



**ANNOUNCEMENT OF INVITATION TO THE STRATEGIC INVESTOR SELECTION
OF PETROVIETNAM POWER CORPORATION (PV POWER)**

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Pursuant to Decision No. 1977/QĐ-TTg dated 08/12/2017 by Prime Minister regarding to approval of equitization plan of PV Power, PV Power would like to inform to potential investor(s) preliminary information as follows:

1. Company's name: **PETROVIETNAM POWER CORPORATION –**

ONE MEMBER COMPANY LIMITED (PV POWER)

Address : 8th – 9th Floor, Vietnam Petroleum Institute Building, Trung Kinh, Yen Hoa,
Cau Giay, Ha Noi, Vietnam

Tel: : (024) 22210 288 Fax: (024) 22210 388

2. Main business activity : Power generation

3. Charter capital : **23.418.716.000.000 VND** (Par value 10.000 VND/share)

Including:

Number of share for the state: **1,194,354.516** shares (51.00% of charter capital)

Number of preferential shares for employees: **1,752,300** shares (0.118% of charter capital)

Number of shares offered in the IPO: **468,374,320** shares (20.00% of charter capital)

Number of shares offered for strategic investor(s): **676,385,364** shares (28.882% of charter capital)

4. Auction for the Initial Public Offering (IPO)

Number of shares offered in the IPO: **468,374,320** shares (equivalent to 20.00% of charter capital)

Starting price: **14.400 VND/share**

Maximum offered shares for foreign investor(s): **468,374,320** shares.

Auction location: **Hanoi Stock Exchange**

Investor(s) can find out The Prospectus, Auction Regulation and other documents at:
www.pvpower.vn; www.hnx.vn; www.vpsc.com.vn.

5. Offering to strategic investor(s)

Total number to be offered: **676,385,364** shares (equivalent to 28.882% of charter capital). In case of the shares (equivalent to 20% of charter capital) are not sold out thru in IPO, the remaining shares will be added up to the offering for strategic investor(s)

Investors are interested in strategic investor selection of PV Power can refer the strategic investor selection process, selection criteria, registration form and registration document at www.pvpower.vn

Deadline for submitting registration form and documents as attached herewith: Before 4.00pm 26th January 2018.



STRATEGIC INVESTOR SELECTION PROCESS OF PV POWER

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Step	Description	Timing
<u>Step 1</u>	Send Information Memorandum to investors who submitted express of interest letter and signed non-disclosure agreement (NDA)	27/12/2018
<u>Step 2</u>	Open virtual dataroom for investors who signed NDA for review.	From 15/01/2018 to 15/2/2018
<u>Step 3</u>	Investor to submit the registration form and capacity documents <i>(draft of registration form and capacity documents in attachment)</i>	By 26/01/2018
<u>Step 4</u>	Investor to conduct the due diligence. Company and site visiting from 01 st to 07 th February 2018. Question and Answer from 01 st to 15 th February 2018. <i>(signing NDA is required; draft of share purchase agreement – SPA will be given for review during this period)</i>	Form 15/01/2018 to 15/02/2018
<u>Step 5</u>	Investor submit binding offer included: - Number of shares subscribed to purchase. - Purchase price to be subjected optional but shall not be less than the average successful bid share price of IPO. The IPO will be conducted on 31st January 2018. - PV Power’s development plan. - Commitment on terms of Share Purchase Agreement (SPA)	From 22/02/2018 to 25/02/2018

Step	Description	Timing
<u>Step 6</u>	Announce the qualified investors and instruct for next steps of direct negotiation for price or price auction. <i>(Next steps will be defined depend on numbers of qualified investor and numbers of purchased shares)</i>	26/02/2018
<u>Step 7</u>	Price auction steps or other steps depend on approval result of authorities and auction process issue by Vietnamese Stock Exchange	8/3/2018

Above timing of the strategic selection process may vary with the time necessary for the approvals of relevant authorities and other factor affecting the strategic investor selection process.



ATTACHMENT NO.1: STRATEGIC INVESTOR SELECTION CRITERIA

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Strategic Investor(s) should meet the following requirements:

