

PETROVIETNAM POWER CORPORATION - JSC

2018 ANNUAL REPORT







PETROVIETNAM POWER CORPORATION - JSC

Together we light up the future

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MESSAGE FROM CHAIRMAN OF THE BOARD OF DIRECTORS AND PRESIDENT & CEO OF PETROVIETNAM POWER CORPORATION - JSC.



Dear Valued Shareholders and Investors,

2018 marks an incredible milestone of PetroVietnam Power Corporation - JSC (PV Power) on its path of development, thanks to the full effort of the Leadership and all employees. The ultimate goal of ensuring safe and effective operation of power plants has been successfully achieved, exceeding all target amidst the instability and volatility of the world economy.

PV Power has overcome all the difficulties to complete the business targets of 2018. In which, all power plants have been strictly operated under absolute safety, bringing about 21,007 million kWh of total power output. Furthermore, consolidated revenue has reached up to 33,260 billion VND, consolidated pre-tax profit reaches 2,492 billion VND and

1,295 billion VND has been submitted to the Government Budget. Additionally, PV Power has contributed nearly 25 billion VND to various social welfare programs.

Such impressive results cannot be completed without the ceaseless effort and contribution of over 1,200 accomplished, professional employees at PV Power. All power plants have been safely operated, meeting the requirements for mobilization of A0, and especially causing no incidents that risk neither people nor the equipment and the environment. The high-quality human resources are the backbone of PV Power's sustainable development. In 2018, the company was recognized as "Enterprise for Employees" from the Vietnam General Confederation of Labour and awarded with numerous certificates of merit from all levels, in honor to the effort of the company's employees.

Aside from maintaining good business operation, PV Power has continuously elevating its management standards, in which transparency is placed atop, to meet the strict requirements of international exposure. In 2018, PV Power has completed the restructuring and business renewal process across all levels in the Corporation and its subsidiaries to shape up a lean yet effective operation model as required.

Being in the role of generating and trading electrical power, contributing to the macro-economic stability and the national energy security, PV Power sets the goal of maintaining the growth momentum of energy output and profit, whilst ensuring the utmost safety and business effectiveness to deliver the greatest benefits to all of our distinguished Shareholders and Investors in years to come.

2019 is also a significant year of PV Power, as the Corporation is implementing two major power plant

projects named Nhon Trach 3 and Nhon Trach 4, whilst researching and developing other electrical projects. In continuation of last year's blooming success, PV Power is committed to ceaselessly strive for being the leading power trading company in Vietnam, in which, professional leadership, effective business operation and safety in power plant operation are placed at the central focus. PV Power will also continue to restructure the organization for cost-effective and lean operation with more technological innovation. We strongly believe in our ability in completing the targets for 2019, as well as the development goals for PV Power in the strategic term of 2019 - 2023, which are:

Firstly, PV Power to be developed as a strong and effective Industrial Power and Service Corporation that is highly competitive in the field of generating, trading electrical power and providing auxiliary services, in which electricity generation is the central focus.

Secondly, PV Power to play a critical role in the electric power industry, proactively participating in the regional and international market, making PV Power the prestigious brand across the country and South East Asia.

One more time, on behalf of PV Power employees, Leadership of PetroVietnam Power Corporation - JSC would like to send the greatest thanks and appreciation



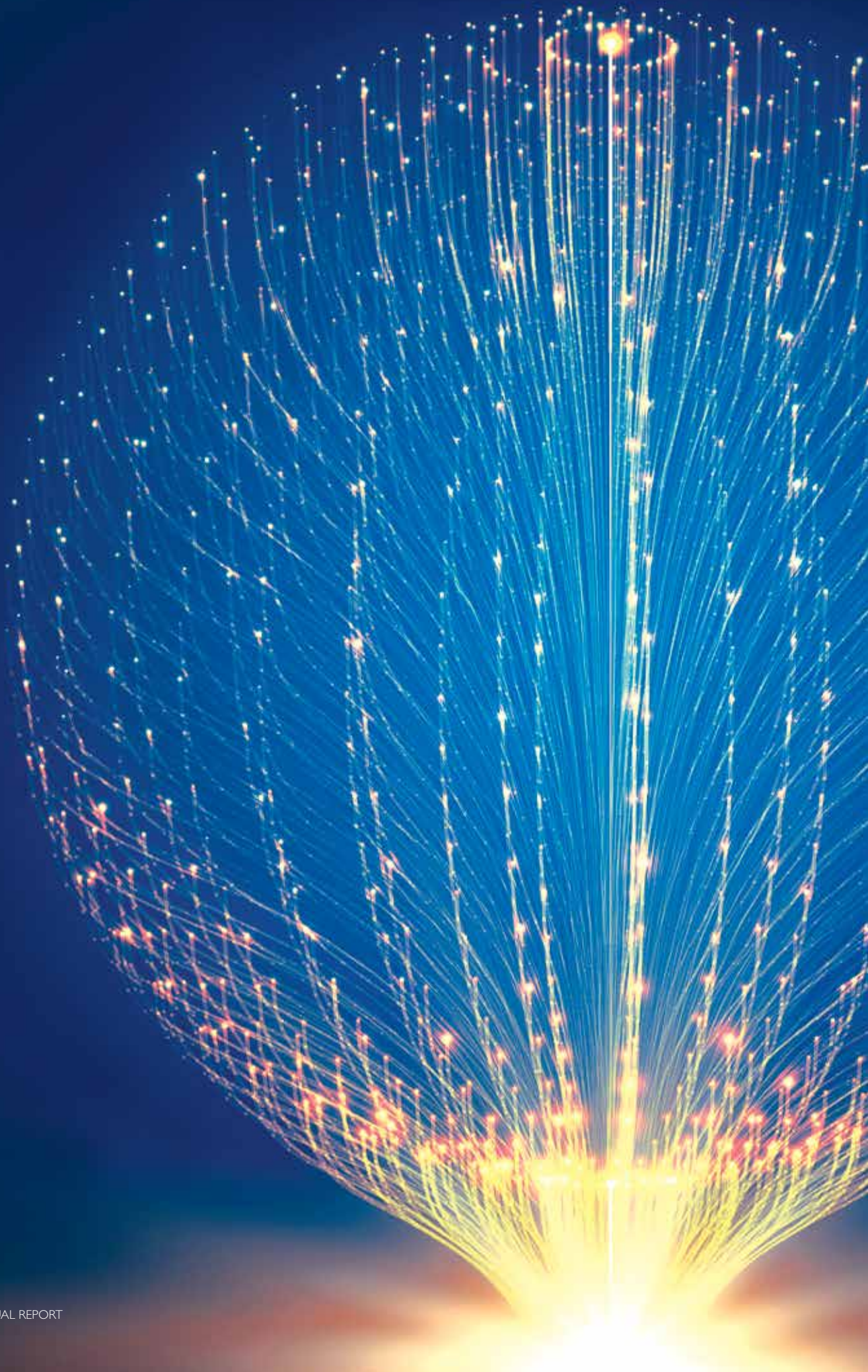
to the Government, the Ministries and Central Agencies, PetroVietnam, Vietnam Electricity, our distinguished Partners, and especially our valued Shareholders/Investors for your continuous trust and support over the past years. We look forward to your continued cooperation in the future!

Chairman of the Board of
Directors

Ho Cong Ky

President & CEO

Le Nhu Linh





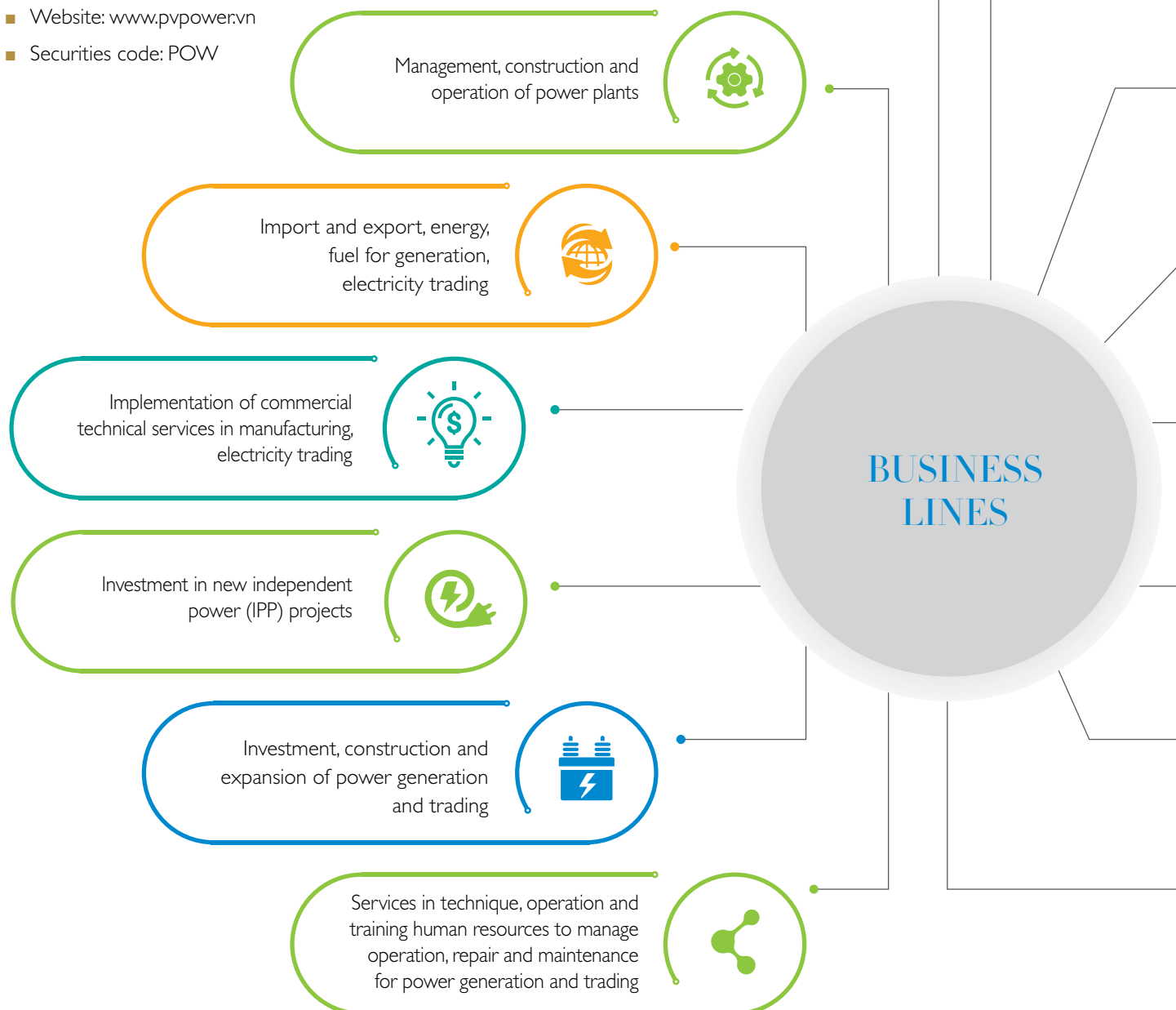
GENERAL

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GENERAL INTRODUCTION

GENERAL INFORMATION

- Transaction name: PetroVietnam Power Corporation - JSC
- Enterprise Registration Certificate number: 0102276173
- Charter capital: VND 23,418,716,000,000
- Address: Vietnam Petroleum Institute Building, No. 167 Trung Kinh Street, Yen Hoa Ward, Cau Giay District, Hanoi City, Vietnam
- Telephone number: (024) 22210288
- Fax: (024) 22210388
- Website: www.pvpower.vn
- Securities code: POW







Power generation and trading



Construction, development and management of clean power CDM projects




Investment in construction and development of electric power infrastructure, including investment in synchronous business of medium and low voltage grids and sales of industrial and household electricity



Research and application of new technological advances in investment in developing power projects and using energy such as: wind power, solar power, nuclear power




Import and export of equipment and materials share parts for power generation and trading



Supply of certified emission reduction (CERs) solutions to power projects





Project management services for power projects, consulting services for electrical






Trading in ash, slag and scrap

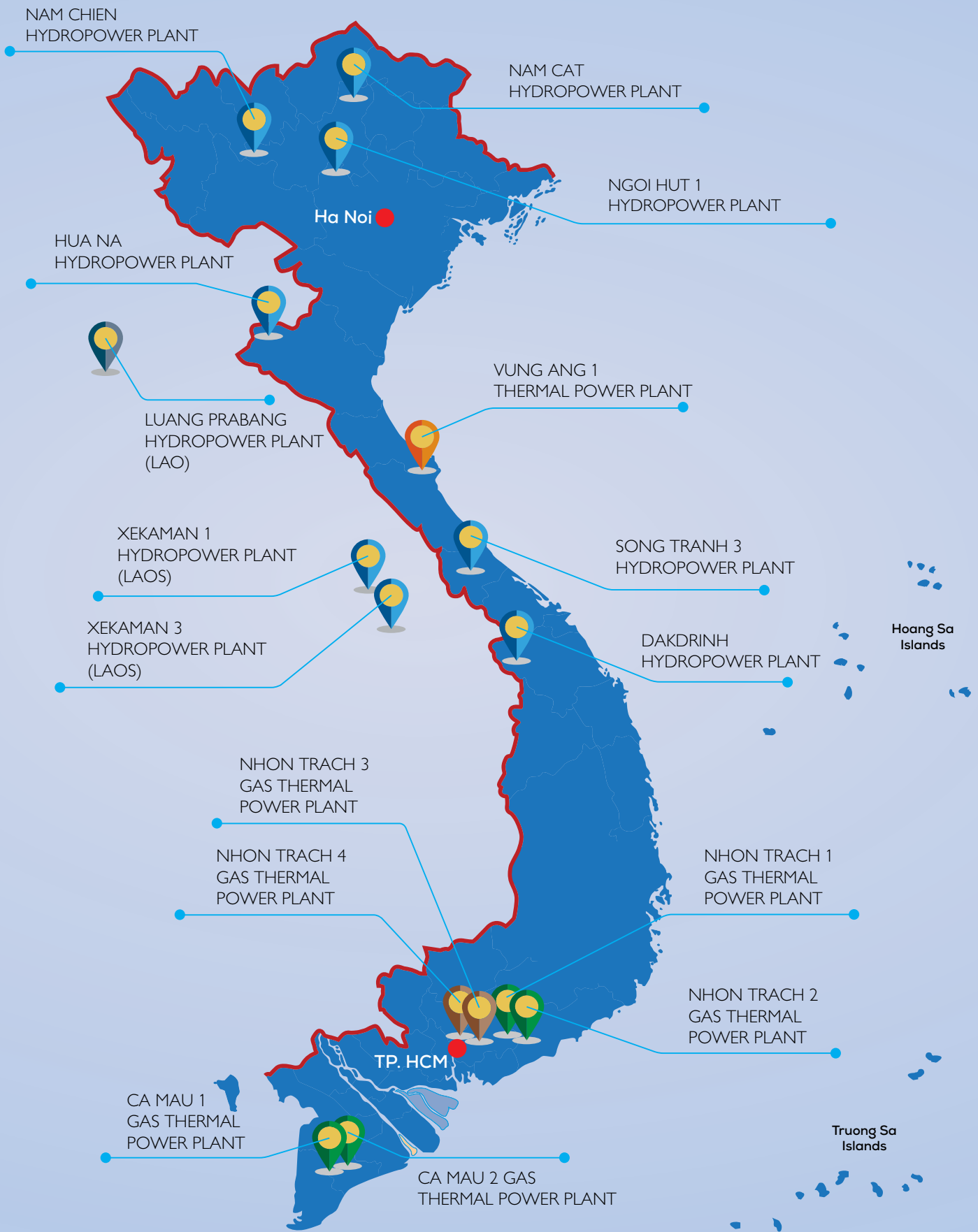
DIAGRAM OF POWER PLANTS UNDER OWNERSHIP AND JOINT OWNERSHIP OF PV POWER

Power plants in operation

- | | |
|---|--|
|  CA MAU 1 GASTHERMAL POWER PLANT: 750 MW |  HUA NA HYDROPOWER PLANT: 180 MW |
|  CA MAU 2 GASTHERMAL POWER PLANT: 750 MW |  DAKDRINH HYDROPOWER PLANT: 125 MW |
|  NHON TRACH 1 GASTHERMAL POWER PLANT: 450 MW |  NAM CAT HYDROPOWER PLANT: 3.2 MW |
|  NHON TRACH 2 GASTHERMAL POWER PLANT: 750 MW |  NAM CHIEN HYDROPOWER PLANT: 200 MW |
|  VUNG ANG 1 THERMAL POWER PLANT: 1,200 MW |  NGOI HUT 1 HYDROPOWER PLANT: 8.4 MW |
| |  SONG TRANH 3 HYDROPOWER PLANT: 62 MW |
| |  XEKAMAN HYDROPOWER PLANT: 290 MW |
| |  XEKAMAN 3 HYDROPOWER PLANT: 250 MW |

Ongoing investment projects

-  NHON TRACH 3 GASTHERMAL POWER PLANT: 750 MW
-  NHON TRACH 4 GASTHERMAL POWER PLANT: 750 MW
-  LUANG PRABANG HYDROPOWER PLANT: 1,400 MW



HISTORY AND DEVELOPMENT

PetroVietnam Power Corporation was formerly an one-member limited liability company with 100% of the charter capital owned by Vietnam Oil and Gas Group. PV Power was established under Decision No. 1468/QD-DKVN of PetroVietnam's Board of Directors, officially transformed into a joint stock company since 01/07/2018 (according to Enterprise Registration Certificate No. 0102276173 issued by the Department of Planning and Investment of Hanoi on 01/07/2018).



GENERAL INTRODUCTION



IMPORTANT MILESTONES IN ESTABLISHMENT AND DEVELOPMENT



17/05/2007

Establishment of the parent company
- PetroVietnam Power Corporation

08/2009

Inauguration of Nhon Trach 1
power plant

11/2010

Commencement of construction
of Phu Quy wind power plant

01/2011

Commencement of project
Dakdrinh hydropower plant

11/2011

Inauguration of
Nhon Trach 2 power plant

06/2009

Commencement of construction
of Nhon Trach 2 power plant

03/2008

Commencement of construction
of Hua Na hydropower plant





09/2013

Inauguration of Hua Na hydropower plant

31/01/2018

Successful initial public offering (IPO) of 468,374,320 shares (Accounting for 20% of charter capital)

01/07/2018

Operating under joint stock company

2014

Dakdrinh hydropower plant to put into operation

12/2015

- Hand-over of Phu Quy wind power plant to Southern Power Corporation
- Reception of Vung Ang 1 thermal power plant

