

RESOLUTION
THE 2018 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 206 Annual General Meeting of Shareholders, Phu Nhuan Jewelry Joint Stock Company, dated on April 21st, 2017.*

RESOLUTIONS:

Article 1. Approved on revising, supplementing Charter of organization and operation of Phu Nhuan Jewelry Joint Stock Company.

Article 2. Approved on revising, supplementing Regulation on Corporate Governace in 2018.

Article 3. Adopted reports on producing – trading performances in 2017 with the main indicators, which are detailed as follows:

Unit: million VND

Indicators	Result 2016	Year of 2017		+/- (%) compared with the same period	+/- (%) compared with the plan
		Plan	Result		
Total Revenue	8,615,363	10,202,424	11,049,024	128%	108%
Gross profit from selling products and providing services	1,411,293	1,663,715	1,911,963	135%	115%
Revenue from financial activities	5,265	11,566	8,794	167%	76%
Financial expenses	181,560	102,159	56,475	31%	55%
Sale expenses	553,623	665,306	774,978	140%	116%

Indicators	Result	Year of 2017		+/- (%)	+/- (%)
Administration expenses	133,281	156,812	187,936	141%	120%
Net profit from operating activities	548,093	751,004	901,368	164%	120%
Profits before tax	590,627	751,004	907,379	154%	121%
Profits after tax	450,488	600,803	724,856	161%	121%
Expansion of retail network	219		269	123%	

Article 4. Adopted reports on the activities of the Board of Directors in 2017.

Article 5. Adopted strategic orientation for 2018.

Main indicators of business plan for 2018 (Consolidated):

Unit: million dong

INDICATORS	RESULT IN 2017	PLAN FOR 2018	GROWTH (%)
Net revenue	10,976,836	13,727,000	25%
<i>In which: Net revenue from jewelry retail</i>	<i>5,794,000</i>	<i>7,455,000</i>	<i>29%</i>
Gross profits from selling products and providing services	1,911,963	2,477,528	30%
Revenue from financial activities	8,794	21,701	147%
Financial expenses	56,475	64,800	15%
Sale expenses	774,978	1,086,655	40%
Chi phí quản lý doanh nghiệp	187,936	247,767	32%
Administration expenses	901,368	1,100,007	22%
Profits before tax	907,379	1,100,007	21%
Profits after tax	724,856	882,406	22%
Gross profit /Revenue Ratio	17,4%	17,5%	
After-tax profit /Revenue	6,6%	6,24%	
Dividend	20%	18%	

- If target after-tax profit in 2018 is achieved as plan: 1.5% of after-tax profit will be rewarded to the Board of Directors and Management Board (excluding the extraordinary factors of financial activities);
- If targeted after-tax profit is exceeded: 20% of the planned after-tax profit surplus will be rewarded to the Board of Directors and Management Board (excluding the extraordinary factors of financial activities)

Article 6. Adopted reports of Supervisory Board in 2017,

Article 7. Adopted the 2017 financial statements, audited by Deloitte Co. Ltd,

Article 8. Approval of selecting auditing firm to audit the Company's financial statements for the fiscal year of 2018

Shareholders approved the list of auditing firms and authorize the Board of Directors to select one of auditing firms on the list to audit the Company's financial statements for the fiscal year of 2018:

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

Article 9. Approved the proposal of profits distribution, fund appropriations in 2017, details as follows:

I, PROFITS BEFORE TAX, 2017 (CONSOLIDATED)	907,379 million dong
- Corporate Income Tax	182,038 million dong
- Profits after tax, 2017	724,856 million dong
- Profit after tax, 2016	154,931 million dong
II, PROFIT DISTRIBUTIONS:	
1, Total profits distributed	879,787 million dong
2, Dividend Payments:	216,202 million dong
- Phase 1:	
Paid dividend in advance in the first phase in 2017 (10%/par value):	108,101 million dong
- Phase 2:	
Paid dividend in phase 2 in 2017 (8%/par value):	86,481 million dong
- Phase 3:	
Propose to pay undistributed dividend in phase 3 in 2017 (2%/par value):	21,620 million dong
3, Fund Appropriations:	
- Bonus and Welfare for employees fund	36,240 million dong
- Investment and Development fund	45,000 million dong
- Bonus to Board of Directors, and Board of Management in accordance to Resolutions of Shareholders' General Meeting (*)	33,822 million dong
4, Retained Earnings:	548,523 million dong

