuant to the Minutes of the Annual General Meeting of Shareholders No. ....../2024/BB-DHDCD-CTY and the Resolution of the Annual General Meeting of Shareholders No. ....../2024/NQ-DHDCD-CTY dated ..... of Phu Nhuan Jewelry Joint Stock Company;
- Pursuant to the needs and capacities of the Parties.

Today, on \_\_ 2024, in Ho Chi Minh City, we include:

**PARTY A : PHU NHUAN JEWELRY JOINT STOCK COMPANY**

Head office address: 170E Phan Dang Luu, Ward 03, Phu Nhuan District, Ho Chi Minh City, Vietnam

Tax code : 0300521758

Representative : **Mr. Le Tri Thong**

Title : Chief Executive Officer

(Hereinafter referred to as “**PNJ**”)

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**PARTY B : PNJ JEWELRY PRODUCTION AND TRADING COMPANY LIMITED**

Head office address : No. 23, Street 14, Ward 5, Go Vap District, Ho Chi Minh City, Vietnam

Tax code : 0315018466

Representative : **Mr. Huynh Duc Huy**

Title : Chief Executive Officer

(Hereinafter referred to as “**PNJP**”)

For the purpose of implementing this Contract and in accordance with the needs of each Party from time to time within various contexts, PNJ and PNJP will be referred to as the Buyer or the Seller respectively.

Both Parties hereby agree to enter into this Principle Contract for Purchase of Goods (the "**Contract**") under the following terms and conditions:

**ARTICLE 1: SCOPE OF CONTRACT**

- 1.1. The Seller agrees to sell, and the Buyer agrees to purchase goods, including but not limited to gold jewelry, silver jewelry, diamond jewelry, shell jewelry, colored stone jewelry, pearl jewelry, Italian jewelry, D.I.Y materials, gemstones, semi-precious stones, etc.; gold with pressed PNJ seals; fine art products such as paintings, statues, symbols, and other fine art items; precious stones, semi-precious stones, and other types of stones; semi-finished products and raw materials for jewelry; as well as other categories of goods traded by the

Parties, with specifications including types, quality standards, quantities, unit prices, etc., as detailed in the Appendices or purchase orders (including electronic purchase orders via the system or purchase orders in writing) from time to time ("**Work**"). Each Appendix or purchase order, confirmed by both parties, is considered an integral part of this Contract, collectively forming a unified agreement binding the Parties to fulfill their obligations and duties to each other.

- 1.2. The mandatory contents in the Appendix or purchase order must include, at minimum, the following details: model, type, standard, quantity of goods, delivery time and place, contact information of the consignee, unit price, and total order value.
- 1.3. Any tasks not explicitly outlined in the Contract, the Appendices, or purchase orders, but deemed necessary to complete the agreed-upon Work by both Parties, shall be the responsibility of each Party to execute. The costs associated with such tasks shall be considered included in the payment value (if applicable) of the Appendix or purchase order or shall be agreed upon in writing by both Parties.

## **ARTICLE 2: CONTRACT VALUE, PAYMENT, DEBT CLEARING**

### **2.1. Contract Value:**

The expected contract value shall not exceed **18,000,000,000,000 VND (Eighteen trillion Vietnamese Dong)** (excluding VAT).

The actual value of officially executed goods purchases and sales shall be specified in detail in Appendices or purchase orders attached to this Contract.

### **2.2. Payment terms:**

- a. Depending on the specifics outlined in each Appendix or purchase order, the Parties shall mutually agree upon either clearing debts or making payments for the value of each Appendix or purchase order. Within this framework:
  - Form of debt clearing: The Parties shall clear debts and offset obligations against each other arising from any financial obligations, including those beyond the scope of each Appendix or purchase order.
  - Payment method: The obligated Party shall make payment via transfer in Vietnamese Dong (VND) to the other Party's designated bank account, as stipulated in Appendices or purchase orders.
- b. The Buyer shall make payments under the following conditions: (1) Receipt of a valid financial invoice (except in cases where installment payments are calculated based on the pre-tax price as specifically agreed upon in the Appendix or purchase order, if applicable); (2) Deduction or offsetting in advance of due payments, any amounts payable owed by the other Party, if applicable.
- c. Invoices and payment vouchers referenced in this Clause shall comprehensively detail the goods provided. The invoice value must correspond accurately with the actual acceptance value, as confirmed by both Parties.

## **ARTICLE 3: DELIVERY AND ACCEPTANCE OF GOODS**

### **3.1. Delivery of goods**

Delivery time and location shall be specified in detail in the Appendix or purchase order, as mutually agreed between the Parties.