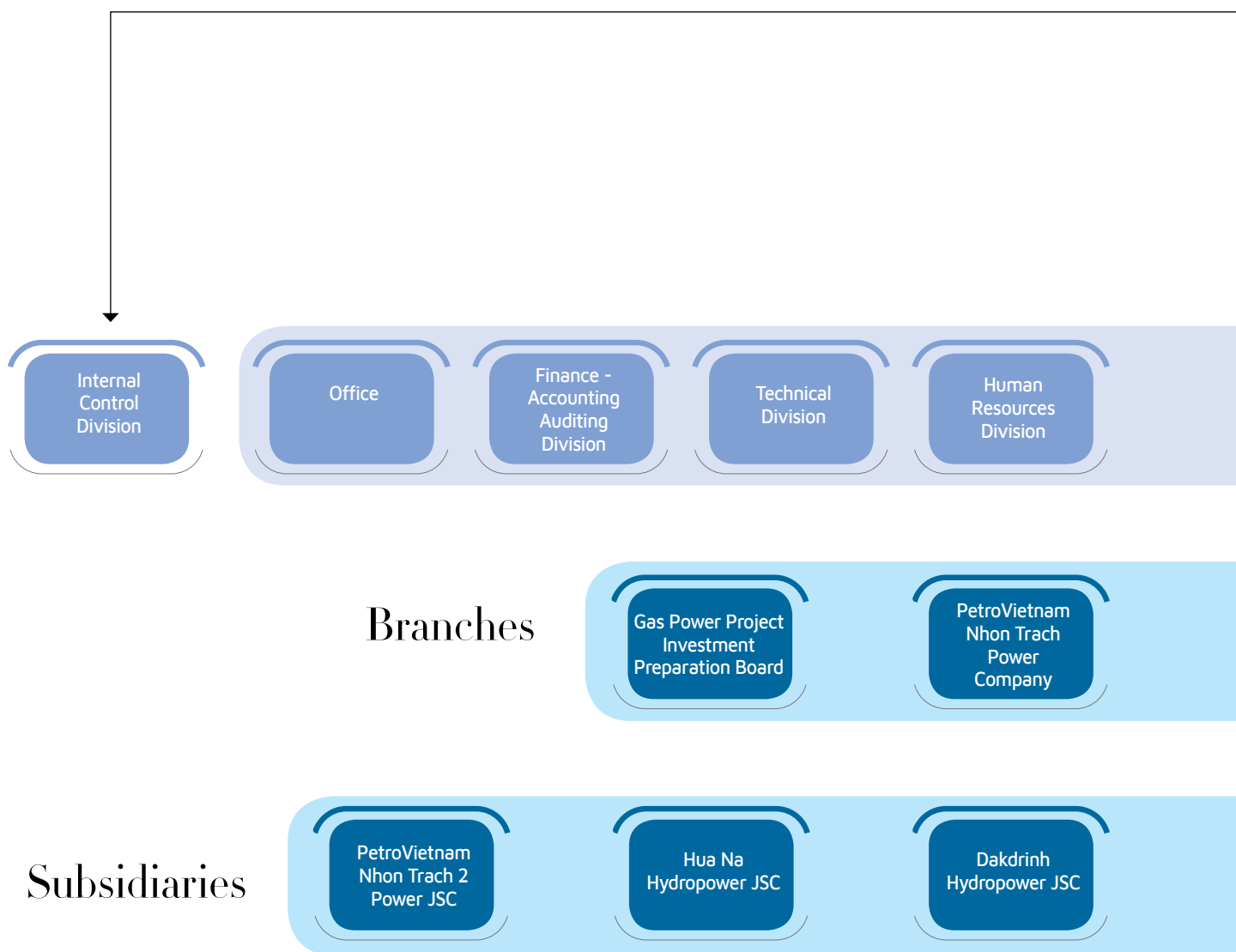


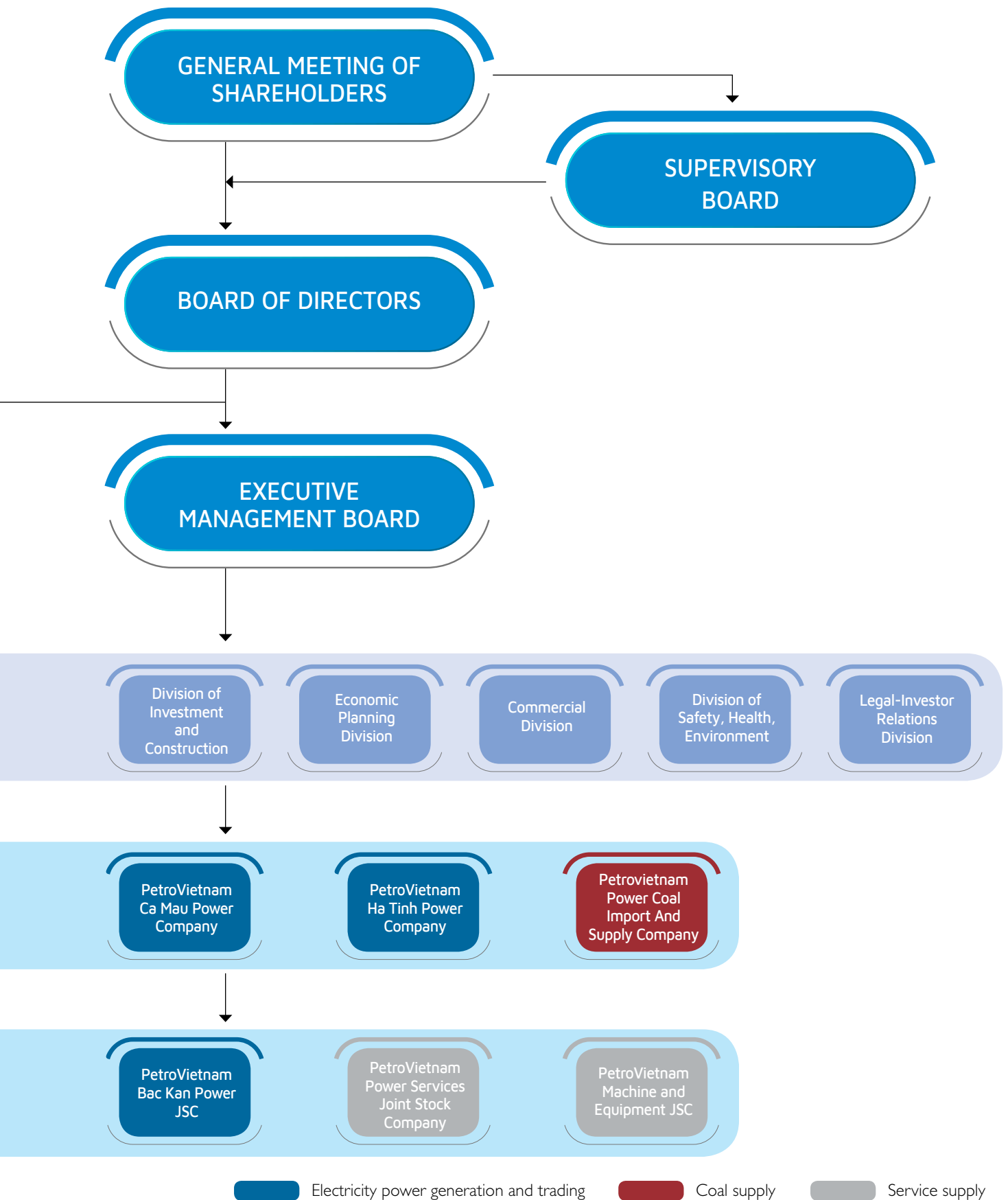
31/08/2018

Become a public company



GOVERNANCE MODEL





DEPENDENT ACCOUNTING UNITS

Petrovietnam Ha Tinh Power Company - Vung Ang 1 Power Plant



- **Business name:**
PETROVIETNAM HA TINH POWER COMPANY
- **Address:** Hai Phong, Ky Loi Commune, Ky Anh Town,
Ha Tinh Province
- **Business code:** 0102276173-007
- **Main business lines:** Power generation, transmission
and distribution
- **PV Power's shareholding percentage:** 100%
- PetroVietnam Ha Tinh Power Company is the management unit of
Vung Ang 1 Thermal Power Plant with following basic information:
 - **Capacity:** 1,200 MW (2x600 MW)
 - **Total investment:** VND 33,651 billion
 - **Commercial operation date:** 2015
 - **Accumulated output since operation:** 17.3 billion kWh
 - **Tax incentives:**
Corporate income tax of 10%/year applies for 15 years since the date
of commercial operation, tax exemption for the first 4 years since the
time of taxable income applicable, and 50% tax reduction for the next
9 years. Personal income tax reduction of 50% for regular and irregular
high-income employees (including Vietnamese people) and foreigners,
exemption of land rent for 15 years, exemption of land rent and land
use fees for house construction for workers, exemption of import tax
for 5 years for those under taxes since starting generation regarding
production materials, supplies, components and semi-products to be
imported, which cannot be produced domestically.

PetroVietnam Nhon Trach Power JSC - Nhon Trach 1 Power Plant



- **Business name:**
PETROVIETNAM NHON TRACH POWER COMPANY
- **Address:** Hamlet 3, Phuoc Khanh Commune, Nhon Trach District, Dong Nai Province
- **Business code:** 0102276173-003
- **Main business lines:** Power generation, transmission and distribution
- **PV Power's shareholding percentage:** 100%
- PetroVietnam Nhon Trach Power JSC is the management unit of Nhon Trach 1 Thermal Power Plant with following basic information:
 - **Capacity:** 450 MW
 - **Total investment:** VND 6,344 billion
 - **Commercial operation date:** 2009
 - **Accumulated output since operation:** 30.3 billion kWh
 - **Tax incentives:**
Corporate income tax of 20% applies for 10 years since its operation and under the laws in the following years but not exceeding 28%, CIT exemption for 2 years from the time of taxable income and 50% reduction of payable tax for the next 3 years since 2012.

PetroVietnam Ca Mau Power Company - Ca Mau 1 & 2 Power Plants



- **Business name:**
PETROVIETNAM CA MAU POWER COMPANY
- **Address:** Hamlet 1, Khanh An Commune, U Minh District,
Ca Mau Province, Vietnam
- **Business code:** 0102276173-002
- **Main business lines:**
Power generation, transmission and distribution
- **PV Power's shareholding percentage:** 100%
- PetroVietnam Ca Mau Power Company is the management unit of
Ca Mau 1 & 2 Power Plant with following basic information:
 - **Capacity:** 1,500 MW (2x750 MW)
 - **Total investment in Ca Mau 1 Power Plant:** VND 6,571 billion
 - **Total investment in Ca Mau 2 Power Plant:** VND 6,153 billion
 - **Commercial operation date:** 2008
 - **Accumulated output since operation:**
 - + CA MAU 1 POWER PLANT: 41.7 billion kWh
 - + CA MAU 2 POWER PLANT: 40.4 billion kWh
 - **Tax incentives:** The project shall be entitled to tax exemption for 4 years and a 50% reduction of the payable tax amount for the next 7 years. In 2018, PV Power has been applied a 50% reduction of the payable corporate income tax for six years.

Petrovietnam Power Coal Import And Supply Company

- **Business name:**
PETROVIETNAM POWER COAL
IMPORT AND SUPPLY COMPANY
- **Address:** 2nd floor; Building HL Tower; Lot
A2B Duy Tan Street, Dich Vong Hau Ward,
Cau Giay District, Hanoi City
- **Business code:** 0102276173-006
- **Main business lines:**
Wholesale of solid, liquid, gas fuels and
related products. Details: Wholesale coal of
all kinds
- **PV Power's shareholding
percentage:** 100%



Gas Power Project Investment Preparation Board

- **Business name:**
GAS POWER PROJECT INVESTMENT
PREPARATION BOARD
- **Address:** 14th floor; Vietnam Petroleum
Institute building, No. 167 Trung Kinh Street,
Yen Hoa Ward, Cau Giay District, Hanoi City
- **Business code:** 0102276173-008
- **Ngành nghề kinh doanh chính:**
Hoạt động tư vấn quản lý. Chi tiết: Cung cấp
dịch vụ quản lý dự án cho các dự án điện,
dịch vụ tư vấn cho các công trình điện
- **PV Power's shareholding
percentage:** 100%



SUBSIDIARIES

Petrovietnam Nhon Trach 2 JSC - Nhon Trach 2 Power Plant



- **Business name:**
PETROVIETNAM NHON TRACH 2 JOINT STOCK COMPANY
- **Address:**
Hamlet 3, Phuoc Khanh Commune, Nhon Trach District,
Dong Nai Province
- **Business code:** 3600897316
- **Main business lines:**
Power generation, transmission and distribution
- **Charter capital:** VND 2,878,760,290,000 billion
- **PV Power's shareholding percentage:** 59.37%
- PetroVietnam Nhon Trach 2 Power JSC is the management unit of Nhon Trach 2 Thermal Power Plant with following basic information:
 - **Capacity:** 750 MW
 - **Total investment:** VND 11,355 billion
 - **Commercial operation date:** 2011
 - **Accumulated output since operation:** 35.6 billion kWh
 - **Tax incentives:**
Corporate income tax of 10%/year applies for 15 years since the date of commercial operation. In the period of 2011 - 2014, PV Power NT 2 was exempted full corporate income tax and would continue to entitled to 50% payable tax reduction for the next 9 years. In 2018, Nhon Trach 2 Power Plant has been applied a 50% reduction of payable corporate income tax for fourth years.

Dakdrinh Hydropower JSC - Dakdrinh Hydropower Plant



- **Business name:**
DAKDRINH HYDROPOWER JOINT STOCK COMPANY
- **Address:**
Ra Nhua Village, Son Tan Commune, Son Tay District,
Quang Ngai Province
- **Business code:** 4300350203
- **Main business lines:**
Power generation, transmission and distribution
- **Charter capital:** VND 1,020,689,805,608 billion
- **PV Power's shareholding percentage:** 94.83%
- Dakdrinh Hydropower JSC is the management unit of Dakdrinh Hydropower Plant with following basic information:
 - **Capacity:** 125MW
 - **Total investment:** VND 5,921 billion
 - **Commercial operation date:** 2014
 - **Accumulated output since operation:** 2.5 billion kWh
 - **Tax incentives:**
Exemption of corporate income tax for the first 4 years from 2014 to the end of 2017; 50% reduction of corporate income tax for the next 9 years from 2018 to the end of 2026.
Exemption from land rent and water surface rent, deduction to the project's ground clearance compensation, preferential import tax, preferential investment credit loans.

Hua Na Hydropower JSC - Hua Na Hydropower Plant



- **Business name:**
HUA NA HYDROPOWER JOINT STOCK COMPANY
- **Address:**
9th floor, Petro Nghe An Building, No. 7, Quang Trung Street,
Quang Trung Ward, Vinh City, Nghe An Province
- **Business code:** 2900797430
- **Main business lines:** Power generation, transmission and
distribution, in details: Power generation and trading
- **Charter capital:** VND 2,256,592,103,444 billion
- **PV Power's shareholding percentage:** 94.83%
- Hua Na Hydropower JSC is the management unit of Hua Na
Hydropower Plant with following basic information:
 - **Plant site:**
Dong Van commune, Que Phong district, Nghe An province
 - **Capacity:** 180MW
 - **Total investment:** VND 7,092 billion
 - **Commercial operation date:** 2013
 - **Accumulated output since operation:** 3.9 billion kWh
 - **Tax incentives:** The project is in the National Electricity Plan
(Electricity Plan VII), enjoying 797/400. According to Law on
Corporate Income Tax (CIT) No. 14/2008/QH12 dated 3 June
2008, amendment and supplement No. 32/2013/QH13 on 19
June, 2013, CIT rate of 10%/year applies for 15 years since the
commercial operation date, of which tax exemption for the first 4
years from the time of taxable income (since 2013) and a 50% tax
reduction for the next 09 years (since 2017).

Bac Kan Petro VietNam Power Joint Stock Company - Nam Cat Hydropower Plant



- **Business name:**
BAC KAN PETROVIETNAM POWER JOINT STOCK COMPANY
- **Address:** Ban Chieng Village, Don Phong Commune, Bach Thong District, Bac Kan Province
- **Business code:** 4700191357
- **Main business lines:**
Power generation, transmission and distribution
- **Charter capital:** VND 86,423 billion
- **PV Power's shareholding percentage:** 94.23%
- Bac Kan Petrovietnam Power JSC is the management unit of Nam Cat Hydropower Plant with following basic information:
 - **Capacity:** 3.2 MW
 - **Total investment:** VND 117 billion
 - **Commercial operation date:** 2012
 - **Accumulated output since operation:** 0.1 billion kWh
 - **Tax incentives:**
Preferential tax rate of 10%/year for 15 years since its operation, exemption of corporate income tax for the first 4 years from the time of taxable income and 50% reduction of payable tax for the next 9 years. Exemption from import tax, land use fees and land rent for 15 years, post-investment support, government credit loans, investment credit guarantee.

PetroVietnam Power Services Joint Stock Company

- **Business name:**
PETROVIETNAM POWER SERVICES JOINT STOCK COMPANY
- **Address:** 7th floor; Sudico (HH3) Building, My Dinh Urban Area, My Dinh 1 Ward, Nam Tu Liem District, Hanoi City
- **Business code:** 0102560459
- **Main business lines:**
Installation of electrical systems; Installation of industrial machinery and equipment; Power generation, transmission and distribution; Technical inspection and analysis
- **Charter capital:** VND 150,000,000,000 billion
- **PV Power's shareholding percentage:** 51%



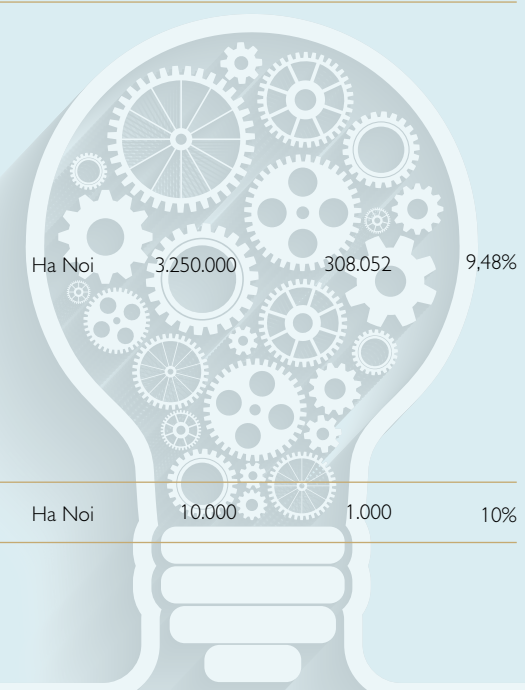
PetroVietnam Machine and Equipment JSC

- **Business name:**
PETROVIETNAM MACHINE AND EQUIPMENT JSC
- **Address:** No. 8 Trang Thi, Hang Trong Ward, Hoan Kiem District, Hanoi City
- **Business code:** 0101394512
- **Business lines:**
Wholesale of machinery, equipment and spare parts; Transporting goods by road; Warehousing and storage of goods; Manufacturing metal components; Manufacturing barrels, tanks and metal containers; Construction of other civil engineering works; Wholesale of solid, liquid, gas fuels and related products; Construction of houses of all kinds; Other specialized wholesale nec (except those prohibited by laws and regulations)
- **Charter capital:** VND 386,386,000,000 billion
- **PV Power's shareholding percentage:** 51.58%



AFFILIATES

Business name	Main business lines	Address	Charter capital (VND billion)	Equity capital of PV Power (VND billion)	Equity ratio of PV Power
<p>Nam Chien Hydropower Joint Stock Company Nam Chien Hydropower Plant Total investment: VND 7,318.309 billion; Capacity: 200 MW; Output: 813.71 million kWh/year; Commercial operation date: 02/2013</p>	Generation and trading electricity power	Son La	951.250	292.250	30,72%
<p>Song Hong Energy Joint Stock Company Ngoi Hut 1 Hydropower Plant Total investment: VND 245.13 billion; Capacity: 8.4MW; Output : 35.81 million kWh/year; Commercial operation date: 2011</p>	Exploitation, Generation and trading electricity power	Yen Bai	74.625,72	32.887,5	44,07%
<p>PetroVietnam Urban Development Joint Stock Company Investment in construction of new urban area, department building, etc.,</p>		Can Tho	280.000	18.202	6,5%
<p>EVN International Joint Stock Company Generation and trading electricity power</p>		Da Nang	336.771	28.800	7,85%
<p>Asia - Pacific Energy Development Investment Joint Stock Company Generation and trading electricity power</p>		Ha Noi	55	550	1%
<p>Son Tra Hydropower Joint Stock Company - Song Da Generation and trading electricity power</p>		Quang Ngai	256	1.228,8	0,48%
<p>Song Tranh 3 Hydropower Joint Stock Company Total investment: VND 2,097 billion; Capacity: 62 MW; Output: 230.71 million kWh/year; Commercial operation date: Fourth quarter of 2018</p>	Generation and trading electricity power	Quang Nam	345.930	29.341,8	4,73%
<p>Viet Lao Power Joint Stock Company: - Xekaman 1 hydropower project (290MW, power generation in fourth quarter of 2016) & Xekaman Xan Xay (32 MW, power generation in First and second quarter of 2018). The second investment: USD 487.17 million; Average output: 1,206 million kWh/year - Office and hotel for lease project in Vientiane Plaza: Total investment: USD 8.359 million; Inauguration in 3/2011; Preparation for investment in Xekaman 4 project (70 MW); Total investment: USD 165.92 million; Average output annually 287.4 million kWh/year - Projects not built yet + Xekaman 3 hydropower project (250 MW): Total investment third investment: USD 449.38 million; Average output: 989.97 billion kWh/year; Commercial operation date: 2013</p>	Generation and trading electricity power	Ha Noi	3.250.000	308.052	9,48%
<p>Petrovietnam Machine and Electricity JSC (PVC E&C) Mechanical Electrical Refrigeration</p>		Ha Noi	10.000	1.000	10%



DEVELOPMENT ORIENTATION

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OBJECTIVES

- **Effective** in business and production capacity
- **Professional** in management
- **Strong** in financial background
- **Dominant** in competitive advantages
- **Green** in environmental responsibilities



EXECUTION DIRECTION

- Continue to explore, manage, and effectively operate, while stabilizing existing power plants.
- Actively and efficiently participate in the electric retail industry
- Prioritize resources to invest in clean, environmental-friendly projects such as LNG, wind energy, solar energy and biomass energy, etc. Focus initially on investing in Project LNG Nhon Trach 3 and 4 in Vietnam, while deploying Luang-prabang hydropower project in Laos.
- Provide high quality services on O&M, fuel, consultation, etc. to serve the needs of production and business capabilities of the Corporation and other units.
- Apply scientific and technological advances, innovations to improve production efficiency and minimize the environmental footprint.

SUSTAINABLE DEVELOPMENT

- **Short-term environmental program:**
 - To strictly comply with the Government regulations on environmental protection and effective management of environmental-related risks.
 - To reduce greenhouse emissions through the use of cost-effective input materials.
 - To strictly monitor chemical safety, wastes, especially hazardous wastes at power plants.
 - To implement the environmental audit program.
 - To successfully maintain the Environmental Management System according to ISO 14001 standard.
- **Long-term environmental program:**
 - To select and use technology that is advanced, efficient, environmental-friendly, safe, and high reliability. To focus on wastage management in accordance with the geographical conditions of Vietnam, and to actively participate in the Clean Development Mechanism (CDM).
 - To promote friendly competitiveness, creativity, technical improvement, and innovative solutions that can implemented quickly and effectively. Actively implement solutions on environmental protection, continuous improvements in labor conditions, working environment and health insurances for workers.

THE RISKS

- **Strategic risks:** Volatile changes in the world economy, along with fierce competitive environment, threats of political conflict, religion, disputes over commercial sovereignty, reserves, oil prices, values of currency, etc.
- **Financial risks:** Regarding debt recovery, negotiations of PPA contracts requiring strict monitoring to minimize risks.
- **Operational risks:** Operations regarding electricity are bound to be faced with risks such as fire hazards, workplace harassment, violations of electrical safety and security ... rendering dangers to human lives, property loss, damage to equipment and machinery leading to fires and explosions, affecting the environment and society; Input sources are becoming increasingly limited which, in speculation of the future, may undermine the competitiveness of PV Power due to high import costs.
- **Compliance risks:** PV Power develops its production and business endeavors in many different areas and in many fields of work. Therefore, compliance with the Vietnamese law and the local community culture is very important.
- **Environmental risks:**
 - Climate change affecting demands for consumption and power generation
 - The effectiveness of the environmental management system
 - The awareness of employees regarding environmental protection
 - In cases of environmental accidents
 - The timeliness of internal and external information related to the environment
 - Meeting legal requirements in the field of environmental protection
 - Adequate and thorough identification of environmental aspects
 - Ensuring hazardous wastage treatment in accordance with Government regulations
 - Wastage in energy consumption
 - Whether the operation of the Corporation affects the life of the surrounding community
 - The compliance of subcontractors to the environment during construction and repair





PV POWER RISK MANAGEMENT SYSTEM

- Daily risk management: Managers and employees to identify hazards and manage risks from daily activities to ensure timely prevention and prevention, which in turn can promote safe and reliable workplace operations. Especially, managers and employees are to identify the types of dangerous jobs from which to strictly monitor and minimize risks.
- Business and strategic risk management: To consider and review risks in key processes such as strategic planning, effective management, labor resources, construction investment, project appraisal, production, etc. This form of management is based on the use of a standard process from collecting risk data, assessing risk management activities, improving past activities and planning for new activities.
- Supervision and management: The Board of Directors, the Board of Management, and relevant functional departments are to collectively supervise in order to identify any primary risk. PV Power is to take action and identify management directions in order to reduce any risk to its acceptable level. To directly supervise is the Council of Labor and Hygiene Safety, the Corporation's Department of Environmental Safety, each respective power plant's Department of Environmental Safety, and relevant departments in each factory.

PV POWER RISK MANAGEMENT SYSTEM

- Training and improving awareness for employees on risk control.
- Identify risks and hazards relating to strategies, contexts, and operations of PV Power as well as the requirements of stakeholders.
- Develop a risk-prioritizing matrix to assess risk levels: high, medium and low. For medium and high risks, take measures to minimize risks and periodically review the effectiveness of these measures.
- Regarding PV Power's assets - the power plants: PV Power buys insurance for all risks to the assets (including compulsory fire and explosion insurance as regulation), applying old-to-new compensation policies, ensuring maximum benefit for PV Power when losses occur to PV Power's assets (if any).



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OPERATING PERFORMANCE IN 2018

Power output of the whole Corporation reached

21,007 million kWh



97% of planned target

accounting for

11% Total commercial electricity output % nationwide in 2018.