- The strategic investor must have legal capacity;
- The strategic investor must have financial capacity and its business activities over the past two years up to the time of registering to buy shares must have been profitable, without any accumulated losses
- The strategic investor must undertake in writing which signed by Chairman of the Board of Directors or Legal Representative or Competent Individual is required consisting of the followings:
 - + Sharing long-term benefit with joint stock company, assisting PV Power in business activities
 - + To maintain PV Power's business and trade mark of PV Power for at least 03 years from the date of becoming a strategic investor;
 - + Not to transfer the shares within at least 05 years after the time that PV Power becomes a joint stock company as shown on the business registration certificate according to the Law on Enterprises;
 - + Having a plan to assist PV Power in: technology transfer, human resource training, financial ability enhancement, corporate management, materials supply, investment cooperation and product market expansion in accordance with PV Power's post equitization strategic development plan;
 - + To undertake compensation for any breach of the undertakings and the commitments made. The compensation amount shall mount at actual damage; and the Vietnam's Government possesses the right to entitle all the shares that the investors have purchased in case of any breach of undertakings and commitments.
 - + Prioritize for investors have long-time experience on energy sector or relate to electricity sector (e.g. electricity generation, fuel/gas/LNG supply service, maintenance service, original equipment manufacturer...) or investors have competence to arrange finance, have ability to support PV Power in financial arrangement for new power projects.
 - + Prioritize for investors will commit to keep agreement if PVN (Vietnam Oil and Gas Group) transfer power plants to PV Power in accordance with the laws at the time of transferring.

[Head letter of Company]

_____, date ____/month____/year_____

STRATEGIC INVESTOR REGISTRATION FORM

To: PETROVIETNAM POWER CORPORATION

1. Company/Investor full name:
2. Address:
3. Tel: _____ Fax: _____
4. Business Registration Certificate Number:
Issued Date: ____/____/_____
Issued Place: ____/____/_____
5. Charter capital:
6. Business activities:
7. Legal representative:
8. Position:
9. Number of Shares subscribed to purchase:

We acknowledge that Petrovietnam Power Corporation (PV POWER) is going to implement the Initial Public Offering (IPO) and the offer the Shares to the Strategic Investors.

We hereby confirm that we have met all the criteria and requirement for participating in this process as set out by the Government of Vietnam and stated in your Process Letter, and we would like to submit the Registration Documents to become the Strategic Investor of PV POWER as attached herewith.

Sincerely,

Chairman/Legal Representative

Attached Document:

- Business Registration Certificate (Certificate Copy)
- Audited financial report
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ATTACHMENT NO.3: STRATEGIC INVESTOR CAPACITY DOCUMENTS

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Your **Indicative Offer** shall include the followings documents:

A. Investment Capacity Documents:

1. Strategic Investor Registration Form – the original copy signed by Chairman of the Board or Legal Representative. The Strategic Investor Registration Form template is attached with this document in Attachment No 2 – Strategic Investor Registration Form.
2. Business Registration Certificate (Certified Copy).
3. Audited Financial Reports for 2015, 2016 and Year To Date 2017 included Financial Statements. Investor that operates under parent-subsiary structures shall provide Audited Consolidated Financial Reports for 2015, 2016 and Consolidated Year To Date 2017 included Financial Statements (Original Copy or Certified Copy).
4. Investor's Profile introducing the Investor's competence and experience (especially in power generation, fuel/coal/LNG supply service, maintenance service or financial arrangement).
5. PV Power's Development Plan after equitization. The Development Plan shall be submitted in two times: the first time called Preliminary Development Plan, when the Investors submit the Indicative Offer Letter, and the second time called Development Plan to be submitted along with the Binding Offer by investors after Due Diligence.
6. Preliminary Financing Plan for purchasing the Registered Share Quantity.

B. Undertaking and Commitments:

Original Copy of Undertakings and Commitments signed by Chairman of the Board of Directors or Legal Representative or Competent Individual is required consisting of the followings:

1. Sharing long-term benefit with joint stock company, assisting PV Power in business activities;
2. To maintain PV Power's business and trade mark of PV Power for at least 03 years from the date of becoming a strategic investor;
3. Not to transfer the shares within at least 05 years after the time that PV Power becomes a joint stock company as shown on the business registration certificate according to the Law on Enterprises;

4. Having a plan to assist PV Power in: technology transfer, human resource training, financial ability enhancement, corporate management, materials supply, investment cooperation and product market expansion in accordance with PV Power's post equitization strategic development plan;
5. To undertake to make 20% deposit (twenty percent) of the value of subscribed shares. The Share value applied for this purpose shall be the approved at average IPO price.
6. To guarantee the legal financial sources of deposit and payment for the shares purchased.
7. To undertake compensation for any breach of the undertakings and the commitments made. The compensation amount shall mount at actual damage; and the Vietnam's Government possesses the right to entitle all the shares that the investors have purchased in case of any breach of undertakings and commitments.
8. In case of becoming strategic investor(s), a written document which signed by Chairman of the Board of Directors or Legal Representative or Competent Individual should be submitted to show your opinion regarding to the matter: In the future, PV Power will receive power plants (if available) from PVN in accordance with the laws at the time of transferring.