Delivery shall be documented in minutes of goods delivery and reception confirmed by representatives of both Parties subsequent to the inspection of the goods.

In the event of delivery delays, unless caused by force majeure or otherwise agreed upon by the Parties in the Appendix or Purchase Order, the Seller shall incur a fine of up to a maximum of 1% of the late order value per day of delay until completion of the delivery obligation, but not exceeding 20 days. Upon expiration of this time limit, the Buyer reserves the right to either (i) prompt the Seller to expeditiously fulfill its obligations or (ii) demand the Seller to refund any advance payments (if applicable), seek compensation for directly resulting damages from the breach, and unilaterally terminate the Appendix or Purchase Order.

### **3.2. Transfer of Ownership and Risk of Goods**

Except otherwise agreed by the Parties, the Buyer shall have a maximum of 03 working days to inspect and provide feedback on the quality of the goods from the date of delivery by the Seller to the Buyer's representative or designated shipping unit. In the event that the goods are not delivered as agreed in the Contract and its Appendices or purchase orders, the Seller shall, at its own expense, recall the defective goods and replace them with satisfactory goods for the Buyer within the Buyer's specified timeframe. Failure to comply will result in the Buyer paying solely for the goods delivered as agreed, while also demanding the Seller to pay a penalty equivalent to 8% of the value of the outstanding order obligations for the violation, along with compensation for any actual, direct damages incurred (if applicable).

Ownership and risk of loss or damage to the goods shall be transferred to the Buyer upon completion of delivery and acceptance, unless the goods fail to meet the specified quality standards.

### **3.3. Acceptance**

Except otherwise agreed by the Parties, the Work shall be considered accepted and certified for completion upon meeting the following criteria:

- Compliance with legal regulations, this Contract, and attached Appendices or purchase orders during the implementation of the Work.
- Reasonably support for the requirements of each Party related to the Work's implementation, avoiding any remaining disputes arising from errors by either Party during the Work's execution.

## **ARTICLE 4: RIGHTS AND RESPONSIBILITIES OF THE BUYER**

- 4.1 Inspect and oversee the progress and fulfillment of the Seller's obligations throughout the execution of the Contract and its appendices or purchase orders.
- 4.2 Make payments and debts clearing to the Seller in accordance with the agreed terms and conditions.
- 4.3 Upon receiving the goods, inspect them and sign minutes of goods delivery and reception. Assumes responsibility for any risks associated with the goods after completing the quality inspection as outlined in Article 3 of this Contract.

- 4.4 Appoint a representative to closely coordinate with the Seller during the supply and delivery process.
- 4.5 Maintain confidentiality regarding any information pertaining to the Seller obtained during the negotiation and execution of the Contract, unless such information is disclosed or required to be disclosed in accordance with legal provisions or by competent authorities
- 4.6 Other rights and obligations as stipulated in the Contract and by law.

#### **ARTICLE 5: RIGHTS AND RESPONSIBILITIES OF THE SELLER**

- 5.1 Ensure that the goods supplied are under the legal ownership of the Seller and are free from any disputes with third parties.
- 5.2 Provide goods that conform to the correct description, quantity, and quality as agreed upon. In the event of discrepancies or errors in the delivered goods, the Seller must rectify such issues within a reasonable timeframe, and if necessary, recall and replace defective or non-conforming goods that fail to meet the requirements stipulated in Article 3 of this Contract.
- 5.3 Deliver goods punctually as agreed upon in each Appendix or purchase order.
- 5.4 Issue a valid financial invoice to the Buyer upon delivery of the goods.
- 5.5 Maintain confidentiality regarding any information pertaining to the Buyer obtained during the negotiation and execution of the Contract, unless such information is disclosed or required to be disclosed in accordance with legal provisions or by competent authorities.
- 5.6 Other rights and obligations as stipulated in the Contract and by law.

#### **ARTICLE 6: VIOLATION AND TERMINATION OF CONTRACT**

- 6.1. Except in cases of force majeure and notwithstanding any other provisions in this Contract, Appendices, or purchase orders, if either Party breaches any terms and obligations under the Contract and/or any Appendix or purchase order, and fails to remedy such breach within a reasonable period as stipulated, the breaching Party shall incur a penalty amounting to 8% of the value of the breached obligation, along with compensation for actual and direct damages resulting from the breach.
- 6.2. The failure of a Party to enforce sanctions against the other Party for a violation shall not waive that Party from legal liability for similar violations at any time.
- 6.3. This Contract will be terminated early in the following cases:
  - a. If one Party breaches the Contract and/or Appendices or purchase orders without remedy within the agreed time limit, the non-breaching Party shall have the right to terminate the Contract immediately by providing notice to the breaching Party.
  - b. Any Party becomes bankrupt, dissolved, suspends operations, or has its operating license revoked.
  - c. Prolonged occurrence of a force majeure event as described in Article 7 of this Contract.
  - d. Mutual agreement between both Parties to terminate this Contract before the expiration date.
  - e. Other circumstances as stipulated by law.