Total Corporation's consolidated revenue and income

VND 33,260 billion



exceeding planned target **6%**



Total consolidated profit before tax

VND 2,492 billion

107% of planned target

Profit before tax of the holding company achieved

VND 2,663 billion

129% of planned target

Consolidated revenue and income of the holding company achieved

VND 24,217 billion

8% of planned target

Corporation's total payment to government budget

VND 1.295 billion

105% of planned target

The holding company's payment to government budget

VND 703 billion

100% of planned target

Completion of
Equitization

IPO

31/1/2018

Operate under joint stock
company model since

01/7/2018



Transfer to

HOSE

14/01/2019



Become a public company

31/8/2018

Projects

Nhon Trach 3&4

approved by the Prime Minister
for project investment policy
in Decision No. 234/QD-TTg
dated 27/2/2019



Cost reduction

VND **296** billion

136% of planned target

Divestment in North-west Power
Investment and Development JSC and
Song Vang Hydropower JSC with amount
of approximately

VND **100** billion





OPERATING PERFORMANCE IN THE LAST 6 MONTHS OF 2018

Targets	Unit	Plan from 1/7-31/12/2018	Actual from 1/7 - 31/12/2018	Plan/Actual ratio for the period of 6 late months of 2018
Power output	Million kWh	9,794	9,209	94%
Whole Corporation				
Total revenue and income	Billion dong	14,037	15,137	104%
Profit before tax	Billion dong	953	655	69%
Profit after tax	Billion dong	858	575	67%
Payment to government budget	Billion dong	609	660	108%
Holding company				
Total revenue and income	Billion dong	9,846	10,336	102%
Profit before tax	Billion dong	878	388	44%
Profit after tax	Billion dong	880	326	41%
Payment to government budget	Billion dong	332	366	110%

ELECTRIC POWER OUTPUT

PV Power's consolidated generation output in the last 6 months of 2018 reached 9,209 million kWh, reaching 94% of the planned target approved by the Shareholders Meeting. Causes of failure in plan completion for the last 6 months of 2018:

- Gas sources from Southeast and Southwest regions supplied to Nhon Trach 1 & 2 and Ca Mau power plants are increasingly exhausted; exploitation and transport infrastructure remains breakdowns, seriously affecting the assurance of sufficient gas and the availability of gas thermal power plants. Especially, from early November to early December, gas quantity supplied to Nhon Trach 1 and Nhon Trach 2 plants declined (power plants reached only 50% - 75% of their capacity).
- For Vung Ang 1 Power Plant: In July & August 2018, quantity contract is lower than one unit's minimum output; from November to the end of 2018, due to abnormal problems, the unit 1 was stopped for inspection and repair.
- Due to large-scale heavy precipitation, especially in the third quarter of 2018, hydropower plants are prioritized to operate, and market price is low, thermal power plants had to consider their output to ensure optimal efficiency.
- For Dakdrinh hydropower plant in the end of 2018, low water in reservoir affects its operation and electricity market.

ELECTRIC POWER OUTPUT OF POWER PLANTS IN THE LAST 6 MONTHS OF 2018

Unit: million kWh

Items	Plan for the last 6 months of 2018	Plan for the last 6 months of 2018	Comparable ratio
	1	2	3=2/1
TOTAL ELECTRIC POWER OUTPUT	9,794	9,209	94%
Ca Mau 1 & 2 power plants	3,412	3,397	100%
Nhon Trach 1 power plant	1,334	1,263	95%
Nhon Trach 2 power plant	2,222	2,143	96%
Nam Cat power plant	10.7	10.7	100%
Hua Na hydropower plant	406	533	132%
Dakdrinh hydropower plant	275	123	45%
Vung Ang 1 power plant	2,135	1,739	81%



REVENUE

- Revenue of the holding company for the last 6 months of 2018 reached VND 10,336 billion, equivalent to 102% of the planned target approved by the General Meeting of Shareholders.
- PV Power's consolidated revenue for the last 6 months of 2018 reached VND 15,137 billion, equivalent to 108% of the planned target approved by the General Meeting of Shareholders.
- While the power output for the first 6 months of 2018 is lower than planned target, the holding company's revenue/consolidated revenue is higher than that approved by the General Meeting of Shareholders because:
 - The actual gas price (compared to oil price) is higher than that at the time of planning (Ca Mau gas price: USD 6.03/million BTU compared to the planned one of USD 4.5/million BTU; NT1 and NT2 gas price is USD 7.1/million BTU compared to the planned one of USD 6.1/million BTU).
 - Average market price in 2018 was high (VND 1,045/kwh, compared to that in 2017 of VND 639/kWh).
 - Commercial and service companies (PV Machino and PV Power Services) was 60% exceeding of the revenue plan for the last 6 months thanks to strengthening the implementation of internal and external contracts.

CONSOLIDATED REVENUE OF PV POWER IN THE LAST 6 MONTHS OF 2018

Unit: Billion dong

Items	Plan for the last 6 months of 2018	Plan for the last 6 months of 2018	Comparable ratio
	1	2	3=2/1
THE HOLDING COMPANY'S REVENUE	9,846	10,336	115%
The holding company's revenue	9,675	10,182	105%
Revenue from power generation	9,625	9,989	104%
Other incomes	50	193	38.6%
Dividends from member units	171	154	90%
THE CORPORATION'S REVENUE (The Corporation's revenue after consolidated revenue adjustment)	14,037	15,137	104%
The holding company's revenue	9,675	10,182	105%
Member units	4,362	5,192	119%
Affiliates (only profits submitted to the Corporation taken into account)	-	-	-

PROFIT

- Consolidated profit before tax of the Corporation for the last 6 months of 2018 reached VND 655 billion, equivalent to 69% of the planned target. Whereas:
 - The holding company's profit reached VND 234 billion (excluding dividends)
 - Profit of member companies: VND 380 billion
 - Interests in joint ventures and associates: VND 41 billion
- The consolidated profit after tax of the Corporation for the last 6 months of 2018 reached VND 575 billion, reaching 67% of the planned target
- Profit before tax of the holding company for the last 6 months of 2018 reached VND 388 billion
- Profit before tax of the holding company was lower than that assigned by the General Meeting of Shareholders with main causes as below:
 - Electricity output in the last 6 months of 2018 only reached 94% of the plan
 - Loss on exchange was VND 181 billion (VND 88 billion as planned), in which, loss on exchange transferred from the PV Power Corporation one-member limited company for the first 6 months was VND 124 billion. (According to the financial regulations at the time when the enterprise officially transformed into a joint stock company under Decree 126/2017/ND-CP issued on November 16, 2017)
 - QC assigned in July and August lower than one unit's minimum output and the problems of unit 1 of Vung Ang 1 power plant from November to the end of 2018 seriously affected the operating performance of Vung Ang 1 power plant in particular and of the whole Corporation in general. In the last 6 months, loss of Vung Ang 1 power plant was VND 427 billion (excluding loss on exchange), compared to planned target of VND 71 billion, total of VND 498 billion lower than the assigned target.

PV POWER'S CONSOLIDATED PROFIT FOR THE LAST 6 MONTHS OF 2018

Unit: Billion dong

Items	Plan for the last 6 months of 2018	Plan for the last 6 months of 2018	Comparable ratio
PROFIT OF THE HOLDING COMPANY			
Profit before tax	878	388	44%
Profit from business and trading	707	234	33%
Profit from power generation	839	348	41%
Other profits	-132	-114	86%
Dividends	171	154	90%
Profit after tax	800	326	41%
THE CORPORATION'S PROFIT			
Profit before tax	944	655	69%
The holding company's profit	707	234	33%
Profit of member companies	246	380	154%
Affiliates (only profits submitted to the Corporation taken into account)	0	0	-
Affiliates' gain (loss)	0	41	-
Profit after tax	858	575	67%



PV Power Vung Ang

PAYMENT TO STATE BUDGET

The Corporation's payment to State budget the last 6 months of 2018

VND **660** billion

reached **108%** of the planned target

The holding company's payment to State budget for the last 6 months of 2018

VND **366** billion

reached **110%** of the planned target

INVESTMENT ACTIVITIES

NHON TRACH 3 & 4 POWER PLANT PROJECT

On 27 February, 2019, the Prime Minister issued Decision No. 234/QD-TTg approving investment in Nhon Trach 3 and Nhon Trach 4 Power Plant Project.

- Construction site: Ong Keo industrial zone, Nhon Trach district, Dong Nai province
- Investor: PetroVietnam Power Corporation - Joint Stock Company (PV Power)
- Capacity of each plant: Approximately 650-880 MW. Using combined cycle gas turbines. Multi-axis (2-2-1) or single axis configuration (1-1-1)
- Main fuel for electricity power generation: Liquefied natural gas (LNG), imported and re-gasified at Thi Vai LNG terminal, consumption of approximately 0.49 to 0.67 million tons of LNG/year/factory
- Connection voltage: Nhon Trach 3 power plant synchronized to 220 kV grid and Nhon Trach 4 power plant synchronized to 500 kV grid
- Expected progress: Nhon Trach 3 power plant shall operate in 2022, Nhon Trach 4 power plant shall operate in 2023
- Total preliminary investment:
 - + Nhon Trach 3 power plant: VND 16,228 billion (about USD 703 million)
 - + Nhon Trach 4 power plant: VND 16,265 billion (about USD 704 million). (Official rate on 12 July 2018, USD 1 = VND 23,075)
- Resource: It's expected to be 30% owner's equity and 70% loan (exact ratio will be determined during the preparation of the feasibility study report)



Perspective of Luang Prabang Hydropower plant

LUANG PRABANG HYDROPOWER PROJECT

- Investor: A legal entity, which is a project company in Laos when the license is officially issued to the project, of which 38% of the charter capital comes from PV Power;
- Construction site: Pak Ou district, Luang Prabang province, Lao PDR
- Capacity: Approximately 1,400 MW, 7 units, each unit's capacity of 200 MW
- Total expected investment: USD 4.96 billion
- Expected resource: 30% equity/70% loan
- Expected implementation/completion time: Expected construction during 2020 - 2027;
Expected commercial operation since 2027

FINANCIAL SITUATION IN THE LAST 6 MONTHS OF 2018

FINANCIAL SITUATION

Items	Opening balance (01/072018)	Closing balance (31/12/2018)	% change
Total asset	64,274,561	58,111,429	-10%
Net revenue	17,826,989	14,835,199	-17%
Other profits	15,231	17,739	-14,1%
Profit from operating activities	1,826,452	642,904	-65%
Profit before tax	1,836,696	655,106	-64%
Profit after tax	1,711,647	575,194	-66%

ASSETS

- Total asset of the Corporation at December 31, 2018 was VND 58,111,429 million, decreasing by VND 6,163,132 million i.e. 10% of total assets as of July 1, 2018 (when the Corporation officially changed to Joint Stock Company operating model).
- Short-term assets of the Corporation at 31 December 2019 is VND 15,251,081 million, decreasing by VND 4,314,129 million compared to the opening balance (accounting for 3.81% of total assets). There was a decrease because the Corporation kept a good balance of cash flow from electric power trading and revenue from financial activities to pay due debts and pay suppliers.
- Long-term assets of the Corporation at 31 December 2019 is VND 42,860,348 million, decreasing by VND 1,849,003 million compared to the opening balance (accounting for 96.19%). The main reason is fixed asset depreciation (VND 1,778,297 million).

LIABILITIES

- As of 31 December 2018, liabilities reached VND 31,296,044 million, accounting for 54% of the total capital and mainly long-term debts (long-term loans are mainly the balance of long-term investment contracts for construction of power plants authorized by the Vietnam Oil and Gas Group to the Corporation to implement). The balance of long-term borrowings at 31 December 2018 reached VND 13,303,846 million, decreasing by VND 2,758,914 million compared to the opening balance thanks to the Corporation's repayment in the period (long-term loans carried forward to debts and short-term finance lease liabilities).
- Exposure to risk of foreign exchange rates regarding the loans, revenues and expenses implemented in currencies other than Vietnam dong also affected the Corporation's business results.

MAJOR FINANCIAL RATIOS

Items	Unit	Opening balance (01/072018)	Closing balance (31/12/2018)
Solvency ratio	Current ratio	0.90	0.87
	Current ratio	0.73	0.63
Capital structure	Debt/Total assets ratio	0.59	0.54
	Debt/Owners' Equity ratio	1.45	1.17
Operation capability	Inventory turnover	4.03	3.29
	Net revenue/Total asset	0.28	0.26
Profitability	Profit after tax/Net revenue ration	9.60	3.88%
	Profit after tax/Owners' equity ratio	6.51	2.15%
	Profit after tax/Total asset ratio	2.66	0.99%
	Profit from operating activities/ Net revenue ratio	10.25	4.33%
	Earnings per share (EPS)	VND/share	730.89

FINANCIAL INVESTMENT

Dividends payable to the Corporation from JSCs with PV Power's equity for the last 6 months of 2018 reached VND 154 billion compared to VND 171 billion as planned.

SHAREHOLDER STRUCTURE, CHANGE IN OWNERS' EQUITY

SHAREHOLDER STRUCTURE

LIST OF SHAREHOLDERS WITH 5% OF THE CHARTER CAPITAL AND ABOVE AS OF 27/12/2018

Name of shareholder of Enterprise	Registration Certificate/ Securities Trading Code	Address/ Headquarter	Number of shares	Stake
Vietnam Oil and Gas Corporation	0100681592	18 Lang Ha, Thanh Cong Ward, Ba Dinh District, Hanoi City	1,872,141,477	79.94%
Total			1,872,141,477	79.94%

CHANGE IN OWNERS' EQUITY

SINCE OPERATION AS A JOINT STOCK COMPANY (DATE OF 01 JULY 2018), CHARTER CAPITAL KEPT UNCHANGED, CURRENT CHARTER CAPITAL IS VND 23,418,716,000,000.

TRANSACTION OF TREASURY STOCKS

Not available

OTHER SECURITIES

Not available

SHAREHOLDER STRUCTURE OF THE CORPORATION AT 27/12/2018

Type of shareholders	Quantity	Number of shares owned	% Ownership ratio/ Charter capital
Domestic shareholders	6,509	1,998,124,485	85.32%
- Organisation	50	1,923,095,219	82.12%
- Individual	6,459	75,029,266	3.2%
Foreign shareholders	174	343,747,115	14.68%
- Organisation	82	340,391,243	14.53%
- Individual	92	3,355,872	0.15%
Treasury stocks	0	0	0.00%
Total	6,683	2,341,871,600	100%

REPORT ON PV POWER'S IMPACTS ON ENVIRONMENT AND SOCIETY



MANAGEMENT OF MATERIAL RESOURCES

Total natural gas consumption of power plants under PV Power's operation (Ca Mau 1 & 2 Power Plants, Nhon Trach 1 Power Plant) is

2,227.18 million Sm³ of gas

Whereas::

- Gas consumption of Ca Mau 1 & 2 Power Plants reached 1,415,528 million Sm³ from Lot PM3 CAA and Lot 46 Cai Nuoc under the gas contract No. 8679/HD-DKVN signed with Vietnam Oil and Gas Group on 06 November 2012.
- Gas consumption of Nhon Trach 1 power plant reached 568,668 million Sm³ from Lot 06.1 and 11.2 (Nam Con Son gas pipeline), Lot 05-2 and 05-3 (Hai Thach - Moc Tinh gas fields), Thien Ung and Dai Hung fields under gas contract No. 45/DLDKVN-PVG signed with PetroVietnam Gas Joint Stock Corporation on 04 June 2008.

Coal supplied by TKV to Vung Ang 1 thermal power plant reached 2,331,934.8/2,200,000 tons under contract (reaching 106% in comparison with quantity under coal trading contract No. 03 HD/TKV-PVPower on 04 January 2018)

- Total coal consumption is 2,199,580.57 tons

Total oil consumption:

21,943 tons of DO and 6,335.78 tons of HFO

Whereas:

- Ca Mau 1 & 2 power plants: 19,704.7 tons of DO
- Nhon Trach 1 power plant: 119.24 tons of DO
- Vung Ang 1 power plant: 2,118.6 tons of DO and 6,335.78 tons of HFO

ENERGY CONSUMPTION

■ Direct and indirect consumption of energy

Total electricity consumption of the power plants under direct management of PV Power is as follows:

- Ca Mau 1 & 2 power plants: 151.53 million kWh
- Nhon Trach 1 power plant: 48.69 million kWh
- Vung Ang 1 power plant: 408.48 million kWh

■ Energy saved thanks to energy efficiency initiatives: not available

- Reports on energy efficiency initiatives (including energy efficient products and services or renewable energy) provide results of these initiatives: Not available



The Corporation has complied with legal requirements on environmental protection and received high appreciation of government investigation teams.

WATER CONSUMPTION (WATER CONSUMPTION OF BUSINESS ACTIVITIES DURING THE YEAR)

Water supply and water use.

The power plants take water from two sources:

- Water source for steam turbine cooling:
 - Ca Mau 1 & 2 power plants take water from Cai Tau river for cooling
 - Nhon Trach 1 power plant takes water from Dong Tranh river
 - Vung Ang 1 power plant takes water from the sea

- Water source for treatment and boilers:
 - Water source of Ca Mau 1 & 2 power plants is from water treatment stations: Khanh An and U Minh water treatment plants
 - Water source of Nhon Trach 1 power plant is from Nhon Trach water supply and sewerage machine
 - Water source of Vung Ang power plant is from Hoanh Son company



PV Power Nhon Trach

POLICIES RELATED TO LABORERS

EMPLOYMENT STATISTICS AND AVERAGE WAGE FOR EMPLOYEES

Total number of employees of the holding company - PetroVietnam Power Corporation - JSC at 31 December 2018 is 1,205, including 15 managers and 1190 employees. The Corporation's human resource has developed in line with the ever-expanding scale with over 72% of employees have graduate and postgraduate education; PV Power's technical staff and experts are capable of mastering technology and operating power plants smoothly.

Employee's average wage under operation of joint stock company model (the last 6 months of 2018) is: VND 17.8 million/person/month.

LABOR POLICY TO ENSURE HEALTH, SAFETY AND BENEFITS OF LABORERS

The employees are entitled to fully enjoy the policies and regimes prescribed by the State (regarding working hours, compulsory social insurance, etc.), according to the Corporation's regulation on rewarding and Collective labor agreement, etc.

Application of compensation and benefit policy in accordance with the provisions of Circular 28/2016/TT-BLĐTBXH dated 01 September 2016 of the Ministry of Labor; Invalids and Social affairs guiding implementation of regulations on labor; wage, compensation and bonuses for companies with State controlling shares and stakes fully equip the employees with labor safety and protection means.

Improve the material and spiritual life for laborers, create

friendly and hygienic working environment and conditions; organizing cultural and sport movements, etc. creating a joyful atmosphere. Conducting periodic medical examination and treatment, fully equip the employees with labor safety and protection means. Moreover, the employees are entitled to enjoy annual tour and vacation.

Support is also provided to procurement of quality health insurance, life insurance, and voluntary pension insurance, etc. for all employees of the Corporation.

TRAINING COURSES

Training in techniques and safety is periodically provided to laborers in order to improve their knowledge, working skills and technical profession to satisfy their job requirements.

In 2018, the Corporation organized training for 2,745 participants with total cost of VND 8,177 billion.

ASSESSMENTS RELATED TO LABORERS

All employees were expected to be arranged and continue working for the company when the Corporation went to equitization (no redundant laborers).

Laborers were arranged and assigned jobs suitable with their capability and qualification, thereby they all kept working instead of quitting or losing their jobs.

Proposals made by employees at regular negotiations are considered and handled timely in a satisfactory manner.

Moreover, 2018 is the third consecutive year the Corporation has received "Enterprise for Employees" certificate awarded by the Vietnam General Confederation of Labor.



Total **1,205 employees**

Average wage:
VND 17.8 million/person/month

REPORT ON RESPONSIBILITIES TO LOCAL COMMUNITY

In 2018, PetroVietnam Power Corporation - JSC implemented social security works and signed a financing agreement with Nam Dinh, Ha Nam, Nghe An, Thanh Hoa, Ha Tinh, Lang Son, Ninh Thuan, Lao Cai, Quang Binh; health organizations,

Bach Mai Hospital, Vietnam Association for the Protection of Children's Rights. As of 31 December 2018, PV Power has disbursed the amount of VND 24,899,216,000.

ORGANISATION AND HUMAN RESOURCES



BOARD OF DIRECTORS



MR. HO CONG KY

Chairman of the Board of Directors
Bachelor of Economics

Employment history

- **02/1986 - 02/2007:** Staff, Deputy Manager, Head of Accounting Department of Nghia Dan Export Canned Food Factory in Nghe An; Inspector of Nghe An Province Inspectorate; Officer of Social Insurance Department in Nghe An Provincial Labor Union; Chief Accountant of PMU, Deputy Director of Nghe An Cement Company; Chief Accountant of PMU, Deputy Director of PMU of the National Sports Complex in My Dinh, Tu Liem, Hanoi; Deputy Director of Department of Planning and Finance, Sports Committee
- **03/2007 - 09/2007:** Deputy General Director of Hydropower Project Management Board (Vietnam Oil and Gas Group) cum Chairman of the Board of Directors in Hua Na Hydropower Joint Stock Company
- **09/2007 - 01/2008:** General Director of Hydropower Project Management Board
- **02/2008 - 07/2008:** General Director of Petrosetco Assets Management Joint Stock Company
- **08/2008 - 02/2009:** Vice President of PetroVietnam Power Corporation
- **03/2009 - 11/2010:** Head of Long Phu-Song Hau Petroleum Power Project Management Board, Vietnam Oil and Gas Group
- **11/2010 - 05/2013:** Chief of Office of Vietnam Oil and Gas Group
- **05/2013 - 12/2014:** Chairman of the Trade Union of Vietnam Oil and Gas Group
- **01/2015 - 25/6/2018:** Chairman of the Members' Council of PetroVietnam Power Corporation One Member Limited Company
- **26/6/2018 - present:** Chairman of the Board of Directors of Petro Vietnam Power Corporation - JSC

BOARD OF DIRECTORS



MR. LE NHU LINH

Member of the Board of Directors cum President & CEO
Doctor of Economics



MR. VU HUY AN

Member of the BOD
Bachelor of Economics

Employment history

- **10/1990 - 02/1994:** Lecturer in University of Mining and Geology
- **03/1994 - 07/2009:** Specialist, Deputy Head of Planning and Investment Department, Head of Investment and Development Department of Vietnam Oil and Gas Group
- **08/2009 - 03/2010:** Chairman of the Board of Directors of PetroVietnam Drilling and Well Services Corporation
- **04/2010 - 12/2013:** Chairman of Members' Council of PetroVietnam Oil Corporation
- **12/2013 - 01/12/2018:** Chairman of Board of Directors of PetroVietnam Gas Corporation - SJC
- **01/12/2018 - present:** Member of the Board of Directors, President & CEO of Petro Vietnam Power Corporation - JSC

Employment history

- **03/1982 - 11/2008:** Accounting Officer, Secretary of Ho Chi Minh Communist Youth Union, Deputy Head of Accounting in Ha Nam Ninh General Material Company; Specialist, Deputy Head of Commune Budget Department, Deputy Head of Commune Budget Investment Department, Head of Investment Department, Head of Budget Management Department, Deputy Director of Nam Dinh Department of Finance
- **12/2008 - 05/2009:** Chairman of the Board of Directors of PVFC Land JSC
- **06/2009 - 09/2013:** Vice Chairman of the Board of Directors of PetroVietnam Finance Corporation
- **10/2013 - 10/2015:** Member of Board of Directors of PVcomBank (the financial institution formed merging PVFC and WESTERN BANK)
- **10/2015 - 25/6/2018:** Member of Members' Council of PetroVietnam Power Corporation One Member Limited Company
- **26/6/2018 - present:** Member of Board of Directors of Petro Vietnam Power Corporation - JSC