Article 10. Approval of the plan to increase the share capital from retained earnings:

I. Plan of issuance:

- Name of share: Share of Phu Nhuan Jewelry Joint Stock Company
- Par value: 10,000 VND/share
- Type of share: Common share
- Total charter capital of the Company as of Dec. 31st, 2017: VND1,081,020,340,000
- Treasury share as of Dec. 31st, 2017: VND 7,090,000
- Total number of outstanding shares as of Dec.31st, 2017: 108,101,325 shares
- Number of shares planned to issue: 54,050,662 shares
- Total par value of issuance: VND 540,506,620,000
- Expected charter capital after issuance: VND 1,621,526,960,000
- Subject of issuance: Existing shareholders named in the list at the closing date to exercise the right to receive additional shares.
- Conducting ratio: 50%, equal to a rate of tương đương tỷ lệ 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 owner's 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 charter 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 related issues to complete the assigned task.

Article 11. Approve the employee stock ownership plan for the Company's workforces

I. The employee stock ownership plan:

- Name of share: Phu Nhuan Jewelry JSC share
- Type of share: Common share
- Par value of share: 10,000 VND/share
- Charter capital of Company after the capital-increase placement from equity: 1,621,526,965,000 VND
- Number of outstanding shares: 162,151,987 shares
- Number of shares expected to be issued: 4,864,560 shares, equivalent to 3% of the number of outstanding shares after the capital-increase placement from equity.
- Total value of placement at par value: 48,645,600,000 VND
- Charter capital after placement: 1,670,172,565,000 VND
- Issuing price: 20,000 VND/share
- Subject of placement: Employees who are outstanding member of BOD, excellent key staffs, mid-level staffs of PNJ and its subsidiaries having great contribution to the establishment and development of the company and achieving personal KPI. List and number of buyable shares in detail will be approved by the BOD.
- Restrictions on transfer: 30%/ number of restrictive shares within 12 months, 30%/ number of restrictive shares within 24 months and 40%/ number of restrictive shares within 36 months from the completion of the placement.
- Shares recall: If employees leave the job for any reason, the company will repurchase the number of their currently transfer-restricted shares at the price 20,000 VND/share to make treasury shares.

- Expected time of placement: After the completion of the capital-increase placement from equity. Specific placement time will be decided by the BOD.

II. Registration of listing and depositing all additional issued shares:

All additional issued shares will be listed on the Ho Chi Minh Stock Exchange and deposited at the Vietnam Securities Depository after the completion of the placement.

III. Authorizing the Board of Directors on issues related to the placement:

- The General Meeting of Shareholders authorizes the Board of Directors to make decision on all matters related to the employee share ownership program, specifically:
- Approving criteria for selecting employees to buy shares, list and number of shares to be purchased;
- 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);
- 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 related issues to complete the assigned task.

Article 12. Approve to increase number of BOD members and elect additional BOD members for the term 2018 – 2023 with result as follows:

1. Increase the number of BOD members of Phu Nhuan Jewelry Joint Stock Company to 09 members.
2. Approving the letter of resignation of Mr. Nguyen Vu Phan from the date of April 20th, 2018, the Board of Directors member in the period of 2017 – 2022.
3. List of candidates who have been elected for supplementation to the Board of Directors for the term of 2018 – 2023:
 - Mr Robert Alan Willett
 - Mrs. Huynh Thi Xuan Lien

Article 13. Authorize the Board of Directors to implement the Resolution of the 2018 Annual General Meeting of Shareholders.

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

(Singed and Stamped)

CAO THI NGOC DUNG