6.4. Termination of this Contract shall not waive either Party of any obligations or liabilities arising under the Contract and its Appendices or purchase orders before or after termination. Additionally, termination shall not affect or diminish the rights of either Party arising before or after termination, unless otherwise agreed upon.

## **ARTICLE 7: FORCE MAJEURE**

In the event of a Party's failure or omission to fulfill any obligation under this Contract, such failure or omission shall be deemed a breach of the Contract or give rise to legal liability, except in cases of Force Majeure Events. A Force Majeure Event includes any event or circumstance beyond the control of a Party, which is unforeseeable and cannot be overcome despite the application of all reasonable measures and possibilities, including, but not limited to: epidemics, natural disasters, fires, acts or omissions of government/public authorities, civil unrest, riots, sabotage, invasions, quarantines, restrictions, strikes, lockouts, and embargoes. The affected Party shall promptly notify the other Party in writing of its inability to perform its obligations under the Contract due to the Force Majeure Event, clearly stating the reasons and proposed remedial measures. If a Force Majeure Event persists for more than 15 days, and neither Party can reach a satisfactory alternative agreement, then either Party shall have the right to choose to terminate any Appendix, Purchase Order, and/or this Contract immediately.

## **ARTICLE 8: INTELLECTUAL PROPERTY RIGHTS AND WARRANTIES**

### **8.1 Intellectual Property Rights**

All intellectual property rights acquired in finished goods (if any, as per the Buyer's design order request) outlined in Article 1 of this Contract shall be vested in the Buyer.

The Parties acknowledge that each party's product samples, production technology, trademarks, trade secrets, etc. (hereinafter collectively referred to as "**Intellectual Property**"), whether registered or unregistered, constitute the legal property of the respective owner and do not infringe upon the intellectual property rights of any third party.

The Buyer's request for goods design, for the Seller's production as per the terms of this Contract (if any), does not imply a transfer of intellectual property rights to the Seller. The Seller undertakes not to utilize the Intellectual Property beyond the scope and purpose of this Contract and expressly agrees not to replicate or manufacture samples of goods for any other party, including itself, without the prior written consent of the Buyer.

### **8.2 Trademark use**

PNJ agrees to grant PNJP the non-exclusive trademark license to use several trademarks owned by PNJ (specifically each trademark specified in the Appendix or Purchase Order) for the purpose of fulfilling related tasks and obligations between the two Parties under this Contract, serving the business activities and distribution of goods and products of each Party.

The term of trademark license is valid from the effective date of this Contract until the termination of the Contract as stipulated in Article 10.

It is important to note that within the scope and term of this trademark license, PNJ retains the right to use the trademark and to enter into non-exclusive trademark license agreements with other third parties. Moreover, PNJ reserves the right to revoke the trademark license if

PNJP engages in actions detrimental to the brand and image of PNJ or when PNJ no longer deems it necessary to grant PNJP trademark license.

### **8.3 Warranty**

Except otherwise agreed by the Parties:

- The Seller shall provide warranty for the goods within the warranty period commencing from the date of completion of goods handover procedures, except in cases where the goods are excluded from warranty coverage or fail to meet the warranty conditions or specified warranty term as detailed in the Appendices and Purchase Orders.
- Warranty service location: at the Seller's warehouse.
- Within 03-10 working days (depending on the type of goods) from the receipt of goods requiring warranty by the Buyer, the Seller shall deliver the repaired/warranted goods to the Buyer.
- Warranty obligations form an integral part of the sale of goods. Instances requiring fee-based warranty services or repairs shall be mutually confirmed by the Parties prior to execution.

## **ARTICLE 9: GOVERNING LAW AND DISPUTE RESOLUTION**

- 9.1. This Contract shall be construed, interpreted, and governed by Vietnamese law.
- 9.2. In the event of a dispute, the Parties shall engage in negotiations and actively seek resolution in a spirit of reconciliation. If such negotiations fail to reach a resolution, the dispute shall be submitted to a competent court for adjudication in accordance with applicable law. The ruling of the court shall be binding upon the Parties. All court fees and expenses shall be borne by the party adjudged to be at fault.
- 9.3. Throughout the dispute resolution process, this Contract shall remain in effect to execute, except for the portion under dispute.

## **ARTICLE 10: TERM OF CONTRACT**

This Contract shall be effective from the date of signing until June 30<sup>th</sup>, 2025, unless prematurely terminated or liquidated in accordance with Article 6 or replaced by a new principle contract agreed upon by the Parties.