BOARD OF DIRECTORS



MR. NGUYEN HUU QUY

Member of the BOD
 Bachelor of Foreign Affairs
 Master of Business Administration,
 Master of International Trade

Employment history

- **03/1985 - 05/1995:** Officer of Price & Foreign Exchange Department, Officer of Accounting and Finance Department, Deputy Head of Market Department of Vietnam Minerals Import Export Co., Ltd (under Department of Commerce)
- **05/1995 - 08/2008:** Officer of the Commercial Department, Deputy Head of Marketing Division under the Commercial Department, Member of the Supervisory Board under the Board of Directors of Vietnam Oil and Gas Corporation
- **05/2007 - 08/2008:** Supervisor (concurrently) in Petrovietnam Exploration Production Corporation
- **08/2008 - 02/2009:** Member of Members' Council cum General Director of PetroVietnam Manpower Supply and Services One Member Limited Company
- **02/2009 - 25/6/2018:** Member in charge of Members' Council of PetroVietnam Power Corporation One Member Limited Company
- **26/6/2018 - present:** Member of Board of Directors of Petro Vietnam Power Corporation - JSC



MR. PHAM XUAN TRUONG

Member of the BOD
 Electrical System Engineer,
 Master of Electrical Engineering

Employment history

- **06/1985 - 9/1985:** Participated in reserve officer training for Air Defense Command
- **12/1985 - 12/1987:** Technical Officer of Kinh Mon Power Branch - Hai Hung Department of Electricity
- **01/1988 - 3/1997:** Head of the Load Dispatch Working Shift, Deputy Head of the Load Dispatch-Communication Division, Head of the Load Dispatch-Communication Department, Secretary of Communist Youth Union of Hai Hung Department of Electricity
- **04/1997-10/2004:** Head of Technical-Safety Department, Party Committee member, Secretary of Communist Youth Union, Deputy Director of Hung Yen Department of Electricity
- **11/2004 - 3/2008:** Director of Hung Yen Industry Department
- **04/2008 - 25/6/2018:** Vice President of PetroVietnam Power Corporation One Member Limited Company
- **26/6/2018 - present:** Member of Board of Directors of Petro Vietnam Power Corporation - JSC

EXECUTIVE BOARD



MR. LE NHU LINH

Member of the Board of Directors cum President & CEO
Doctor of Economics

Employment history

- **10/1990 - 02/1994:** Lecturer in University of Mining and Geology
- **03/1994 - 07/2009:** Specialist, Deputy Head of Planning and Investment Department, Head of Investment and Development Department of Vietnam Oil and Gas Group
- **08/2009 - 03/2010:** Chairman of the Board of Directors of PetroVietnam Drilling and Well Services Corporation
- **04/2010 - 12/2013:** Chairman of Members' Council of Petro Vietnam Oil Corporation
- **12/2013 - 01/12/2018:** Chairman of Board of Directors of PetroVietnam Gas Corporation - SJC
- **01/12/2018 - present:** Member of the Board of Directors, President & CEO of PetroVietnam Power Corporation

EXECUTIVE BOARD



MS. NGUYEN THI NGOC BICH

Vice President
Urban Engineer,
Master of Urban Planning



MR. NGUYEN DUY GIANG

Vice President
Bachelor of Economics,
Master in Energy Management

Employment history

- **1994 - 2000:** Specialist of Project Management Board in Ha Dong City
- **2000 - 7/2007:** Specialist of Financial Services and Monetary Department, Specialist of Investment Department, Deputy Head in charge, Head of Investment Department of PetroVietnam Finance Company
- **07/2007 - 09/2008:** Member of Preparatory Board to establish Petro Commercial Joint Stock Bank - In charge of Investment Banking
- **09/2008 - 05/2009:** Vice Chairman of Trade Union of Vietnam Oil and Gas Group
- **05/2009 - 25/6/2018:** Vice President of PetroVietnam Power Corporation One Member Limited Company
- **26/6/2018 - present:** Vice President of Petro Vietnam Power Corporation - JSC

Employment history

- **09/1996 - 10/2007:** Specialist of Finance and Accounting Department, Deputy Head of Finance and Accounting Department, Deputy Head of Sales Department of Hoang Mai Cement Joint Stock Company under Vietnam Cement Corporation
- **10/2007 - 03/2009:** Head of Department, Deputy Head of Economic Planning Department of Hydropower Projects Management Unit under PetroVietnam Power Corporation
- **03/2009 - 10/2009:** Deputy General Director of PetroVietnam Power Engineering Consulting Joint Stock under PetroVietnam Power Corporation
- **10/2009 - 11/2015:** Head of Economic Planning Department, Vice President of the Corporation, Deputy Head of Song Hau 1 Thermal Power Project Management Board under PetroVietnam Power Corporation
- **07/2014 - 25/6/2018:** Vice President of Petro Vietnam Power Corporation One Member Limited Company
- **26/6/2018 - present:** Vice President of PetroVietnam Power Corporation - JSC

EXECUTIVE BOARD



MR. NGUYEN MANH TUONG

Vice President
Mechanical engineer,
Master of engineering

Employment history

- **06/1998 - 10/2000:** Mechanical Engineer, Technical Department, Gas Project Management Board, PV GAS
- **11/2000 - 9/2001:** Mechanical engineer, Technical Department of the Ca Mau Gas Power Project Investment Preparation Board, PVN
- **09/2001 - 10/2007:** Head of Mechanical Engineering Department, Deputy Head, Deputy Head in charge, Head of Gas Project Management of Ca Mau Gas Power Fertilizer Project Management Board, PVN
- **10/2007 - 03/2009:** Deputy Director of PV Southwest Gas Project Management Board
- **03/2009 - 05/2010:** Deputy Head of PVN Southwestern Gas Project Management Board
- **05/2010 - 04/2012:** Deputy Director of the Pipeline Operating Company Block Lot B to O Mon
- **10/2012 - 05/2017:** Acting Head, Head of Construction Division, Member of PV GAS' Board of Directors
- **06/2017 - 25/6/2018:** Vice President of PetroVietnam Power Corporation One Member Limited Company
- **26/6/2018 - present:** Vice President of PetroVietnam Power Corporation - JSC



MR. PHAN DAI THANH

Vice President
Electrical Engineer

Employment history

- **06/1993 - 10/1994:** Specialist of New Technology Company - Vietnam Academy of Science
- **10/1994 - 12/1996:** Deputy Head of Technical Department of Vietnam - Australia Steel Joint Venture Company Hai Phong
- **01/1997 - 06/2003:** Deputy Head of Planning and Investment Department, Deputy Head of Statistics Planning Department of Construction Machinery Corporation
- **07/2003 - 02/2005:** Director of Technical Services and Construction Company of Construction Machinery Corporation
- **03/2005 - 10/2007:** Director of Water Electrical Mechanical Installation And Construction Joint Stock Company 3
- **11/2007 - 10/2015:** General Director of PetroVietnam Power Services Joint Stock Company
- **10/2015 - 05/2018:** Head of Technical Department of PetroVietnam Power Corporation One Member Limited Company
- **01/06/2018 - 25/6/2018:** Vice President of Petro Vietnam Power Corporation One Member Limited Company
- **26/06/2018 - present:** Vice President of PetroVietnam Power Corporation - JSC

EXECUTIVE BOARD



MR. HOANG VAN NGHIEP

Vice President
Hydroelectric Engineer

Employment history

- **1982 - 1990:** Specialist of Electrical Testing Center of Song Da Corporation - Ministry of Construction
- **1990 - 1997:** Deputy Director of Hydraulic Construction Factory of Vinh Son Hydropower Construction Company - Song Da Corporation
- **1997 - 2006:** Deputy Director; Director of Song Da 3 Joint Stock Company - Song Da Corporation
- **2006 - 10/2007:** Chairman of the Board of Directors of Song Da Yaly Cement Joint Stock Company
- **11/2007 - 11/2008:** Deputy Head of Training and Organization Department of Song Da Corporation
- **11/2008 - 25/6/2018:** Vice President of PetroVietnam Power Corporation One Member Limited Company
- **26/6/2018 - present:** Vice President of Petro Vietnam Power Corporation - JSC



MR. NGUYEN MINH DAO

Vice President
Engineer of Pipeline Facilities Design, Construction and Operation, Doctorate degree in Pipelines, Storage Tanks

Employment history

- **09/2000 - 06/2003:** Engineer of Dung Quat Oil Refinery Management Board
- **07/2003 - 12/2003:** Engineer of Mining Technology Department, Petroleum Investment and Development Company (PIDC)
- **01/2004 - 02/2008** Specialist in Deputy Head of Construction Department, Vietnam Oil and Gas Group
- **03/2008 - 14/7/2009:** Chairman of the Board of Directors, General Director of Petrovietnam Petrochemical and Textile Fiber Joint Stock Company (PVTex)
- **15/7/2009 - 02/2018:** Head of the Development Investment Department, Head of the Gas Department, Head of Construction Department, Officer of Members' Council of Vietnam Oil and Gas Group
- **03/7/2018 - present:** Vice President of Petro Vietnam Power Corporation - JSC

OPERATION ACTIVITIES IN 2018

EXECUTIVE BOARD



MS. HA THI MINH NGUYET

Chief Accountant
Master of Accounting

Employment history

- **05/1992 - 12/2007:** Accountant, Deputy Manager of Transaction Office 1, Deputy Head of Accounting Department of Foreign Trade Bank of Vietnam
- **01/2008 - 10/2008:** Chief accountant of Preparatory Board for establishment of GPBank
- **10/2008 - 09/2010:** Head of Finance Board in Trade Union of Vietnam Oil and Gas Group
- **09/2010 - 25/6/2018:** Chief Accountant of PetroVietnam Power Corporation One Member Limited Company
- **26/6/2018 - present:** Chief Accountant of PetroVietnam Power Corporation - JSC

Changes in the executive board

Full name	Title	Change	Effect
Nguyen Xuan Hoa	Member of the Board of Directors cum President & CEO	Transferred	01/12/2018
Le Nhu Linh	Member of the Board of Directors cum President & CEO	Appointed	01/12/2018



EXECUTIVE MANAGEMENT BOARD'S REPORT AND ASSESSMENT ON OPERATING ACTIVITIES

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RESTRUCTURING, DIVESTMENT AT MEMBER UNITS

RESTRUCTURING

- Equitization, transfer to HOSE trading floor
 - On 14 January 2019, PV Power officially transferred POW shares to Ho Chi Minh City Stock Exchange (HOSE).
 - Currently, the Corporation has been focusing on settlement of equitization costs.
- Restructuring and reorganizing
 - Complete merge of Department of Investment and Development and Construction Department into Department of Investment and Construction.
 - Establish the Internal Control Board.
 - Complete procedure for establishment and assignment of functions and duties to Office/Functional Departments under PV Power - JSC (Decision No. 25/QD-DLKD and No. 26/QD-DLKD dated 05 July 2018).
 - Complete amendment and issuance of the Regulation on organization & operation of branches in line with the JSC model and the Corporation's Charter of Organisation and Operation (PV Power Ha Tinh, PV Power Ca Mau, PV Power Nhon Trach, PV Power Coal and PV Power G-Board).
 - Conduct research and complete the plan of restructuring member units (PV Power Services; PV Machino; PV Power NT2) and the organizational structure of those subsidiaries operating hydropower plants: PV Power HHC, PV Power DHC and PV Power BackKan.

DISINVESTMENT

- In 2018, the Corporation has successfully completed disinvestment at:
 - Song Vang Hydropower JSC: On 05 February 2018, the Corporation divested its equity at the unit in the form of matching orders on the trading floor at selling price of VND 12,800/share, the recovery value reached VND 60.4 billion.
 - North-west Power Investment and Development JSC: Disinvestment in the form of matching orders on the trading floor. On 16 March 2018, matching orders were performed for 1,802,400 shares at VND 10,900/share. On 17 April 2018, matching orders were performed for the remaining shares (1,770,933 shares) at selling price of 10,900 VND/share. Total disinvestment: VND 38.8 billion.

BOARD OF DIRECTORS'S ASSESSMENT ON ACTIVITIES OF EXECUTIVE MANAGEMENT BOARD

EXECUTIVE MANAGEMENT BOARD HAS FULFILLED MANAGEMENT AND OPERATION TASKS, IN DETAILS

- Deploy and direct functional departments and units to achieve good and strict implementation of the Board of Directors' resolutions and decisions.
- Provide operational management and administration in line with decentralization between the Board of Directors and the Executive Management Board.
- Regularly make sufficient and prompt report during implementation of the Board of Directors' instructions in case of any problems arising beyond its authority.
- Regularly work with member units/branches to promptly correct its administration in accordance with overall orientation, and promptly solve problems in each unit's operation and investment.
- Provide operational management and administration in a formal, honest, and careful manner with a high sense of responsibility, overcome difficulties and constantly improve corporate governance capacity to successfully complete the jobs and tasks assigned for optimal legitimate interests of the Corporation and shareholders.
- Provide solutions for flexible management of the Corporation, and promptly respond to disadvantages and risks.



A hand is shown on the right side of the image, pointing towards a central digital tunnel. The tunnel is composed of concentric, glowing blue rings that create a sense of depth and perspective. Inside the tunnel, there is a glowing icon of three stylized human figures standing together. The background is a dark blue gradient with various digital elements, including glowing orange and blue lines, dots, and a grid pattern. The overall aesthetic is high-tech and futuristic.

IMPROVEMENTS ON THE ORGANIZATIONAL STRUCTURE, POLICY AND MANAGEMENT

EXECUTIVE MANAGEMENT BOARD'S REPORT AND ASSESSMENT ON OPERATIONAL ACTIVITIES

ARRANGEMENT AND COMPLETION OF PRATICAL ORGANIZATION MODEL

HOLDING COMPANY - CORPORATION

After completing equitization and successfully organizing the first AGM on 26 June 2018, the Corporation has conducted procedures to perfect the holding company's organizational and personnel model. According to the Board of Directors' resolution No. 03/NQ-DLKD dated 05 July 2018, the Corporation has completed:

- Arrangement and completion of the Corporation's organizational model to streamline: (i) Reorganize the Department of Investment and Development & Construction Department into the Department of Investment and Construction; (ii) Rename the Legal-Public Relations Department to the Legal-Investor Relations Department.
- Assignment of functions and duties to Office/Functional Departments under the holding company - the Corporation.
- Procedures for appointment of personnel of the Executive Board, managers of Functional Departments and the procedures for appointment of Directors, Deputy Directors, Chief Accountant at the subordinate entities.
- Arrange laborers in the PetroVietnam Power Corporation JSC.

In addition, the Corporation has established an Internal Control Board under the Board of Directors to advise and assist the Board of Directors in the operational inspection and monitoring and operational management (according to Decision No. 195/QD-DLKD on August 7, 2018 of the Board of Management of the Corporation).

SUBORDINATE ENTITIES

The Corporation has renamed the branches and issued the Regulation on organization and operation of branches in August 2018 in accordance with the new operating model. Moreover, the Corporation directed member units to review

and complete the organizational structure for streamline, cost saving and improvement of operating performance.

- In October 2018, the Corporation completed the followings:
 - (i) completion of the organization & personnel of PV Power G-Board (based on Decision No. 560/QD-DLKD dated 11 October 2018).
- In January 2019, the Corporation finished completion of the organizational model in PV Power Ha Tinh, PV Power Ca Mau and PV Power NT, in details:
 - Merge the Department of Materials and Department of Business Planning into Department of Planning and Materials.
 - Include Chemical - Laboratory Workshop into Operation Workshop.

MEMBER UNITS

Direct the representatives at the member units to review and evaluate current organizational model, propose streamlined model to improve capacity and performance.

REVIEW, MODIFICATION AND CONSTRUCTION OF INTERNAL REGULATION SYSTEM FOR THE CORPORATION AND UNIT

- Functions and duties of the Office/Functional Departments were regularly reviewed and adjusted to suit actual requirements; The Corporation also reviewed, modified, completed and issued internal regulations in accordance with the applicable laws to promptly meet operational requirements.
- The Corporation directed its representatives at its member units, directors of the subordinate entities to review and perfect their internal regulations based on the Corporation's regulations in line with their operational situation.
- In the coming time, the Corporation will continue to focus on modifying and perfecting internal rules and regulations with clear decentralization for the units to be active while specifying the rights and responsibilities of organizations and individuals.

BUSINESS PLAN FOR 2019

MAJOR PLANNING ITEMS

Items	Unit	Plan for 2019
POWER OUTPUT		
The whole Corporation	Million kWh	21,600.0
The holding company	Million kWh	15,759.7
REVENUE		
The whole Corporation	Billion dong	32,769.5
The holding company	Billion dong	23,125.9
PROFIT BEFORE TAX		
The whole Corporation	Billion dong	2,500.2
The holding company	Billion dong	2,086.0
PROFIT AFTER TAX		
The whole Corporation	Billion dong	2,275.2
The holding company	Billion dong	1,897.1
PAYMENT TO GOVERNMENT BUDGET		
The whole Corporation	Billion dong	1,304.4
The holding company	Billion dong	761.6
PROFIT AFTER TAX/OWNERS' EQUITY RATIO		
	%	7.5
DIVIDEND PAYOUT RATIO (BY SHARE)		
	%	6%
THE HOLDING COMPANY'S INVESTMENT IN CONSTRUCTION AND EQUIPMENT		
Demand on capital investment		
	Billion dong	486.1
Capital construction investment	Billion dong	255.0
Equipment procurement	Billion dong	93.9
Equity in member units	Billion dong	137.3
Investment resource		
	Billion dong	486.1
Owner's Equity	Billion dong	486.1
Borrowings + others	Billion dong	-

EXECUTIVE MANAGEMENT BOARD'S REPORT AND ASSESSMENT ON OPERATIONAL ACTIVITIES

CONSTRUCTION INVESTMENT PLAN

In 2019, PV Power - the holding company plans to implement investment in Nhon Trach 3 & 4 power plant project (Group A project); implementing investment, settlement of group C projects, equipment procurement and financial investment with disbursement amount of VND 348.9 billion; focuses on infrastructure development to improve production capacity, etc.

Disbursement plan for some projects with total value up to:

VND 486.1 billion

► **Preparation and investment in projects at the holding company:**
VND 255 billion

Nhon Trach 3 & 4 Power Plant Projects: VND 127 billion; Investment in Project Performance Management System (PPMS) of Vung Ang 1 power plant: VND 62 billion; Investment in PV Power's power plant operation simulation system: VND 45 billion; The project of installing SSR filter (Blocking Filter): VND 1 billion; Investment in expanding coal warehouse of Vung Ang 1 Power Plant: VND 20 billion.

► **Procurement of operational equipment (for the Corporation's Office and power plants): VND 93.9 billion**

► **Contribute capital to member units (PV Power DHC): VND 137.3 billion**



CORPORATE GOVERNANCE

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BOARD OF
DIRECTORS' PLANS
AND ORIENTATION

It is forecasted that 2019 will be another difficult year for PV Power; increasing exhausted gas source seriously affects the assurance of sufficient gas and the availability of gas thermal power plants; Vietnam National Coal and Mineral Industries Group encounters difficulties in keep balance of coal supply to power plants; increasing maintenance and repair costs; large demand for capital of new projects, near deadline requires focus and mobilization of large resources to ensure schedule, etc. With the above difficulties, to ensure the completion of business plan for 2019, the Board of Directors has identified main items to be completed as follows:

- Direct the implementation of the business plan for 2019 to achieve and exceed targets planned for the whole Corporation as follows:
 - Total electric power output: 21.6 billion kWh
 - Total revenue: VND 32,769 billion
 - Profit before tax: VND 2,500 billion
 - Profit after tax: VND 2,275 billion
 - Payment to budget: VND 1,304 billion
 - The holding company's profit after tax/owner's equity ratio was 7.5%
 - Dividend rate was 6%
- Keep pace with the competitive wholesale market, optimize the operating performance of the power plants.
- Restoration of Hua Na Power Plant; minor repair of: Ca Mau 1 & 2, Nhon Trach 1 & 2, Dakdrinh, Nam Cat power plants and periodical repair of Vung Ang 1 power plant to ensure quality, schedule, safety and efficiency; implementing periodic maintenance of power plants in 2020.
- Stably provide coal for the plants, satisfy the market's demand on mobilization; implement radical solutions and ash consumption to ensure safe and continuous operation of Vung Ang 1 Power Plant.
- Improve corporate governance; good control and saving/optimal reduction to costs, improve operating performance, ensure shareholders' benefits; safe manage and use of capital and assets for the right purposes; ensure efficient operating performance of the holding company and its member units. Strengthen management of equipment and materials procurement, implement inventory management solutions to improve capital efficiency.
- Focus on monitoring the key project - Nhon Trach 3 & 4 Power Plant against approved schedule; supervise preparation of Feasibility Study (FS), negotiate LNG trading contracts and power purchase agreements, arrange capital for Nhon Trach 3 & 4 power project and implement other packages during preparation for investment in Nhon Trach 3 & 4 power plant project; direct and implement the works related to Luang Prabang hydropower project under the direction of competent authorities; direct research and investment in coal warehouse expansion project in Vung Ang 1 Power Plant; Research and implement independent PV Power office building project.
- Continue to promote restructuring at the holding company and member units, divest in line with the approved plan; implement dissolution/bankruptcy procedures for units with operational inefficiency/loss and incapable to carry out divestments in accordance with the laws; concentrate financial resources on sustainable development of PV Power in the coming years as well as improve its financial performance.
- Promote PV Power brand based on an effective and sustainable operation and professional governance; build good relations with investors, securities firms, striving to add POW shares into VN30 basket.
- Perform safety, health and environment protection measures, fire and explosion prevention and fighting activities at power plants.
- Implement social security works suitable to the Corporation's operational conditions.

CORPORATE GOVERNANCE



MEMBERS AND STRUCTURE

- The Board of Directors has 5 members
- Only one type of stock is issued
- Member of the BOD shall not be concurrent member in any other company's BOD

Current members	Title	Start date/ end date	Ownership of shares with voting rights
Current members			
Mr. Ho Cong Ky	Chairman	26 June 2018	29.94%
Mr. Le Nhu Linh	Member	01 December 2018	20%
Mr. Nguyen Huu Quy	Member	26 June 2018	10%
Mr. Vu Huy An	Member	26 June 2018	10%
Mr. Pham Xuan Truong	Member	26 June 2018	10%
Member out of office			
Mr. Nguyen Xuan Hoa	Member	26 June 2018 01 December 2018	

SUBORDINATE DEPARTMENTS UNDER THE BOARD OF DIRECTORS

- Internal Control Board was established in August 2018 with 8 members in charge of advising and assisting the BOD in operational inspection and supervision, management and administration, assisting the BOD to promptly detect, prevent, control, and deal with misconducts, violations, risks and inefficiencies in operation of the Corporation and its member units.

BOARD OF DIRECTORS MEETINGS

- The Board of Directors held 18 BOD meetings on 26 June 2018, 6 July 2018, 24 July 2018, 02 August 2018, 09 August 2018, 15 August 2018, 24 August 2018, 20 September 2018, 2 October 2018, 8 October 2018, 12 October 2018, 29 October 2018, 8 November 2018, 1 December 2018, 27 December 2018, and so on, 100% of the Board members directly participated in the meetings.
- Hold the first General Meeting of Shareholders on 26 June 2018, the extraordinary General Meeting of Shareholders on 23 November 2018. 100% of the Board members directly participated in the meetings.
- Chair and co-chair many important meetings related to the Corporation's production, business, investment, construction, financing, organization, human resource, restructuring, etc.
- Attend the Corporation periodic briefings.
- Review Supervisory Board's reports and assessments on the operation of the Corporation and its member units.
- All members of the BOD participated in all meetings of the BOD and other meetings, except for those on business trips in other provinces and cities. In case of nonattendance due to business trips, absent members of the BOD raised their comments and voted via email and telephone.

LIST OF BOD MEMBERS WITH CORPORATE GOVERNANCE PROFESSIONAL CERTIFICATION

Member of the BOD	Title	Certificate number	Training organisation
Mr. Le Nhu Linh	Member of the BOD cum President & CEO	- No.: 19QTC48/QD-TTNC - Issuance date: 10 April 2017	The Securities Research and Training Center

BOD'S RESOLUTIONS AND DECISIONS

From 1 July 2018 to 31 December 2018, the Board of Directors issued 70 resolutions, 128 decisions and 103 official letters, reports/statements regarding management, administration and monitoring of the Corporation's operation.

Resolution/decision number	Date	Content
02/NQ-DLDK	26 June 2018	Resolution approving minutes of the BOD meeting for the first term of 2018-2023
40/QD-DLDK	06 July 2018	by PetroVietnam Power Corporation - JSC changing the names of its branches
09/NQ-DLDK	24 July 2018	Approving temporary distribution of the holding company's profit for the first 6 months of 2018 PetroVietnam Power Corporation
158/QD-DLDK	02 August 2018	Regulations on promulgation of PV Power Corporation's internal management documents
261/QD-DLDK	09 August 2018	Regulations on evaluating completion of the annual business plan of PV Power Corporation's member units
22/NQ-DLDK	15 August 2018	Approving the information disclosure of PetroVietnam Power Corporation - JSC
357/QD-DLDK	24 August 2018	Regulations on operational organization of Petrovietnam Power Coal Import And Supply Company
358/QD-DLDK	24 August 2018	Regulations on operational organization of PetroVietnam Nhon Trach Joint Stock Company
359/QD-DLDK	24 August 2018	Regulations on operational organization of PetroVietnam Ca Mau Power Company
360/QD-DLDK	24 August 2018	Regulations on operational organization of PetroVietnam Ha Tinh Power Company
38/NQ-DLDK	20 September 2018	Adopting the maximum foreign ownership ratio in accordance with the regulations of PetroVietnam Power Corporation - JSC
43/NQ-DLDK	02 October 2018	Approving list of registration documents and pricing methods for POW expected list price on the first trading day on HOSE
46/NQ-DLDK	08 October 2018	Organizing the Extraordinary General Meeting of Shareholders in 2018 by PetroVietnam Power Corporation - Joint stock company
51/NQ-DLDK	12 October 2018	Approving registration deadline for closing the list of shareholders and the expected date of extraordinary general meeting of shareholders in 2018
55/NQ-DLDK	29 October 2018	Approving the information disclosure of PetroVietnam Power Corporation - JSC
56/NQ-DLDK	08 November 2018	Approving agenda and documents of the extraordinary general meeting of shareholders
689/NQ-DLDK	01 December 2018	PetroVietnam Power Corporation - Joint Stock Company Appointing the Corporation's President & CEO
67/NQ-DLDK	27 December 2018	Temporarily approving business plan for 2019 of the holding company and member units

ACTIVITIES OF INDEPENDENT MEMBERS OF THE BOD; ACTIVITIES OF THE BOD SUBCOMMITTEES

PV Power has no independent members of the Board of Directors and no subcommittees in the Board of Directors.

SUPERVISORY BOARD



SUPERVISORY BOARD'S MEMBERS AND STRUCTURE

Member of Supervisory Board	Title	Ownership of shares with voting
Vu Quoc Hai	Head of	0.0001%
Ly Thi Thu Huong	Member	0.0002%
Vu Thi Ngoc Dung	Member	0.0011%

ACTIVITIES OF THE SUPERVISORY BOARD

The Supervisory Board has well performed its functions and duties under Law on Enterprises No. 68/2014/QH13 and PV Power's charter. Right after being elected by the General Meeting of Shareholders on June 26, 2018, the Supervisory Board conducted monitoring of PV Power's activities as follows:

INSPECTION AND MONITORING

Carry out inspection and monitoring as planned:

- Regular monthly and quarterly monitoring: The operational targets, financial indicators, monitoring cost reduction, compliance with laws and the Corporation's charter.
- Periodic monitoring: Monitor trade and manage economic contracts and divestments; trace electricity price of the plants and their the implementation of economic and technical norms; assess the Corporation's system of regulations and procedures regarding fulfillment and compliance with laws and regulations; supervise human resource and labor compensation; supervise the preparation and assignment of business plans for 2019 by the Corporation and its member units.

Supervisory Board's monitoring to Board of Directors, Executive Management Board and shareholders:

- The BOD of the Corporation has strictly implemented the resolutions No. 01/NQ-DHDCCD by the General Meeting of Shareholders dated 26 June 2018; issued resolutions and decisions regarding the Corporation

restructuring, equitization and reorganisation, completion of organizational structure at the member units, appointment, re-appointment of officials, laborers, wages and bonuses at the member units and the Corporation, approving amendments and supplements to functions and duties of some functional departments; issued regulations and official letters related to all aspects of its operation.

- The Board of Directors has held quarterly meetings as regulated or unplanned meetings to consider proposals or deal with challenges during the Corporation's operation.
- The President cum CEO held regular briefings (every 2 weeks) to direct the operation of the Corporation, and implement of resolutions and decisions of the General Meeting of Shareholders, Vietnam Oil and Gas Group and the Board of Directors. In addition, seminars were organized to deal with difficulties and problems arising during the operation of the Corporation.
- Issuance of resolutions and decisions by the Board of Directors and the President cum CEO complied with the laws and regulations, the Corporation's charter and operation, in line with the decentralization by authority; strictly complied with the resolutions of the general meeting of shareholders and Vietnam Oil and Gas Group.

APPRAISAL OF THE FINANCIAL STATEMENTS FOR 2018

Conduct quarterly and yearly appraisals, ensuring the accuracy and transparency in the reports.

Appraisals represent:

- The reports give a honest and reasonable reflection of PV Power's financial situation as of 32 December 2018, as well as the operating performance for 2018.
- The report was audited by Deloitte Vietnam Company Limited as regulated in PV Power's charter and the resolution of the first General Meeting of Shareholders in 2018.
- The financial indicators show a good financial health of PV Power in 2018, ensuring solvency capability, capital preservation and development.
- Record, open accounting journals, classify economic items as regulated in the accounting standards issued by the Ministry of Finance, prepare and submit reports in compliance with the national regulations, with correct comprehensive reflection on PV Power's financing activities.
- Organize management and retention of accounting documents as regulated.
- Periodically report and disclose information to the State Securities Commission of Vietnam and the Stock Exchange in accordance with the Ministry of Finance's regulations on information disclosure on the stock market.
- Fully implement report on corporate governance as regulated by PVN.

Coordination of the Supervisory Board with the Board of Directors, Executive Management Board:

- The Supervisory Board participated in quarterly BOD meetings as regulated, and participated in unplanned meetings of the Board of Directors, and President & CEO. At the meetings, the Board gave comments on items, quality and performance of the Board of Directors

and the Executive Management Board, and other issues as requested; gave recommendations, solutions and proposals to deal with shortcomings, contributing to the fulfillment of the targets approved by the general meeting of shareholders.

- Actively implement the approved monitoring and inspection plan, inform the Board of Directors, the Executive Management Board and the units subject to monitoring of details, time and place for better coordination.
- Upon completion of its monitoring, the Supervisory Board synthesized, assessed and make proposal on each item and subject under monitoring; promptly informed the Board of Directors and the Executive Management Board for coordination in settlement to serve the Corporation's development.
- Supervisory Board strictly adheres to the decisions and directions released by the General Shareholders' Meeting, always respects the rights and obligations of the Board of Directors and Executive Management Board; not involving in voting and deciding the contents beyond the authority of Supervisory Board.
- The Board of Directors and Executive Management Board offer any favorable conditions to the Supervisory Board to successfully fulfill the set plans; receive the operating performance and information from the Supervisory Board upon receipt of control report; launch and direct the concerned entities to control, recover and/or adjust in accordance with the recommendations and proposals.

Other activities initiated by Supervisory Board:

Moreover, supervisors also participate into the conferences and seminars held by PV Power to improve the expertise in terms of power production and business; join the market surveys and partner-based study tours concerning management models of power plants and markets; participate into the professional and foreign language training courses and programs launched by PV Power; join other events initiated by other social and political organizations of Petro Vietnam and PV Power.

MEETINGS OF SUPERVISORY BOARD

Members of Supervisory Board	Title	Commencement date/ non-membership	Number of participatory Supervisory Board meetings	Percent of participation	Absence reasons
Concurrent member					
Vu Quoc Hai	Head of Supervisory Board	26 June 2018	14	100%	-
Ly Thi Thu Huong	Members of Supervisory Board	26 June 2018	14	100%	-
Vu Thi Ngoc Dung	Members of Supervisory Board	26 June 2018	14	100%	-



Mr. Vu Quoc Hai



Ms. Ly Thi Thu Huong



Ms. Vu Thi Ngoc Dung

14 meetings have been organized to deploy the following contents: Election of Supervisory Board; Preparation and promulgation of Regulation on Organization and Operation of Supervisory Board; Duty assignment in the Supervisory Board (SB); Preparation of SB's action plan for the last 6 months of 2018; discussion and agreement with the work performance and supervision result contents and re-evaluation at the units before submission to the board of Directors and President & CEO in accordance with the issued procedure. Contents and results of SB meetings are voted and approved by all participants (3/3).

TRANSACTIONS, REMUNERATION AND BENEFITS OF BOARD OF DIRECTORS, MANAGEMENT BOARD AND SUPERVISORY BOARD

SALARY, BONUS, REMUNERATION AND BENEFITS

2018 SALARY, BONUS, REMUNERATION AND OTHER BENEFITS OF BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT BOARD AND SUPERVISORY BOARD:

Full name	Title	Salary
Mr. Ho Cong Ky	Chairman of the Board of Directors	454,381,818
Mr. Nguyen Huu Quy	Member of the Board of Directors	403,920,346
Mr. Vu Huy An	Member of the Board of Directors	403,920,346
Mr. Pham Xuan Truong	Member of the Board of Directors	403,920,346
Mr. Le Nhu Linh	Member of the Board of Directors - President & CEO (since 1 December 2018)	74,250,000
Mr. Hoang Van Nghiep	Vice President	403,920,346
Ms. Nguyen Thi Ngoc Bich	Vice President	403,920,346
Mr. Nguyen Duy Giang	Vice President	403,920,346
Mr. Phan Dai Thanh	Vice President	403,920,346
Mr. Nguyen Manh Tuong	Vice President	403,920,346
Mr. Nguyen Minh Dao	Vice President	403,920,346
Mr. Vu Quoc Hai	Head of Supervisory Board	403,920,346
Ms. Vu Thi Ngoc Dung	Member of Supervisory Board	358,794,805
Ms. Ly Thi Thu Huong	Member of Supervisory Board	358,794,805
Ms. Ha Thi Minh Nguyet	Chief Accountant	381,509,957

Salary and bonus figures of Manager were determined in the phase that PV Power was officially transformed to Joint Stock Company model (the last 06 months of 2018).

SHARE TRANSACTION OF INTERNAL SHAREHOLDERS

Transaction initiator	Relation with internal person	Opening balance of shareholdings		Closing balance of shareholdings		Reason
		Shareholding	Percent	Shareholding	Percent	
Ly Thi Thu Huong	Internal person	15,700	0.0007%	5,700	0.0002%	Sales of shares

CONTRACTS OR TRANSACTIONS WITH INTERNAL SHAREHOLDERS

None

FULFILLMENT OF REGULATIONS ON CORPORATE GOVERNANCE

PV Power has been incorporated and duly operated under the Joint Stock Company Model since 1 July 2018 and officially become a public company since 31 August 2018. POW stock has been officially listed at Hochiminh Stock Exchange (HOSE) since 14 January 2019.

Corporate administration and governance structure is setup and complied with the Law on Enterprises, Law on Securities, the Decree No. 71/2017/ND-CP and related legal regulations.

In addition to full adherence to securities-related disclosure obligations, PV Power's governance system is strictly controlled, the management and control activities embraced by the Board of Directors and the Management Board are always transparent and prudently supervised. Moreover, thanks to the long-year experience in power generation and trading, great effort is always made to minimize the operating risks by PV Power Management.





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**THE AUDITED CONSOLIDATED FINANCIAL
STATEMENTS FOR THE PERIOD FROM 1 JULY 2018
TO 31 DECEMBER 2018**

PETROVIETNAM POWER CORPORATION - JSC
(INCORPORATED IN THE SOCIALIST REPUBLIC OF VIETNAM)

Vietnam Petroleum Institute building, 167 Trung Kinh Street, Yen Hoa
Ward, Cau Giay District, Hanoi City, Vietnam

HANOI, MARCH 2019

MANAGEMENT BOARD'S REPORT



The Executive Management Board of Petrovietnam Power Corporation - JSC (hereinafter referred to as "Corporation") hereby submits this report with Corporation's consolidated financial statements for the period from 1 July 2018 (date that Corporation was officially became a Joint Stock Company) to 31 December 2018

THE BOARD OF DIRECTORS AND EXECUTIVE MANAGEMENT BOARD

Members of the Board of Directors and the Executive Management Board who have managed the Company since 1 July 2018 till date of this report include:

BOARD OF DIRECTORS

MR. HO CONG KY	Chairman
MR. LE NHU LINH	Member (Appointed on 01/12/2018)
MR. NGUYEN XUAN HOA	Member (Removed on 01/12/2018)
MR. NGUYEN HUU QUY	Member
MR. PHAM XUAN TRUONG	Member
MR. VU HUY AN	Member (Retired from 01/02/2019)

EXECUTIVE MANAGEMENT BOARD

MR. LE NHU LINH	President & CEO (Appointed on 01/12/2018)
MR. NGUYEN XUAN HOA	President & CEO (Appointed on 01/12/2018) (Removed on 01/12/2018)
MR. HOANG VAN NGHIEP	Vice President (Appointed on 03/07/2018)
MS. NGUYEN THI NGOC BICH	Vice President (Appointed on 03/07/2018)
MR. NGUYEN DUY GIANG	Vice President (Appointed on 03/07/2018)
MR. NGUYEN MANH TUONG	Vice President (Appointed on 03/07/2018)
MR. PHAN DAI THANH	Vice President (Appointed on 03/07/2018)
MR. NGUYEN MINH DAO	Vice President (Appointed on 03/07/2018)

RESPONSIBILITIES OF THE EXECUTIVE MANAGEMENT BOARD

PV Power's Executive Management Board is responsible for preparing the consolidated financial statements as of 31 December 2018, as well as consolidated Income Statements and consolidated Cash Flow Statements for the period from 1 July 2018 to 31 December 2018 in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting System and prevailing relevant regulations in Vietnam on preparation and presentation of the consolidated financial statements. In preparing these consolidated financial statements, the Board of Directors is required to:

- Select the suitable accounting policies and then apply them consistently
- Make judgments and estimates that are reasonable and prudent
- Specify whether the applicable accounting principles have been followed, subject to any material departures disclosed and explained in the Financial Statements
- Prepare the financial statements on the basis of compliance with the applicable accounting standards, systems and the related regulations
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds

The Management Board is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the consolidated financial statements are complied with Vietnamese Accounting Standards, Vietnamese Accounting System and prevailing relevant regulations in Vietnam on preparation and presentation of consolidated Financial Statements. The Management Board is also responsible for securing Corporation's assets and taking the proper measures to prevent and detect the fraudulence practices and other violations.

The Management Board hereby confirms that aforesaid requirements have been complied during the consolidated Financial Statements are prepared.

For and on behalf of the Management Board,



LE NHU LINH
President & CEO

Hanoi, 20 March 2019

INDEPENDENT AUDITOR'S

To: Shareholders
The Board of Directors and Management Board
Petrovietnam Power Corporation - JSC

We have audited the accompanying consolidated balance sheet of Petrovietnam Power Corporation - JSC (hereinafter referred to as "Corporation"), prepared on 20 March 2019, including Consolidated Balance Sheet as of 31 December 2018, the Consolidated Income Statements, Consolidated Cash Flow Statements for the period from 1 July 2018 to 31 December 2018 and the Notes to the consolidated financial statements, as set out from page 96 to page 148.

Responsibilities of the Management Board

The Management Board of the Corporation is responsible for preparing and presenting the consolidated financial statements of each year, which give a true and fair view of the Corporation in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting System and prevailing relevant regulations in Vietnam on preparation and presentation of the consolidated Financial Statements that is determined to be essential to obtain reasonable assurance that the Financial Statements are free of material misstatements due to fraudulence or mistake.

Responsibilities of Auditor

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have conducted the audit in accordance with the Vietnamese auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance that the consolidated financial statements are free of material misstatements.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. The selected auditing procedures are based on Auditor's judgment, including risk evaluation of material misstatements in the consolidated Financial Statements due to fraudulence or mistake. When such risks are evaluated, Auditor has considered the Corporation's internal controls on preparing and presenting the consolidated Financial Statements in a true and fair view to design the auditing procedures in accordance with the practice. However, it does not aim to give out the opinions on effectiveness of the Corporation's internal controls. An audit also includes assessing the appropriateness of accounting principles used and rationale of significant estimates made by management, as well as evaluating the overall consolidated financial statements presentation.

We believe that the auditing evidences collected by us provides a sufficient and reasonable basis for our opinion.

Opinion of Auditor

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material aspects, of the financial position of the Corporation as at 31 December 2018 and the results of its operations and its cash flows for the period from 1 July 2018 to 31 December 2018 in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System

and prevailing relevant regulations in Vietnam.

Issues to be emphasized

As shown in the Note No.01 of the Notes to the consolidated financial statements, the accompanying consolidated financial statements are prepared for the period from 1 July 2018 (date that the Holding Company - Corporation was officially became the Joint Stock Company) to 31 December 2018. Disclosures presented in the comparison column of the consolidated Financial Statements are originated from the consolidated Financial Statements for the period from 1 January 2018 to 30 June 2018 of PetroVietnam Power Corporation (equitization entity). Some disclosures are retroactively adjusted as shown in Note No. 39.

As described in Note No. 02 of Notes to the consolidated financial statements, the accompanying consolidated financial statements exclude adjustments (if any) related to equitization settlement because no approval on equitization settlement is released by the Holding Company as at the official transformation date.

As described in Note No. 10 and Note No. 17 of consolidated financial statements, as of 31 December 2018, Corporation's balance of inventories and liabilities reach appropriately VND 2,481 billion (as of 1 July 2018: approximately VND 2,481billion) relating to values of imported materials and equipment and other expenses from the Contractor to serve for maintenance service of Ca Mau 1 & 2 Power Plants and Nhon Trach 2 Combined Cycles Power Plant. Value of aforesaid inventories and liabilities shall be settled and adjusted when the necessary procedures are successfully fulfilled by PetroVietnam Power Services Joint Stock Company (a PV Power subsidiary) and related parties on transforming the maintenance service subjects with the Contractors and power plants as determined by PV Power.

Our audit opinion is not related to such issues.



KHUC THI LAN ANH
Vice President

CPA Certificate No. 0036-2018-001-1

DELOITTE VIETNAM COMPANY LIMITED

20 March 2019
Hanoi City, S.R.Vietnam

DO TRUNG KIEN
AUDITOR

CPA Certificate No. 1924-2018-001-1

CONSOLIDATED BALANCE SHEET

As of 31 December 2018

Assets	Code	Note	31/12/2018 VND	01/07/2018 VND
A. CURRENT ASSETS	100		15,251,081,151,956	19,565,210,250,858
Cash and cash equivalents	110	4	3,185,329,931,901	5,781,844,937,864
Cash	111		173,809,128,318	378,796,386,770
Cash equivalents	112		3,011,520,803,583	5,403,048,551,094
Short-term financial investment	120	5	176,038,035,938	159,025,245,522
Investments held to maturity (HTM)	123		176,038,035,938	159,025,245,522
Short-term accounts receivable	130		7,530,962,791,986	9,732,881,206,832
Short-term trade accounts receivable	131	6	7,320,055,298,911	9,510,190,471,103
Short-term advances to suppliers	132	7	115,357,557,465	126,272,004,861
Others	136	8	343,075,281,114	330,823,676,262
Provision for bad debts	137	9	(247,525,345,504)	(234,404,945,394)
Inventories	140	10	4,186,613,364,909	3,749,030,391,823
Inventories	141		4,186,795,764,909	3,749,212,791,823
Provision for devaluation of inventories	149		(182,400,000)	(182,400,000)
Other current assets	150		172,137,027,222	142,428,468,817
Short-term prepayments	151	11	39,209,633,649	32,261,459,452
Deductible VAT	152		132,500,096,856	108,904,114,645
Taxes and other receivables from State budget	153	18	427,296,717	1,262,894,720
B. NON-CURRENT ASSETS	200		42,860,348,445,729	44,709,351,239,710
Non-current receivables	210		41,591,339,201	40,146,195,841
Trade accounts receivable	211		1,268,440,794	739,635,016
Other non-current receivables	216	8	40,322,898,407	39,406,560,825
Fixed assets	220		40,177,239,576,482	41,955,536,795,692
Tangible fixed assets	221	12	40,113,277,709,063	41,890,909,331,196
- Cost	222		69,293,799,627,813	69,168,357,816,479
- Accumulated depreciation	223		(29,180,521,918,750)	(27,277,448,485,283)
Intangible fixed assets	227	13	63,961,867,419	64,627,464,496
- Cost	228		98,742,512,044	96,644,741,901
- Accumulated depreciation	229		(34,780,644,625)	(32,017,277,405)
Investment properties	230	14	33,528,513	93,056,967
- Cost	231		17,545,622,940	17,545,622,940
- Accumulated depreciation	232		(17,512,094,427)	(17,452,565,973)
Long-term assets in process	240		377,538,888,628	373,391,066,778
Construction in progress	242	15	377,538,888,628	373,391,066,778
Long-term financial investment	250		936,917,037,288	926,513,502,784
Investment into affiliates and Joint Ventures	252	5	367,903,598,694	336,569,414,542
Capital contribution to other entities	253	5	604,520,976,073	604,520,976,073
Provision for long-term financial investment	254	5	(35,507,537,479)	(14,576,887,831)
Other non-current assets	260		1,327,028,075,617	1,413,670,621,648
Long-term prepayments	261	11	671,717,153,227	725,304,361,157
Deferred tax assets	262		-	250,816,922
Long-term equipment and spare parts for replacement	263	16	639,372,102,109	668,708,213,585
Goodwill	269		15,938,820,281	19,407,229,984
TOTAL ASSETS (270 = 100 + 200)	270		58,111,429,597,685	64,274,561,490,568