## **ARTICLE 11: CONDITIONS OF CONTRACT PERFORMANCE**

- 11.1 Any amendments or additions to the Contract shall require the mutual agreement and confirmation of legal representatives from both Parties, executed by Appendices, which shall be considered integral parts of this Contract.
- 11.2 The failure to enforce any provision of this Contract shall not render other provisions invalid. The consent of one Party to waive enforcement of a provision in this Contract does not imply a waiver of other provisions.
- 11.3 In the event of a conflict or discrepancy between the scope of work outlined in this Contract and that specified in Appendices or purchase orders, the scope of work detailed in Appendices or purchase orders shall prevail and hold legal precedence.



## **ARTICLE 12: COMMITMENT AGAINST BRIBERY**

- 12.1 Each Party hereby commits and assures not to engage, either directly or indirectly, in contacting, transacting with, or colluding with employees of the other Party for the purpose of offering or soliciting bribes, gifts, commissions, or any other form of remuneration, whether monetary or non-monetary, collectively referred to as "Bribery".
- 12.2 In the event of a breach of this commitment by one Party, the non-breaching Party reserves the right to unilaterally terminate the Contract at any time without any obligation to provide compensation to the breaching Party.
- 12.3 Bribery activities as delineated in this article encompass actions occurring prior to, during, and subsequent to the execution of the Contract.

## **ARTICLE 13: TRANSPARENCY, TRUST, AND ANTI-CONFLICTS OF INTEREST**

- 13.1. The Parties acknowledge their understanding of and commitment to abide by legal provisions pertaining to anti-corruption, anti-money laundering, and prevention of conflicts of interest. Each Party agrees not to engage in, or cause the other Party to engage in, any activities that contravene the aforementioned laws.
- 13.2. Neither Party shall exploit information acquired through their position or authority for personal gain or to advance the interests of themselves or any affiliated company they manage or have capital in.
- 13.3. Each Party warrants that the data and information provided regarding the company's capabilities, financial status, etc. are accurate, publicly available, transparent, and compliant with applicable laws.
- 13.4. The Parties shall disclose information pertaining to this Contract in accordance with legal requirements, if applicable.
- 13.5. Both Parties unequivocally commit to refrain from offering, receiving, or utilizing money, bonuses, gifts, private entertainment, or any similar inducements aimed at influencing decisions for its own gain, creating conflicts of interest, undermining transparency or trust, or harming the cooperative relationship between the Parties; or for purposes of profiting, sustaining or directing business inappropriately or incorrect during the Contract's execution.
- 13.6. Transactions conducted under this Contract shall adhere to the organization's Charter and relevant laws, ensuring the interests of each Party, its members, and shareholders (if applicable). The terms of transactions shall not be more favorable than those offered by other independent partners within the framework of related transaction regulations.
- 13.7. Upon detection of any indications of violations concerning transparency, trust, money laundering, or conflicts of interest, the Parties shall promptly notify the respective managerial authorities within each Party for appropriate coordinated action. Additionally, the non-breaching Party reserves the right to unilaterally terminate all transactions under this Contract and demand compensation for all resulting damages and losses from the breaching Party.

## **ARTICLE 14: GENERAL COMMITMENTS**

- 14.1. Each Appendix or purchase order shall be automatically liquidated upon mutual completion of all obligations by both Parties, with no outstanding disputes remaining.
- 14.2. Neither Party shall have the authority to assign or transfer, in whole or in part, the rights, responsibilities, and obligations under this Contract and its accompanying Appendices or purchase orders, to any individual or organization without the prior written consent of the other Party.
- 14.3. This Contract constitutes the entire agreement between the Parties incorporating the aforementioned provisions and supersedes all, including but not limited to, prior principal contracts, contracts, understandings, terms, and conditions, whether oral or written, between the Parties.
- 14.4. Both Parties undertake to comply with prevailing legal regulations regarding taxation, anti-transfer pricing, anti-profit shifting, as well as internal corporate policies promoting objectivity, transparency, trustworthiness, goodwill, anti-bribery, and anti-money laundering. The Parties shall ensure that any Appendix, Purchase Order, or other documents executed in fulfillment of this Contract do not conflict with or replace the terms of this Contract and remain compliant with the law. Any Party found in violation of this provision shall be liable to the other Party for damages and fines for breaches, as stipulated in Article 6 of this Contract.
- 14.5. This Contract is executed in two (02) copies, with each copy holding equal legal validity. Each Party shall retain one (01) copy for executions.

**ON BEHALF OF PARTY A**

**ON BEHALF OF PARTY B**