The accompanying notes are an integral part of these consolidated financial statements

FINANCIAL STATEMENTS

Assets	Code	Note	31/12/2018 VND	01/07/2018 VND
C. LIABILITIES	300		31,296,044,641,920	37,991,812,174,424
Short-term liabilities	310		17,570,678,653,190	21,628,066,661,893
Short-term trade payables	311	17	5,900,467,676,009	6,708,411,072,902
Short-term advance from customers	312		16,462,104,003	7,272,414,513
Taxes and amounts payable to State budget	313	18	298,541,103,387	274,633,295,396
Payables to employees	314		139,706,914,562	106,916,205,411
Short-term payments	315	19	2,018,072,932,291	1,992,870,595,289
Short-term unrealized revenue	318		617,551,080	629,344,331
Others	319	20	2,403,293,790,705	2,785,811,223,378
Short-term borrowings and loans from finance lease	320	21	6,554,398,505,035	9,062,568,725,977
Provisions for short-term payables	321	22	143,181,837,310	557,288,489,041
Bonus and welfare fund	322		95,936,238,808	131,665,295,655
Non-current liabilities	330		13,725,365,988,730	16,363,745,512,531
Other long-term payables	337	20	759,840,195	766,020,195
Long-term borrowings and loans from finance lease	338	21	13,303,846,087,570	16,062,760,612,395
Provisions for long-term payables	342	22	251,593,468,605	130,588,045,495
Fund for Science and Technology Development	343	23	169,166,592,360	169,630,834,446
D. OWNER'S EQUITY	400		26,815,384,955,765	26,282,749,316,144
Owner's Equity	410	24	26,815,384,955,765	26,282,749,316,144
Contributed capital of owner	411		23,418,716,000,000	23,418,716,000,000
Share premium	412		(311,254,328)	(311,254,328)
Others	414		227,887,397,807	227,887,397,807
Revaluation differences on assets	416		(191.305.728.000)	(191.305.728.000)
Foreign exchange differences	417		-	(85,859,153,505)
Investment & Development Fund	418		192,215,107,853	100,859,785,533
Retained earnings after tax	421		859,274,196,129	542,515,585,296
- Retained earnings after tax to the end of last period	421a		542,515,585,296	1,226,129,949,212
- Retained earnings after tax of this period	421b		316,758,610,833	(683,614,363,916)
Benefits of uncontrolled shareholders	429	24	2,308,909,236,304	2,270,246,683,341
TOTAL RESOURCES (440= 300 + 400)	440		58,111,429,597,685	64,274,561,490,568



QUACH THI HONG LIEN
Prepared by



HA THI MINH NGUYET
Chief Accountant



LE NHU LINH
PRESIDENT & CEO

20 March 2019

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED INCOME STATEMENTS

For the period from 1 July 2018 to 31 December 2018

Items	Code	Note	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
Gross sales and services	01	26	14,835,199,327,861	17,826,989,285,545
Deduction	02		-	-
Net sales and services (10=01-02)	10		14,835,199,327,861	17,826,989,285,545
Costs of goods sold	11	27	13,075,124,797,360	15,110,534,255,166
Gross profit (20 =10-11)	20		1,760,074,530,501	2,716,455,030,379
Financial income	21	29	243,410,811,255	272,096,451,715
Financial expense	22	30	1,031,822,777,468	747,307,264,629
- In which: Interest expenses	23		661,190,866,665	645,970,976,077
Interest in affiliates and Joint Ventures	24		40,604,496,676	8,935,448,221
Selling expense	25	31	10,839,566,997	9,476,038,751
General and administrative expenses	26	31	358,522,593,396	414,251,281,485
Net operating profit (30=20+(21-22)+24-(25+26))	30		642,904,900,571	1,826,452,345,450
Other incomes	31	32	17,739,038,522	15,231,369,046
Other expenses	32	33	5,537,884,662	4,987,397,808
Other profits (40=31-32)	40		12,201,153,860	10,243,971,238
Total accounting profit before tax (50=30+40)	50		655,106,054,431	1,836,696,316,688
Current corporate income tax expenses	51	34	79,660,985,050	131,149,980,130
Current corporate income tax expenses (income)	52		250,816,922	(6,101,557,714)
Profit after tax (60=50-51-52)	60		575,194,252,459	1,711,647,894,272
Profit after tax of Holding Company	61		431,441,727,122	1,489,891,609,117
Profit after tax of uncontrolled shareholders	62		143,752,525,337	221,756,285,155
Basic earnings per share (*)	70	35	184	(*)

(*) Earnings per share was not calculated for the period from 1 January 2018 to 30 June 2018 because 100% of charter capital was held by the Corporation, i.e., PetroVietnam Power Corporation - Single Member Co., Ltd, that Vietnam Oil and Gas Group is the owner.



QUACH THI HONG LIEN
Prepared by



HA THI MINH NGUYET
Chief Accountant



LE NHU LINH
PRESIDENT & CEO

20 March 2019

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FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENTS

For the period from 1 July 2018 to 31 December 2018

Items	Code	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
I. CASH FLOWS FROM OPERATING ACTIVITIES			
Pre-tax profit	01	655,106,054,431	1,836,696,316,688
Adjustments for:			
Depreciation of fixed assets and investment properties	02	1,906,127,430,872	2,014,211,539,980
Provisions	03	(259,050,178,863)	190,484,121,744
Losses on exchange rate differences from revaluation of accounts denominated in foreign currencies	04	122,697,627,971	143,868,421,549
(Gains) on investing activities	05	(133,047,575,498)	(223,656,772,320)
Interest expenses	06	661,190,866,665	645,970,976,077
Others	07	(35,729,056,847)	(466,632,414)
Operating profit before movements in	08	2,917,295,168,731	4,607,107,971,304
Change of receivables	09	1,786,558,328,746	(2,987,956,205,115)
Change inventory	10	(408,246,861,610)	(215,449,459,061)
Change in liabilities (excluding payable interest, corporate income tax payables)	11	(1,108,562,414,571)	1,750,835,806,960
Changes in prepaid expenses	12	46,639,033,733	82,644,252,000
Interest paid	14	(684,950,702,336)	(633,537,152,454)
Corporate income tax paid	15	(56,060,259,658)	(39,843,385,382)
Other operating income	16	-	15,000,000
Other cash outflows	17	(25,116,323,272)	(35,322,724,119)
Net cash flows from operating activities	20	2,467,555,969,763	2,528,494,104,133

The accompanying notes are an integral part of these consolidated financial statements

Items	Code	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
II. CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of fixed assets and other long-term assets	21	(154,905,148,181)	(64,239,882,249)
Proceeds from liquidation, disposal of fixed assets and other long-term assets	22		289,441,817
Cash outflow for lending and buying debts of other entities	23	(173,334,184,152)	(120,000,000,000)
Cash inflow for lending and reselling debts of other entities	24	124,987,209,584	1,059,423,123,654
Cash recovered from investments in other entities	26	-	124,327,590,987
Interest earned, dividends and profits received	27	531,339,078,058	227,274,206,499
Net cash flows from investing activities	30	328,086,955,309	1,227,074,480,708
III. CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	3,856,450,702,934	3,246,640,763,934
Principal repayment	34	(9,248,603,856,655)	(3,138,243,861,063)
Dividends paid	36	-	(348,815,229,654)
Net cash flows from financing activities	40	(5,392,153,153,721)	(240,418,326,783)
Net cash flow in the period (50=20+30+40)	50	(2,596,510,228,649)	3,515,150,258,058
Beginning cash and cash equivalents	60	5,781,844,937,864	2,266,238,960,414
Effects of fluctuations in foreign exchange rates	61	(4,777,314)	455,719,392
Closing cash and cash equivalents (70=50+60+61)	70	3,185,329,931,901	5,781,844,937,864



QUACH THI HONG LIEN
Prepared by



HA THI MINH NGUYET
Chief Accountant



LE NHU LINH
PRESIDENT & CEO

20 March 2019

The accompanying notes are an integral part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

These notes are an integral part of and read with the accompanying consolidated financial statements

1. GENERAL INFORMATION

FORM OF CAPITAL OWNERSHIP

Petrovietnam Power Corporation - JSC (hereinafter referred to as "Corporation or PV Power") is incorporated by equitizing Petrovietnam Power Corporation - Single Member Co., Ltd under the Decision No. 1795/QD-DKVN of Member Council of Vietnam Oil and Gas Group (the Corporation's Holding Company). Petrovietnam Power Corporation - Single Member Co., Ltd is established in accordance with the Decision No.1468/QD-DKVN dated 17 May 2007 of the Vietnam Oil and Gas Group's Member Council and the Enterprise Registration Certificate for Single Member Limited Liability Company No. 0102276173 initially issued on 31 May 2007 by Hanoi Authority for Planning and Investment.

The Corporation has been officially transformed to Joint Stock Company Model since 1 July 2018 and recognized with charter capital of VND 23,418,716,000,000 under the 13th amended Enterprise Registration Certificate issued on 1 July 2018 by Hanoi Authority for Planning and Investment. The Corporation is issued with the latest amended Enterprise Registration Certificate (14th amendment certification) dated 6 December 2018.

The Corporation's stock was listed at Hochiminh Stock Exchange (HOSE) on 17 December 2018 and officially transacted since 14 January 2019 with POW sticker.

The Corporation's Holding Company was Vietnam Oil and Gas Group.

Total employees of the Corporation and its subsidiaries as of 31 December 2018 were 2,376 (2,367 as of 1 July 2018).

PRIMARY BUSINESS LINES AND ACTIVITIES

The Corporation's business lines include:

Power generation; Industrial and civil power trading and sales; Management and operation of power plants; short-term and theme-based training course services in some industrial fields; Skillful manpower supply service for O&M of power plants and industrial facilities; Electrical system installation in construction works; Supply of power project management services, consultancy services for the power works; Goods storage fields; Wholesales of solid, liquid, gas and related product fuels; Construction of power plants and works in the power engineering industry; Construction and development of power infrastructure, LV and MV grid; Investment in constructing independent power projects; Construction and development of clean power CDM projects; Electrical system procurement services for the construction works; Trading in materials and spare parts for power production and trading; Supply of IT services; Supply of Certified Emission Reductions Solution (CERs) of power projects; Study and application of new technology advances in investment in developing

The accompanying notes are an integral part of these consolidated financial statements

power projects and using energy such as: wind power; solar power; nuclear power; Services in technique, operation and training human resources to manage the operation, repair and maintenance for power generation and trading; Lease of means of transportation, cranes and towing vehicles; Trading in ash, slag and scrap; Import and export of energy, raw materials, consumables, spare parts for power generation and trading; Import and export of items provided by the Corporation.

As of 31 December 2018, the Corporation's investment projects on commercial operating power plants including: Ca Mau 1 & 2 Thermal Power Plants in Ca Mau province, Nhon Trach 1 & 2 Power Plants, Vung Ang 1 Thermal Power Plant in Ha Tinh province, Nam Cat Hydropower Plant in Bac Kan province, Hua Na Hydropower Plant in Nghe An and Dakdrinh Hydropower Plant in Quang Ngai province.

NORMAL PRODUCTION AND BUSINESS PERIOD

The Corporation's normal production and business period is carried out not less than 12 months.

BUSINESS STRUCTURE

As of 31 December 2018, the dependent accounting units under the Corporation included:

- Branch of PetroVietnam Power Corporation - JSC - Petrovietnam Ca Mau Power Company
- Branch of PetroVietnam Power Corporation - JSC - Petrovietnam Nhon Trach Power Company
- Branch of PetroVietnam Power Corporation - JSC - PetroVietnam Ha Tinh Power Joint Stock Company
- Branch of PetroVietnam Power Corporation - Petrovietnam Power Coal Import and Supply Company
- Branch of PetroVietnam Power Corporation - Gas Power Project Investment Preparation Board

Details of subsidiaries and affiliates as of 31 December 2018 are described as follows:

Company name	Incorporation and operation place	Ownership percent (%)	Percent of voting rights (%)	Principal activities
Subsidiaries				
Hua Na Hydropower Joint Stock Company	Nghe An	84.14%	84.14%	Power generation
Petrovietnam Nhon Trach 2 Joint Stock Company	Dong Nai	59.37%	59.37%	Power generation
Dakdrinh Hydropower Joint Stock Company	Quang Ngai	94.83%	94.83%	Power generation
PetroVietnam Machine and Equipment JSC	Ha Noi	51.58%	51.58%	Commerce
Bac Kan Petrovietnam Power Joint Stock Company	Bac Kan	94.23%	94.23%	Power generation
PetroVietnam Power Services Joint Stock Company	Ha Noi	51.00%	51.00%	Services
Affiliates				
Nam Chien Hydropower Joint Stock Company	Son La	30.72%	30.72%	Power generation
Song Hong Hydropower Joint Stock Company	Yen Bai	44.07%	44.07%	Power generation
PetroVietnam Machine and Equipment JSC - the North	Ha Noi	34.58%	34.58%	Commerce

The accompanying notes are an integral part of these consolidated financial statements

NOTES ON DATA COMPARABILITY IN THE CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements was prepared for the period from 1 July 2018 (date that the Holding Company

was officially transformed into a Joint Stock Company) to 31 December 2018. Therefore, comparative figures are originated from the consolidated Financial Statements for the period from 1 January 2018 to 30 June 2018 of PetroVietnam Power Corporation (equitization entity). Some disclosures are retroactively adjusted as shown in Note No. 39.

2. BASIS OF CONSOLIDATED FINANCIAL STATEMENTS AND FISCAL YEAR

BASIS OF THE CONSOLIDATED FINANCIAL STATEMENTS

The accompanying consolidated Financial Statements are presented in Vietnam dong (VND) in accordance with the cost principle and the Vietnamese Accounting Standards, Vietnamese Accounting System and prevailing relevant regulations in Vietnam on preparation and presentation of the consolidated Financial Statements.

The consolidated financial statements are prepared for the period from 1 July 2018 to 31 December 2018 (date that the Holding Company was transformed from 100% State-owned enterprise into a Joint Stock Company) to 31 December 2018 on the basis of the Financial Statements for the period from 1 July 2018 to 31 December 2018 of the Holding Company and its subsidiaries.

The accompanying consolidated Financial Statements do not reflect the financial position, business performance and

cash flow statement in accordance with the widely accepted accounting principles and practices in other countries, out of Vietnam.

EQUITIZATION SETTLEMENT

The consolidated Financial Statements for the period from 1 July 2018 to 31 December 2018 exclude adjustments (if any) on equitization settlement because equitization settlement approval is released by the Holding Company as at the official transformation date.

FINANCIAL YEAR

The Company's financial year starts on 1 January and ends on 31 December.

3. SUMMARY OF KEY ACCOUNTING POLICIES

Key accounting policies are mainly applied for preparation of the consolidated financial statements by the Corporation, concretely:

ACCOUNTING ESTIMATES

Preparation of the consolidated Financial Statements under the Vietnamese Accounting Standards, Vietnamese Accounting System and prevailing relevant regulations on preparation and presentation of the consolidated Financial Statements requires the Executive Management Board to release estimates and assumptions affecting the disclosures on liabilities, assets and presentation of potential liabilities and assets as of date of consolidated financial statements as well as the disclosures on revenue and costs in the period. Although the estimates are released to the best knowledge of the Executive Management Board, the actual operation performance may be different from the set estimates and assumptions.

BASIS OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the financial statements of PV Power & its controlled companies (subsidiaries) prepared for the period from 1 July 2018 (date that the Holding Company was officially transformed into a Joint Stock Company) to 31 December 2018. Such control is obtained when the Corporation may successfully control the investee's financial policies and activities to obtain the benefits from activities of such subsidiaries.

Business results of acquired or resold subsidiaries in the period are presented in the Consolidated Income Statements since acquisition date or till the investment in such subsidiaries is sold.

The Financial Statements of subsidiaries are adjusted so that the accounting policies applied in the Corporation and its subsidiaries are identical, except for except for the financial

settlement operations and equitization settlement as of official transformation date to become a Joint Stock Company under the Decree No. 126/2017/ND-CP of the Government dated 16 November 2017 applied for the Corporation's consolidated Financial Statements.

All operations and balances incurred between the Corporation and its subsidiaries and among subsidiaries are removed when the Financial Statements are consolidated.

Benefits of uncontrolled shareholders include value of uncontrolled shareholders' benefits as of initial business consolidation date (see the contents below for more details) and the benefits of uncontrolled shareholders in changes of total owner's equity since date of business consolidation. The losses incurred by subsidiaries must be respectively distributed to the ownership of uncontrolled shareholders, including even when such loss is greater than the non-controlling interest of net assets in such subsidiaries.

BUSINESS CONSOLIDATION

Assets, liabilities and potential liabilities of subsidiaries are determined by reasonable value as of subsidiary acquisition date. Any surplus amount between buying rate and total reasonable value of acquired assets are recognized as goodwill. Any inadequacy between acquisition price and total reasonable value is included in the business results of the period that the subsidiaries are acquired.

Benefits of uncontrolled shareholders as of initial business consolidation date is determined by shareholding of uncontrolled shareholders against total reasonable value of assets, liabilities and potential liabilities to be recognized.

The accompanying notes are an integral part of these consolidated financial statements

INVESTMENTS INTO AFFILIATES

Affiliates as a company that the Corporation's significant influence is found but not a subsidiary or Joint Venture Company of the Corporation. The significant influence is demonstrated in the rights to make decisions on financial policies and activities of the investee, rather than control or co-control influence on such policies.

Business performance, assets and liabilities of affiliates are consolidated in the Financial Statements under the equity method. The capital contribution for affiliation is presented in the Consolidated Balance Sheet in accordance with the historical cost which is adjusted by changes in Corporation's contributed capital into the affiliates' net assets after date of investment acquisition. Losses incurred by the affiliates exceeding the Corporation's contributed capital at such affiliates (regardless of long-term contributed capital that constitutes the Corporation's net investment in such affiliates) are not recognized.

In the event that a member company of Corporation conducts a transaction with an affiliate, the unrealized profit/loss corresponding to the Corporation's contributed capital into the affiliates, is removed out of the consolidated financial statements.

GOODWIL

Goodwill in the consolidated financial statements is the surplus between the business consolidation price and benefit earned by the Corporation against total reasonable value of assets, liabilities and potential liabilities of subsidiaries and affiliates affiliates, or joint venture capital contributor as of

investment date. Goodwill is regarded as one of intangible assets, depreciated under the straight line method against expected effective time, not exceeding 10 years.

Goodwill obtained from acquisition of affiliates and co-controlled business entities is included into the book value of such affiliates and co-controlled business entities. Goodwill obtained from acquisition of subsidiaries is separately presented as other assets in the Consolidated Balance Sheet.

Upon disposal of subsidiaries, affiliates or joint venture capital contributor, the incompletely depreciated remaining value of goodwill is included into respective profit/loss on company disposal.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents, including cash in hand, demand deposits, short-term investments, are characterized by high liquidity, easily capitalized and less risky related to value variation.

FINANCIAL INVESTMENTS INVESTMENTS HELD TO MATURITY (HTM)

Investments held to maturity (HTM) include investments that are planned and able to held to maturity by the Corporation. Investments held to maturity (HTM) refers to term deposit for the purpose of period interest payment.

INVESTMENT INTO OTHER ENTITIES' CAPITAL INSTRUMENTS

Investment into other entities' capital instruments reflects the capital instrument investments that may not be controlled, co-controlled or significantly affected by the Corporation to the investee.

Investment into other entities' capital instruments is reflected in accordance with the historical cost, except for provisions for investments. Provision for devaluation of investment into other entities' capital instruments is made in accordance with the Circular No. 228/2009/TT-BTC of the Ministry of Finance dated 7 December 2009 on "guiding the appropriation and use of provisions for devaluation of inventories, loss of financial investments, bad receivable debts and warranty for products, goods and construction works at enterprises", the Circular No. 89/2013/TT-BTC of the Ministry of Finance dated 28 June 2013 on amending and supplementing the Circular No. 228/2009/TT-BTC and prevailing accounting regulations.

RECEIVABLE DEBTS

Receivable debts are recoverable amount from the client or otherwise. Liabilities are calculated by book value deducting provisions for bad debts.

Provisions for bad debts are made for the overdue liabilities over 06 months, or liabilities that the debtor is unable to make payment due to liquidation, bankruptcy or similar difficulties.

INVENTORIES

Inventories are determined by the lower price between the historical cost and net realizable value. The historical costs of inventories include direct raw materials, direct labor cost and general production expenses, if any, to have inventories located at the current location and status. Inventories are posted under the perpetual inventory method. Its historical cost is determined under the weighted average method. Net realizable value is determined by selling price, less estimated costs to complete the products as well as marketing, sales and distribution accruals.

Provision for devaluation of inventories is Made in accordance with the applicable accounting regulations. Accordingly, the Corporation is authorized to make provision for devaluation of obsolete, disqualified and damaged inventories and in the event that the cost of inventories is higher than the net realizable value as of finishing date of accounting period.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are demonstrated in historical cost less accumulated depreciation value

Cost of fixed assets form from purchase include purchase price and other expenses directly related to putting assets into ready use status. For the fixed assets form from investment into construction in progress under contracting method or self-construction and production method, the cost is the payment price of construction works in accordance with the applicable regulation on investment and construction management, other directly related expenses and registration fee (if any). In the event that the project is completed and put into operation but the settlement is not approved, then cost of fixed assets is recognized by temporary price on the spent actual expense basis to obtain the fixed assets. Temporary cost is adjusted in accordance with the settlement price approved by the competent authorities.

Tangible fixed assets is depreciated under straight line method in accordance with the expected useful life, concretely:

	Years
Buildings and architectural structures	5 - 25
Plants and equipment	5 - 20
Vehicles	5 - 10
Office equipment	3 - 7
Other fixed assets	3 - 5

Profits and losses arisen upon asset liquidation and sales are difference between income from the liquidation and remaining value of assets and included in the Consolidated Income Statements.

INTANGIBLE FIXED ASSETS AND DEPRECIATION

Intangible fixed assets include land use rights, computer software are presented by cost less accumulated amortization value. Term land use rights are depreciated under the straight line method in accordance with the land lot use period, long-term land use rights without amortization. Computer software is amortized under straight line method in accordance with the expected useful life of 3 years.

INVESTMENT PROPERTIES

Investment properties, including land use rights, buildings and architectural structures held by the Corporation for the purpose of benefits from lease, are presented by cost less accumulated depreciation value.

Investment properties is depreciated under straight line method in accordance with the expected useful life, concretely:

	Years
Land use rights	4
Buildings and architectural structures	4 - 25

WORKS IN PROGRESS

Construction in progress for the purposes of production, lease, management or otherwise is recognized at its cost. Such costs include necessary costs to form the properties, including construction expense, equipment and other related expenses in accordance with the Corporation's accounting policies. Such costs are passed to cost of fixed assets under temporary price (if no settlement is approved) when the properties are handed over and put into use.

According to the State regulations on investment and construction management, depending on the management decentralization, the settlement value of complete construction works must be approved by the competent authorities. Therefore, the ultimate value of such works may be changed and relied on settlement approved by the competent authorities.

PREPAYMENTS

Prepaid expenses include actual accruals related to business results of many accounting periods. Prepaid expenses mainly include insurance for long-term foreign loans, maintenance and service charges under maintenance and service contract for power plant's machine and equipment, prepayment of office rental, land rental, site clearance expenses, expenses Premiums, maintenance and service expenses are allocated into the Consolidated Income Statements under the straight line method, corresponding to the term of signed loan contracts and long-term maintenance service contracts.

Prepayment of office rental is allocated into the cost, corresponding to the prepaid lease term.

Other prepaid expenses are considered to offer the Corporation with future economic benefits. Such expenses are capitalized in the form of prepayments and allocated

The accompanying notes are an integral part of these consolidated financial statements

into the Consolidated Income Statements, using straight line method within 3 years.

ACCRUALS

Accruals include interest expenses payable and some other pre-provided and unused costs but estimated and recognized into the cost of the period.

Interest expenses are recognized by loan principal and interest.

Other expenses are other expenses incurred in the period but not invoiced by the supplier.

PAYABLE PROVISIONS

Payable provisions are recognized when the Corporation is subject to current debt obligation due to results from an occurred event and the Corporation may cover such obligation. Provisions are identified by estimates of the Executive Management Board regarding the necessary expenses for paying such debt obligation as of finishing date of accounting period.

FUND FOR SCIENCE AND TECHNOLOGY DEVELOPMENT

Fund for Science and Technology Development is made to create investment source for science and technology activities launched by the Corporation. The Fund is setup by providing at most 10% of pre-taxable income when corporate income tax is assessed and recognized into the business results in the period.

RECORDING REVENUE

Sales revenue

Sales revenue is recognized when all five (5) following conditions are satisfied:

- Significant risks and rewards of ownership of the product or goods have been passed to the buyer
- Goods management rights or goods control rights are no longer obtained as goods owner
- Revenue is reliably determined
- It is possible to gain economic benefits from such transactions
- Sales transaction-related costs are reliably determined

Power sales revenue

Power sales revenue is recognized when the transaction results are reliably determined and economic benefits may be obtained from such transactions by the Corporation. Revenue is recognized when minutes on power output to be connected with the National Grid is released.

Revenue from services

Revenue from services is recognized when the results of such transaction are reliably determined. In the event that service supply transaction is related to a series of period, revenue is recognized in the period in accordance with the implemented work as of date of Balance Sheet of such period. Results of service supply transaction are determined when four (4) conditions are completely satisfied:

- Revenue is reliably determined
- It is possible to gain economic benefits from such transactions
- Determine the implemented task as of date of Balance Sheet
- Determine the transaction accruals to successfully fulfill such service supply transaction

The accompanying notes are an integral part of these consolidated financial statements

Accumulated deposit interest is recognized and determined by balance of deposit accounts and applicable interest.

Interest from investments is recognized when the Corporation is entitled to interest.

FOREIGN CURRENCY

Foreign currency-denominated operations are translated in accordance with the exchange rate as of date of operations. Balance of foreign currency-denominated cash items as of date of closing accounting period is translated in accordance with the exchange rate as of this date. Accrued exchange rate difference is included in the Consolidated Income Statements.

INTEREST EXPENSES

Interest expenses are recognized into the operating cost in the period upon occurrence, unless it is capitalized as prescribed in Vietnam Accounting Standard No. 16 "Interest expenses". Accordingly, the interest expenses directly related to acquisition, construction investment or production of assets which are required to have a relatively long time to put into use or commercial operation are added to historical cost till such assets are put into use or operation. Incomes from temporary loan financing are deducted from historical cost of related assets. Regarding dedicated loans for development of fixed assets and investment properties, interest is capitalized even when the construction period is less than 12 months.

TAXES

Corporate Income Tax (CIT) demonstrates total current and differed tax value.

Current tax payables are determined by taxable income in the period. Taxable income other than pre-tax profit is presented in the Consolidated Income Statements because the taxable income excludes taxable incomes or expenses or it is deducted in other periods (included carry-forward loss, if any). It also excludes non-taxable or non-deductible items.

Under the Investment Certificate No. 47121000093 dated 28 December 2007, Nhon Trach 1 Thermal Power Plant (under Petrovietnam Power Nhon Trach 1 Co., Ltd) is enjoyed with annual preference CIT rate of 20% against 10-year profit since the project is put into operation and 22% in the next years (2018 current CIT rate was 20%). Nhon Trach 1 Thermal Power Plant is exempted with 02-year CIT since taxable income is earned and reduced with 50% of payable taxes in 03 next years. Since 1 August 2008, Petrovietnam Power Nhon Trach Co., Ltd has been merged with Petrovietnam Power Company Limited and transformed into dependent accounting entity.

2014 was the last year witnessed PV Power's entitlement to 50% reduction of CIT payable for Nhon Trach 1 Thermal Power Plant Project.

For Ca Mau 1 and Ca Mau 2 Power Plant Projects, under the Investment Certificate No. 61101000098 issued on 31 March 2010 by Ca Mau Provincial People's Committee, its CIT was exempted within 04 years and reduced with 50%

of payable taxes in next 07 years. 2018 was the 6th year recorded with 50% of CIT deduction was applied for such projects by PV Power.

For Vung Ang 1 Thermal Power Plant Project, under the Investment Preference Certificate No. 01/KKT dated 12 February 2008 (issued with the Investment Certificate No. 28221000009 dated 12 February 2008) issued by Vung Ang Economic Zone Authority, Ha Tinh Province, its CIT was 10% applied within 15 years since its commercial operation. Its CIT was exempted within 04 years since taxable income was earned and reduced 50% in next 09 years. When the project was officially put into operation, 10% CIT was offered by the Prime Minister during the project period. 2018 was the 4th CIT exemption year of Vung Ang 1 Thermal Power Plant Project.


Nhon Trach 2 Thermal Power Plant, Petrovietnam Power Nhon Trach 2 Joint Stock Company (PVPower NT2 - a PVPower Subsidiary) was obligated to pay for 10% CIT against taxable income originated from power production and business activities in within 15 years since the first profitable year and current tax rate for the next years. PVPower NT2 was exempted with 04-year CIT since taxable income was earned for power production and business and reduced with 50% of payable CIT in next 09 years. 2018 was the 4th year that 50% of CIT reduction was applied to Nhon Trach 2 Thermal Power Plant Project.

Hua Na Hydropower Plant Investment Project was a new player in Que Phong District, Nghe An Province where was characterized by especially difficult socio-economic conditions under the Decree No. 124/2008/ND-CP dated

11 December 2008 and the Decree No. 218/2013/ND-CP of the Government dated 26 December 2013. The Law on Corporate Income Tax No. 14/2008/QH12 of the National Assembly dated 3 June 2008, amended and supplemented by the Law on amending and supplementing a number of Articles of the Law on Corporate Income Tax No. 32/2013/QH13 dated 19 June 2013 specifies that, Hua Na Hydropower Joint Stock Company (HHC - a PVPower Subsidiary) was preferentially treated with 10% tax rate in the first 15 years of operation, exempted in 04 years, reduced with 50% of tax payables in next 09 years. Tax exemption and reduction time was continuously assessed since the first year that taxable income was earned from the preferential tax project by HHC.

DakDrinh Hydropower Plant, under the Investment Certificate No. 34121000029 dated 25 June 2008, Dakdrinh Hydrower Joint Stock Company (a subsidiary of PVPower) was entitled to CIT preference as prescribed in the Decree No. 24/2007/NĐ-CP of the Government dated 14 February 2007 on detailing the implementation of the Law on Corporate Income Tax (now superseded by the Decree No. 218/2013/ND-CP dated 26 December 2013).

For Nam Cat Hydropower Plant, under the Investment Certificate No. 13101000007 dated 8 August 2007 and amended Investment Certificates, Bac Kan Hydropower Joint Stock Company (a PVPower subsidiary, former Nam Cat Energy Joint Stock Company) was entitled to CIT preference to as prescribed in the Decree No. 24/2007/ND-CP of the Government dated 14 February 2007 on detailing the implementation of the Law on Corporate Income Tax (now superseded by the Decree No. 218/2013/



ND-CP dated 26 December 2013).

20% of CIT against taxable income was applied to other subsidiaries.

Differed taxable income was assessed for the difference in book value and tax income assessment basis of asset items or liabilities in the Consolidated Financial Statements and recognized under the Balance Sheet method. Deferred tax must be recognized for other remaining future temporary differences.

While differed tax assets are only recognized when future taxable profit are assured to deduct the temporary differences.

Differed tax was determined by expected tax rate applied for the recovered asset period or paid liabilities. Differed tax was recognized into the Consolidated Income Statements and only included in owner's equity when such tax assessment was related to items straightly included in owner's equity.

Deferred tax assets and liabilities were offset when PVPower is legally entitled to offset the current tax assets against current CIT and when the deferred tax assets and liabilities were managed by the same tax authority and PVPower may expect to make current tax payment on net basis.

PVPower's income tax assessment was based on applicable tax regulations. However, such regulations were changed from time to time and ultimate CIT assessments were relied on inspection of competent tax authorities.

Other taxes and duties are complied with the applicable Tax Laws of Vietnam.

4. CASH AND CASH EQUIVALENTS

	31/12/2018 VND	01/07/2018 VND
Cash	3,967,380,235	5,314,886,715
Demand deposits	169,841,748,083	373,352,301,623
Cash in transit	-	129,198,432
Cash equivalents (*)	3,011,520,803,583	5,403,048,551,094
	3,185,329,931,901	5,781,844,937,864

(*) Cash equivalents reflect the deposits with original term of not more than 3 months at credit institutions.

As of 31 December 2018, demand deposits of PVPower and its subsidiaries included VND 31,025,410,732 (1 July 2018: VND 30,620,275,478) as the suspending deposit at Ocean Commercial One Member Limited Library Bank. The Executive Management Board judged that such amount shall be re-transacted in the future when specific regulations are released by the State Bank of Vietnam (SBV).

5. FINANCIAL INVESTMENTS

INVESTMENTS HELD TO MATURITY (HTM)

	31/12/2018		01/07/2018	
	Historical VND	Book value VND	Historical VND	Book value VND
Investments held to maturity (*)	176,038,035,938	176,038,035,938	159,025,245,522	159,025,245,522
	176,038,035,938	176,038,035,938	159,025,245,522	159,025,245,522

(*) As of 31 December 2018, investments held to maturity (HTM) reflected 3-12 month-termed deposits at commercial banks with interest of 5.1% p.a. - 7% p.a.

LONG-TERM FINANCIAL INVESTMENT

INVESTMENTS INTO AFFILIATES

Details of PVPower affiliates as of 31 December 2018 are described as follows:

Company name	Incorporation and operation place	Ownership percent (%)	Voting percent %	Main business lines
Nam Chien Hydropower Joint Stock Company	Son La	30.72%	30.72%	Power generation
Song Hong Energy Joint Stock Company	Yen Bai	44.07%	44.07%	Power generation
PetroVietnam Machine and Equipment JSC - the North	Ha Noi	34.58%	34.58%	Commerce

Investment value into affiliates under the equity method is described as follows:

	31/12/2018 VND	01/07/2018 VND
Nam Chien Hydropower Joint Stock Company	329,446,627,579	299,252,846,406
Song Hong Energy Joint Stock Company	38,011,459,896	36,742,036,101
PetroVietnam Machine and Equipment JSC - the North	445,511,219	574,532,035
	367,903,598,694	336,569,414,542

Details of amending investments into affiliates under equity method at 31st December 2018:

Company name	Historical cost VND	Adjustment under equity method VND	Value under equity method VND
Nam Chien Hydropower Joint Stock Company	302,295,301,000	27,151,326,579	329,446,627,579
Song Hong Energy Joint Stock Company	32,887,500,000	5,123,959,896	38,011,459,896
PetroVietnam Machine and Equipment JSC - the North	952,434,683	(506,923,464)	445,511,219
	336,135,235,683	31,768,363,011	367,903,598,694

The accompanying notes are an integral part of these consolidated financial statements

CAPITAL CONTRIBUTION TO OTHER ENTITIES

	31/12/2018		01/07/2018	
	Historical cost VND	Provision VND	Historical cost VND	Provision VND
Viet Lao Power Joint Stock Company(*)	320,049,656,500	-	320,049,656,500	-
Investment into HH3 Nam An Khanh Project, Hoai Duc, Hanoi	81,741,478,800	-	81,741,478,800	-
FCC Vietnam Co., Ltd	49,495,000,000	-	49,495,000,000	-
Showa Auto-Parts Vietnam Company Limited	36,673,137,983	-	36,673,137,983	-
Song Tranh 3 Hydropower Joint Stock Company (*)	29,341,800,000	144,719,609	29,341,800,000	-
EVN International Joint Stock Company (*)	28,800,000,000	-	28,800,000,000	-
PetroVietnam Urban Development Joint Stock Company (*)	18,202,000,000	18,202,000,000	18,202,000,000	-
Vietnam Nippon Seiki Co.,Ltd	11,781,000,000	-	11,781,000,000	-
High Tech Concrete Investment JSC (Sopewaco)	11,140,000,000	11,140,000,000	11,140,000,000	11,140,000,000
Petroleum Information Technology Telecom and Automation Joint Stock Company	5,040,000,000	-	5,040,000,000	-
Nhon Trach Shipyard Joint Stock Company	3,621,000,000	1,281,663,209	3,621,000,000	740,303,232
PetroVietnam Construction Joint Stock Corporation	3,000,000,000	-	3,000,000,000	-
Nghe An Food Products Joint Stock Company	2,016,000,000	2,016,000,000	2,016,000,000	2,016,000,000
Son Tra Hydropower Joint Stock Company - Song Da (*)	1,228,800,000	1,228,800,000	1,228,800,000	-
PetroVietnam Machine and Electricity JSC (*)	1,000,000,000	263,770,062	1,000,000,000	-
PetroVietnam Machine and Equipment JSC - the South	841,102,790	680,584,599	841,102,790	680,584,599
Asia - Pacific Energy Development Investment Joint Stock Company (*)	550,000,000	550,000,000	550,000,000	-
	604,520,976,073	35,507,537,479	604,520,976,073	14,576,887,831

(*) Provisions for Holding Company's financial investments as of 30 June 2018 (the last operating day of the Holding Company- PVPower under the form of single member limited liability company) included into operating performance of equitization enterprise as instructed by the Decree No. 126/2017/ND-CP of the Government dated 16 November 2017. Therefore, no figures were carried forward to the beginning period as of 1 July 2018.

The financial investments were not properly valued by PVPower as of date of finishing the operating term because no specific instructions on determining appropriate value of financial investments were not covered by the applicable regulations.

6. TRADE ACCOUNTS RECEIVABLE

	31/12/2018 VND	01/07/2018 VND
a. Trade accounts receivable	7,277,119,504,327	9,450,212,931,408
Electric Power Trading Company (*)	6,911,361,745,537	9,072,357,264,200
Others	365,757,758,790	377,855,667,208
b. Trade accounts receivable from stakeholders	42,935,794,584	59,977,539,695
(See Note No. 36 for more details)	42,935,794,584	59,977,539,695
	7,320,055,298,911	9,510,190,471,103

(*) At the SBV's proposal at the Official Dispatch No. 961/NHNN-QLNH dated 9 February 2018 on adjusting the power sales price of Ca Mau 1 Power Plant and Ca Mau 2 Power Plant in accordance with the the laws on foreign currency management, the Official Dispatch No. 2057/EPTC-KDMĐ dated 11 June 2016 was submitted to PVPower by Electric Power Trading Company regarding power price negotiation of Power Purchase Agreement with Ca Mau 1 Power Plant and Ca Mau 2 Power Plant and temporary payment proposal for monthly power sales price under exchange rate of 15,894 VND/USD since February 2018 (the exchange rate under total estimates of Ca Mau 1 Power Plant and Ca Mau 2 Power Plant). However, such proposal was not accepted by PVPower and the central exchange rate was still applied as of invoicing date for monthly power sales price (specified in applicable Power Purchase Agreement - PPA). As of 31 December 2018, outstanding balance of power bill unpaid to PVPower due to disagreement on exchange rate applied for monthly power purchase price was approximately VND 628 billion. As of date of this Consolidated Financial Statements, exchange rate for monthly power purchase price was still being negotiated by PVPower and Electric Power Trading Company. The Executive Management Board strongly believed that the aforesaid amount shall be recovered in the future. Therefore, no provision for this doubtful debts was made by PVPower.

7. SHORT-TERM ADVANCES TO SUPPLIERS

	31/12/2018 VND	01/07/2018 VND
a. Short-term advances to suppliers	111,018,809,230	121,636,908,546
LICOGI Corporation	9,546,256,592	10,796,359,015
Dai Hiep Co., Ltd	5,068,743,968	-
Dai Tam Son Joint Stock Company	-	16,701,212,880
Others	96,403,808,670	94,139,336,651
b. Advance payment to stakeholders	4,338,748,235	4,635,096,315
(See Note No. 36 for more details)	4,338,748,235	4,635,096,315
	115,357,557,465	126,272,004,861

The accompanying notes are an integral part of these consolidated financial statements

8. OTHER

	31/12/2018 VND	01/07/2018 VND
a. Current		
Receivables from Vietnam Oil and Gas Group (i)	218,489,976,676	219,500,281,300
Receivables from PetroVietnam Vung Ang-Quang	44,717,292,306	44,717,292,306
Trach Power Project Management Board (ii)	11,880,626,311	18,289,183,087
Deposit interest	67,987,385,821	48,316,919,569
Other receivables	343,075,281,114	330,823,676,262
In which:		
Other short-term receivables as stakeholder (See Note No. 36 for more details)	264,052,370,087	265,062,674,711
b. Non-current		
Compensation for site clearance	38,569,044,582	37,652,707,000
Long-term collateral & deposit	1,753,853,825	1,753,853,825
	40,322,898,407	39,406,560,825

(i) As of 31 December 2018, Vietnam Oil and Gas Group's receivable balance reflected receivables for 500 kV distribution switchgear to Vung Ang 1 Thermal Power Plant and property premium of 500 kV distribution switchgear has been handed over to PVPower under the Resolution No. 8642/NQ-DKVN of Vietnam Oil and Gas Group on approving retaking asset value. 500 kV distribution switchgear of Vung Ang Power Center has been delivered to PV Power in accordance with the Resolution No. 753/NQ-DKVN of PVN's Member Council.

(ii) Receivables from PetroVietnam Vung Ang-Quang Trach Power Project Management Board reflected the operating costs receivable of Vung Ang 1 Preparation Board, training costs of Vung Ang Thermal Power Plant employees.

9. BAD DEBTS

	31/12/2018		01/07/2018	
	Historical cost VND	Recoverable value VND	Historical cost VND	Recoverable value VND
Value of accounts receivable, overdue loans or due but doubtful debts				
Tan Hong Import Export Joint Stock Company (*)	96,856,865,496	-	96,856,865,496	-
Vina Megastar Corporation (*)	33,627,654,160	-	33,627,654,160	-
Thanh Duc Co., Ltd	20,394,119,114	-	20,394,119,114	-
D&T Import Export - Trading Joint Stock Company	15,485,149,669	2,200,000,000	15,485,149,669	700,000,000
IMICO Petroleum Construction Investment JSC (PVC-IMICO)	15,381,516,087	-	15,381,516,087	-
Electric Power Trading Company (EPTC/EVN)	10,615,012,421	5,307,506,210	-	-
Petrovietnam Power Project Consultant Joint Stock Company	8,179,082,781	312,655,746	-	-
Mien Trung Petroleum Construction Joint Stock Company (PVC-MT)	7,045,317,471	399,291,000	7,045,317,471	399,291,000
Others	48,178,581,261	18,500,000	107,741,900,962	61,028,286,565
	255,763,298,460	8,237,952,956	296,532,522,959	62,127,577,565

Specific instructions on determining recoverable value of receivables are not covered by Vietnam Accounting Standards and applicable regulations. As a result, as of 31 December 2018, the Executive Management Board conducted the conservative estimate and determined the recoverable value of receivables by book value deducting the made provision for doubtful long-term debts.

The accompanying notes are an integral part of these consolidated financial statements

10. INVENTORIES

	31/12/2018		01/07/2018	
	Historical cost VND	Provision VND	Historical cost VND	Provision VND
Goods in transit	-	-	2,855,428,625	-
Raw materials (i)	2,072,523,380,756	-	1,627,127,132,906	-
Tools, instruments	5,958,008,929	-	2,323,536,758	-
Working costs in progress (ii)	2,049,453,132,965	-	2,086,415,611,902	-
Goods	58,861,242,259	(182,400,000)	30,491,081,632	(182,400,000)
	4,186,795,764,909	(182,400,000)	3,749,212,791,823	(182,400,000)

(i) As of 31 December 2018, balance of raw materials included value of standby materials and equipment of PetroVietnam Power Services Joint Stock Company (PVPS - a PV Power Subsidiary) involving in import to facilitate repair and overhaul of gas turbine assembly at Ca Mau 1 Power Plant, Ca Mau 2 Power Plant and Nhon Trach 2 Combined Cycles Power Plant under the long-term contract worth VND 465 billion (1 July 2018: VND 465 billion).

(ii) As of 31 December 2018, balance of working costs in progress included technical service costs of PVPS concerning purchase of imported materials, equipment and other accruals to serve for maintenance of Ca Mau 1 Power Plant, Ca Mau 2 Power Plant and Nhon Trach 2 Combined Cycles Power Plant under the contract made and entered by and between PVPS and Siemens Contractor (Siemens Aktiengesellschaft and Siemen Vietnam Co., Ltd) worth VND 2,016 billion (1 July 2018: VND 2,016 billion).

For such inventories balance, PVPS was intermediary to recognize between the maintenance and repair service contractors and power plants. Balance of respective inventories and liabilities was settled and adjusted when procedures on transferring maintenance service contract subject with the Contractor and power plants were successfully fulfilled by PVPS.

11. PREPAID EXPENSES

	31/12/2018 VND	01/07/2018 VND
Current		
Property insurance and operation of Vung Ang Power Plant	32,059,011,649	16,130,758,769
Operation insurance for Ca Mau 1 & 2 Power Plants	1,836,722,986	3,892,815,077
Operation insurance for Nhon Trach 1 & 2 Power Plants	1,281,480,001	2,311,257,455
Other short-term prepayments	4,032,419,013	9,926,628,151
	39,209,633,649	32,261,459,452
Non-current		
Credit facility premium (i)	155,588,455,977	188,046,818,675
Deposit fee, variation fee and fixed fee of equipment maintenance service contract (ii)	144,651,073,201	165,027,170,476
Unallocated overhaul expense of Nhon Trach 2 Power Plant	87,396,512,987	111,124,856,476
Repair and maintenance expenses of O&M contract (iii)	65,866,424,988	92,212,995,000
Land rental	49,538,176,473	44,712,496,309
Office rental	30,731,117,208	30,861,769,080
Goodwill	28,542,933,921	28,542,933,921
Life insurance premium	-	2,516,666,667
Other long-term prepayments	109,402,458,472	62,258,654,553
	671,717,153,227	725,304,361,157

(i) Credit facility premium: under the export credit contract made and entered by and between Nhon Trach 2 Joint Stock Company (NT2 - a PV Power Subsidiary) and financing banks that Citibank was agent. Credit facility premium issued by HERMES and NEXI covered the lenders in contractual loan tenor, i.e., 2.5 and 9.5 years of grace and loan repayment, respectively. Such loan premium was allocated under the straight line method, corresponding to the long-term loan tenor.

(ii) Deposit fee, variation fee and fixed fee of equipment maintenance service contract: under the long-term equipment maintenance contract made and entered by and between NT2 and concerned Contractors for prime plants and equipment maintenance of Nhon Trach 2 Combined Cycles Power Plant (CCPP) with term of 11.7 years or 200,000 EOH. Deposit fee, variation fee and fixed fee was paid before Nhon Trach 2 CCPP was commercially operated and allocated into consolidated Income Statements in the period by actual EOH.

(iii) As of 31 December 2018, O&M Contract's repair and maintenance expenses reflected the deposit fee payment to foreign contractor and the remaining value of the "2008 Minor Repair" Service Contract was not allocated into O&M Contract's repair and maintenance expenses of Ca Mau 1 & 2 Power Plants, worth VND 59,410,841,131 and VND 6,455,583,857, respectively. Deposit fee and this "2008 Minor Repair" Service Contract was included in contract value-based costs, corresponding to conversion time of 100,000 EOH.

The accompanying notes are an integral part of these consolidated financial statements



12. INCREASE/DECREASE IN TANGIBLE FIXED ASSETS

	Buildings and architectural structures VND	Plants and equipment VND
COST		
As of 1 July 2018	17,890,170,472,520	48,707,670,006,761
Increase in the period	1,474,417,288	2,958,327,335
Construction in progress	104,428,411,391	-
Liquidation, disposal	-	(268,210,400)
Reclassification	(2,155,120,000)	-
As of 31 December 2018	17,993,918,181,199	48,710,360,123,696
ACCUMULATED DEPRECIATION		
As of 1 July 2018	4,237,557,158,852	22,478,355,728,743
Depreciation of the year	391,212,253,239	1,452,015,182,445
Liquidation, disposal	-	(119,128,113)
Reclassification	-	(306,750,658)
As of 31 December 2018	4,628,769,412,091	23,929,945,032,417
REMAINING VALUE		
As of 1 July 2018	13,652,613,313,668	26,229,314,278,018
As of 31 December 2018	13,365,148,769,108	24,780,415,091,279

The accompanying notes are an integral part of these consolidated financial statements

Motor vehicles VND	Office equipment VND	Others VND	Tổng VND
316,648,644,750	128,602,337,009	2,125,266,355,439	69,168,357,816,479
5,659,426,906	10,504,438,814	-	20,596,610,343
-	685,000,000	-	105,113,411,391
-	-	-	(268,210,400)
-	2,246,750,000	(91,630,000)	-
322,308,071,656	142,038,525,823	2,125,174,725,439	69,293,799,627,813
244,142,008,774	96,176,610,229	221,216,978,685	27,277,448,485,283
7,859,492,780	7,407,979,544	44,697,653,572	1,903,192,561,580
-	-	-	(119,128,113)
-	398,380,658	(91,630,000)	-
252,001,501,554	103,982,970,431	265,823,002,257	29,180,521,918,750
72,506,635,976	32,425,726,780	1,904,049,376,754	41,890,909,331,196
70,306,570,102	38,055,555,392	1,859,351,723,182	40,113,277,709,063

As of 31 December 2018, the cost of depreciated and in-use tangible fixed assets was VND 10,598,650,237,064 (as of 1 July 2018: VND 5,542,604,576,691).

All values of assets formed from construction projects of Hua Na Hydropower Plant, Bac Kan Hydropower Plant and some tangible fixed assets at PetroVietnam Machine and Equipment JSC (a PV Power subsidiary) were used to secure bank loans.

13. INCREASE/DECREASE IN

	Land use rights VND	Computer software VND	Total VND
COST			
As of 1 July 2018	55,819,637,569	40,825,104,332	96,644,741,901
Increase in the period	-	3,654,058,353	3,654,058,353
Liquidation, disposal	(1,556,288,210)	-	(1,556,288,210)
As of 31 December 2018	54,263,349,359	44,479,162,685	98,742,512,044
ACCUMULATED DEPRECIATION			
As of 1 July 2018	799,510,014	31,217,767,391	32,017,277,405
Depreciation of the year	71,147,750	2,692,219,470	2,763,367,220
As of 31 December 2018	870,657,764	33,909,986,861	34,780,644,625
REMAINING VALUE			
As of 1 July 2018	55,020,127,555	9,607,336,941	64,627,464,496
As of 31 December 2018	53,392,691,595	10,569,175,824	63,961,867,419

As of 31 December 2018, the cost of depreciated and in-use intangible fixed assets was VND 13,862,654,587 VND (as of 1 July 2018: VND 13,862,654,587).

14. INCREASE/DECREASE IN INVESTMENT PROPERTIES

	Land use rights VND	Workshop and architectural structures VND	Total VND
COST			
As of 1 July 2018	7,779,542,940	9,766,080,000	17,545,622,940
As of 31 December 2018	7,779,542,940	9,766,080,000	17,545,622,940
ACCUMULATED DEPRECIATION			
As of 1 July 2018	7,779,542,940	9,673,023,033	17,452,565,973
Deduction for depreciation of the year	-	59,528,454	59,528,454
As of 31 December 2018	7,779,542,940	9,732,551,487	17,512,094,427
REMAINING VALUE			
As of 1 July 2018	-	93,056,967	93,056,967
As of 31 December 2018	-	33,528,513	33,528,513

The accompanying notes are an integral part of these consolidated financial statements

15. WORKS IN PROGRESS

	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
Opening balance	373,391,066,778	290,490,453,714
Change in the period	299,635,481,103	148,641,698,898
Carry forward to tangible fixed assets	(105,113,411,391)	(48,938,689,183)
Recognized into costs	(190,374,247,862)	(16,325,462,666)
Other deduction	-	(476,933,985)
Closing balance	377,538,888,628	373,391,066,778

Details of work in progress as of 31 December 2018 are described as follows:

	31/12/2018 VND	01/07/2018 VND
Luang Prabang Hydropower Project (i)	131,564,171,361	130,844,764,417
Hua Na Hydropower Plant	188,986,007,554	185,988,117,585
Subzone 2 Project	25,609,491,717	25,609,491,717
Others	31,379,217,996	30,948,693,059
	377,538,888,628	373,391,066,778

(i) The Notice No. 1484/KHĐT4 released on 18 July 2017 by the Ministry of Planning and Investment of the Lao People's Democratic Republic specified that Luang Prabang Hydropower Plant was extended with 4th Memorandum of Understandings (MOU) with further extension to September 2019. Necessary procedures are being fulfilled to establish the Joint Venture by PV Power and Laos partner to continue project investment preparation, completion of feasibility study reports, EIA reports and social impact assessment report.

16. LONG-TERM EQUIPMENT AND SPARE PARTS

As of 31 December 2018, balance of long-term equipment and spare parts for replacement reflected the value of standby repair materials as technically required in Nhon Trach 1 CCPP, Ca Mau 1 & 2 Power Plants, Vung Ang 1 Thermal Power Plant and Hua Na Hydropower Plant.

17. SHORT-TERM TRADE PAYABLES

	31/12/2018		01/07/2018	
	Value VND	Repayable amount VND	Value VND	Repayable amount VND
a. Short-term trade account payables	3,894,482,328,747	3,894,482,328,747	4,324,286,942,142	4,324,286,942,142
Siemens Aktiengesellschaft (i)	2,483,148,580,687	2,483,148,580,687	2,483,170,388,781	2,483,170,388,781
Vietnam National Coal - Mineral Industries Holding Corporation Limited	322,515,111,660	322,515,111,660	723,645,473,734	723,645,473,734
LICOGI Corporation	105,028,573,670	105,028,573,670	92,484,472,987	92,484,472,987
Song Da Corporation	46,480,885,494	46,480,885,494	72,705,222,023	72,705,222,023
Lilama	20,226,382,739	20,226,382,739	32,300,822,607	32,300,822,607
Other suppliers	917,082,794,497	917,082,794,497	919,980,562,010	919,980,562,010
b. Trade payables to stakeholders (See Note No. 36 for more details)	2,005,985,347,262	2,005,985,347,262	2,384,124,130,760	2,384,124,130,760
	5,900,467,676,009	5,900,467,676,009	6,708,411,072,902	6,708,411,072,902

(i) Liabilities were recognized with Siemens Aktiengesellschaft by PetroVietnam Power Services Joint Stock Company (PVPS - a PV Power subsidiary) in accordance with the materials and equipment customs declaration forms for maintenance and service of Ca Mau 1 & 2 Power Plants and Nhon Trach 2 CCPP.

Balance of respective liabilities and inventories was adjusted when the concerned procedures are fulfilled with the stakeholders by PVPS (as presented in Note No. 10).

The accompanying notes are an integral part of these consolidated financial statements

18. TAXES AND AMOUNTS RECEIVABLE/PAYABLE TO STATE BUDGET

	01/07/2018 VND	Payable/offset in the period VND	Payment in the period VND	31/12/2018 VND
a. Accounts receivable				
Corporate income tax (CIT)	865,272,122	574,399,621	-	290,872,501
Personal income tax	181,622,598	181,198,382	-	424,216
Others	216,000,000	80,000,000	-	136,000,000
	1,262,894,720	835,598,003	-	427,296,717
b. Accounts payable				
Payable VAT	168,491,007,633	419,066,824,920	427,871,520,892	159,686,311,661
Import, export taxes	-	13,509,331,247	13,509,331,247	-
Corporate income tax (CIT)	64,065,651,095	79,086,585,429	56,060,259,658	87,091,976,866
Resources tax	13,160,061,050	87,890,145,885	94,730,280,814	6,319,926,121
Personal income tax	7,581,307,623	22,943,413,042	20,759,296,943	9,765,423,722
Others	21,335,267,995	61,565,050,805	47,222,853,783	35,677,465,017
	274,633,295,396	684,061,351,328	660,153,543,337	298,541,103,387

19. SHORT-TERM PAYMENTS

	31/12/2018 VND	01/07/2018 VND
Gas costs (i)	1,625,768,336,249	1,591,400,952,924
Interest expenses (ii)	229,489,453,552	253,324,980,144
Maintenance and repair costs (iii)	98,206,209,042	82,253,929,545
Taxes and duties for loans	14,084,234,622	12,911,575,631
Plant's operating power and water bill	18,758,882,173	-
Others	31,765,816,653	52,979,157,045
	2,018,072,932,291	1,992,870,595,289

(i) Gas bill costs were accrued and non-invoiced under the gas purchase agreements for Nhon Trach 1&2 CCPPs.

(ii) Interest expenses payable as of 31 December 2018 reflected interest of financing credit agreements for PV Power plant projects.

(iii) Maintenance and repair maintenance costs were accrued by PV Power under maintenance and repair service contracts for Nhon Trach 2 Power Plant and Dackdrinh Hydropower Plant.

The accompanying notes are an integral part of these consolidated financial statements

20. OTHER PAYABLES

	31/12/2018 VND	01/07/2018 VND
a. Current		
Vietnam Oil and Gas Group (i)	2,130,275,290,623	2,124,360,291,974
Vung Ang-Quang Trach Power Project Management Board	22,798,636,733	24,344,842,478
Dividend payable to shareholders	123,131,263,143	541,107,243,608
Equitization payable	17,001,027,885	17,001,027,885
Resources tax, value added tax, forest environmental protection taxes and duties	12,014,567,300	15,067,475,462
Others	98,073,005,021	63,930,341,971
	2,403,293,790,705	2,785,811,223,378
In which: 2,153,073,927,356 of trade accounts payable to stakeholders (Described in Note No. 36)	2,153,073,927,356	2,154,620,133,101
b. Non-current		
Long-term collateral & deposit	759,840,195	766,020,195
	759,840,195	766,020,195

(i) Mainly reflect profit in the periods to be paid to Vietnam Oil and Gas Group.

21. FINANCIAL LOANS AND DEBTS

A. SHORT-TERM

	01/07/2018		In the period		31/12/2018	
	Value VND	Repayable amount VND	Increase VND	Decrease VND	Value VND	Repayable amount VND
Short-term loans	3,173,326,847,283	3,173,326,847,283	3,737,154,048,541	6,204,499,379,924	705,981,515,900	705,981,515,900
Long-term borrowings and loans on due date	5,889,241,878,694	5,889,241,878,694	3,003,279,587,172	3,044,104,476,731	5,848,416,989,135	5,848,416,989,135
	9,062,568,725,977	9,062,568,725,977	6,740,433,635,713	9,248,603,856,655	6,554,398,505,035	6,554,398,505,035

The accompanying notes are an integral part of these consolidated financial statements

Short-term bank loans are detailed as follows:

	31/12/2018 VND	01/07/2018 VND
a. Short-term loans		
Military Commercial Joint Stock Company	330,000,000,000	-
BIDV	219,318,357,500	707,770,417,529
PVcomBank	93,875,860,339	61,886,978,000
Vietcombank	56,363,900,000	16,105,260,000
Vietnam International Commercial Joint Stock Bank	6,423,398,061	-
Vietnam Technological and Commercial Joint-stock Bank -	-	1,900,315,229,036
Citibank	-	487,148,962,718
Personal loans	-	100,000,000
	705,981,515,900	3,173,326,847,283
b. Long-term bank loans on due date		
	5,848,416,989,135	5,889,241,878,694
	6,554,398,505,035	9,062,568,725,977

As of 31 December 2018, short-term loans were applied from commercial banks to supplement PV Power's working capital and cover payment guarantee. Lending rate was agreed by each disbursement.

B. LONG-TERM

	01/07/2018		In the period		31/12/2018	
	Value VND	Repayable amount VND	Increase VND	Decrease VND	Value VND	Repayable amount VND
Long-term borrowings and loans	21,952,002,491,089	21,952,002,491,089	119,296,654,393	2,919,036,068,777	19,152,263,076,705	19,152,263,076,705
	21,952,002,491,089	21,952,002,491,089	119,296,654,393	2,919,036,068,777	19,152,263,076,705	19,152,263,076,705
In which:						
Long-term borrowings and loans on due date	5,889,241,878,694	5,889,241,878,694			5,848,416,989,135	5,848,416,989,135
Long-term borrowings and loans	16,062,760,612,395	16,062,760,612,395			13,303,846,087,570	13,303,846,087,570

The accompanying notes are an integral part of these consolidated financial statements

Long-term bank loans are detailed as follows:

	31/12/2018 VND	01/07/2018 VND
HSBC	7,888,706,006,285	9,198,170,823,937
Citibank	2,618,851,377,270	3,153,659,245,121
Credit Agricole Corporate and Investment	2,518,749,434,076	2,719,839,992,284
PVcomBank	1,698,582,026,085	1,783,511,126,086
Vietnam Development Bank	1,164,259,742,579	1,362,339,106,579
Japan Bank for International Cooperation (JBIC)	819,413,134,238	901,218,812,100
SHB	764,148,432,999	803,639,036,483
Vietcombank	642,467,635,828	945,620,924,472
An Binh Commercial Joint Stock Bank (ABBank)	533,166,402,522	419,984,560,000
Military Commercial Joint Stock Company	293,852,929,176	300,291,440,980
Vietnam Joint Stock Commercial Bank for Industry and Trade	197,751,118,976	215,727,118,976
Vietnam Prosperity Joint Stock Commercial Bank	12,314,836,671	14,777,804,071
Credit Agricole CIB	-	133,222,500,000
	19,152,263,076,705	21,952,002,491,089
Less: payable within 12 months (presented in short-term borrowings and loans)	5,848,416,989,135	5,889,241,878,694
Payable after 12 months	13,303,846,087,570	16,062,760,612,395

PV Power's long-term loans disbursed in USD and VND were mainly served for investment of projects on construction and improvement of PV Power plants.

Loans were classified by disbursement currency as follows:

	31/12/2018 VND	01/07/2018 VND
USD loans	13,153,605,544,517	15,429,826,851,100
EUR loans	1,323,741,346,009	1,614,109,361,514
VND loans	4,674,916,186,179	4,908,066,278,475
	19,152,263,076,705	21,952,002,491,089

The accompanying notes are an integral part of these consolidated financial statements

Long-term loans were classified by guarantee forms as follows:

	31/12/2018 VND	01/07/2018 VND
Fidelity guarantees	2,589,252,998,778	2,587,150,162,569
Third party guarantees	14,477,346,890,526	17,043,936,212,614
Asset-Backed Security	2,085,663,187,402	2,320,916,115,906
	19,152,263,076,706	21,952,002,491,089

PV Power loans were contracted with floating and fixed interest. Loans classified by lending rate as follows:

	31/12/2018 VND	01/07/2018 VND
Floating-rate loans	3,138,350,161,421	3,111,990,997,808
Fixed-rate loans	16,013,912,915,285	18,840,011,493,281
	19,152,263,076,706	21,952,002,491,089

Long-term loan repayment was made in accordance with following schedule:

	31/12/2018 VND	01/07/2018 VND
Within 01 year	5,848,416,989,135	5,889,241,878,694
Within 2nd year	5,328,055,720,904	5,408,211,085,036
From 3rd year to 5th year	6,098,021,300,554	8,349,432,220,707
After 5th year	1,877,769,066,111	2,305,117,306,652
	19,152,263,076,705	21,952,002,491,089
Less: payable within 12 months (presented in short-term borrowings and loans from finance lease)	5,848,416,989,135	5,889,241,878,694
Payable after 12 months	13,303,846,087,570	16,062,760,612,395

The accompanying notes are an integral part of these consolidated financial statements

22. PROVISIONS

	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
Opening balance	687,876,534,536	516,700,389,523
Additional provision in the period	440,537,753,260	598,244,899,131
(Reversed) provision	(25,953,157,856)	(63,060,762,045)
Used provisions	(707,685,824,025)	(364,007,992,073)
Closing balance	394,775,305,915	687,876,534,536

	31/12/2018 VND	01/07/2018 VND
Provisions for short-term payables	143,181,837,310	557,288,489,041
Provisions for long-term payables	251,593,468,605	130,588,045,495
	394,775,305,915	687,876,534,536

As of 31 December 2018, payable provisions reflected the maintenance and repair expenses prepaid to Ca Mau 1 & 2 Plants and Nhon Trach 1 Thermal Power Plant.

- Maintenance and repair expenses of Ca Mau 1 & 2 Power Plants were determined under the Contract of "Maintenance and Repair of Ca Mau 1 & 2 Power Plants in phase of first 100,000 EOH" made and entered by and between PetroVietnam Power Corporation and PetroVietnam Power Services Joint Stock Company. Maintenance and repair fees specified in the 4th amended Contract referred to total of EUR 1,288,839.16 and VND 493,626,306,629 (excluding VAT), periodically accrued by PV Power.
- Maintenance and repair costs accrued by Nhon Trach 1 Power Plant were identified as inspection period expenses C under the Contract No. 38/PVP-PVPS/2010/LTMA-NT1 made and entered on August 2010 on maintenance and repair of Nhon Trach 1 Power Plant in the first 108.00 EOH phase by and between PetroVietnam Power Corporation and PetroVietnam Power Services Joint Stock Company. Maintenance and repair fees specified in the Contract referred to total of EUR 115,104,610.6 and VND 508,067,920,553 (excluding VAT), periodically accrued by PV Power.

The accompanying notes are an integral part of these consolidated financial statements

23. FUND FOR SCIENCE AND TECHNOLOGY

As of 31 December 2018, balance of Fund for Science and Technology Development of PV Power companies is described as follows:

	31/12/2018 VND	01/07/2018 VND
Holding Company - PetroVietnam Power Corporation	128,733,156,808	128,733,156,808
Petrovietnam Nhon Trach 2 Joint Stock Company	38,440,765,897	38,532,394,904
PetroVietnam Power Services Joint Stock Company	1,992,669,655	2,365,282,734
	169,166,592,360	169,630,834,446

The accompanying notes are an integral part of these consolidated financial statements

24. OWNER'S EQUITY

CHANGES IN OWNER'S EQUITY

	Contributed charter capital VND	Share premium VND	Exchange rate difference VND	Other equities VND
As of 1 January 2018	21,774,301,577,676	(311,254,328)	-	227,887,397,807
Profit in the period	-	-	-	-
Profit distribution	-	-	-	-
Carried forward equitization payables	-	-	-	-
Carried forward charter capital increase	1,644,414,422,324	-	-	-
Exchange rate difference due to financial settlements (i)	-	-	(124,277,669,208)	-
Offset exchange rate difference due to financial settlements (i)	-	-	38,418,515,703	-
Dividend distribution	-	-	-	-
Other increase/(decrease)	-	-	-	-
As of 1 July 2018	23,418,716,000,000	(311,254,328)	(85,859,153,505)	227,887,397,807
Profit in the period	-	-	-	-
Profit distribution	-	-	-	-
Dividend distribution	-	-	-	-
Carried forward exchange rate difference into results	-	-	85,859,153,505	-
Other increase/(decrease)	-	-	-	-
As of 1 July 2018	23,418,716,000,000	(311,254,328)	-	227,887,397,807

The accompanying notes are an integral part of these consolidated financial statements

FINANCIAL STATEMENTS

Asset revaluation reserve VND	Investment and development fund VND	Undistributed earnings VND	Uncontrolled shareholder benefit VND	Total VND
-	1,618,253,058,939	1,301,734,133,681	2,833,082,846,631	27,754,947,760,406
-	-	1,489,891,609,117	221,756,285,155	1,711,647,894,272
-	(201,828,416,325)	(2,067,375,593,801)	-	(2,269,204,010,125)
-	(6,923,066,631)	-	-	(6,923,066,631)
(191,305,728,000)	(1,308,646,206,414)	(144,462,487,910)	-	-
-	-	-	-	(124,277,669,208)
-	-	(38,418,515,703)	-	-
-	-	-	(784,322,367,961)	(784,322,367,961)
-	4,415,964	1,146,439,912	(270,080,484)	880,775,392
(191,305,728,000)	100,859,785,533	542,515,585,296	2,270,246,683,341	26,282,749,316,144
-	-	431,441,727,122	143,752,525,337	575,194,252,459
-	91,353,654,181	(105,195,662,665)	-	(13,842,008,484)
-	-	-	(105,254,954,100)	(105,254,954,100)
-	-	-	-	85,859,153,505
-	1,668,139	(9,487,453,624)	164,981,726	(9,320,803,759)
(191,305,728,000)	192,215,107,853	859,274,196,129	2,308,909,236,304	26,815,384,955,765

(i) As of 30 June 2018, exchange rate difference revaluation for foreign currency-denominated cash items was conducted as prescribed and delivered to the Joint Stock Company (upon State-owned enterprise transformation) for monitoring and settlement as prescribed.

The accompanying notes are an integral part of these consolidated financial statements

CHARTER CAPITAL

According to the 14th amended Enterprise Registration Certificate issued on 6 December 2018 by Hanoi Authority for Planning and Investment, PV Power's charter capital was VND 23,418,716,000,000. As of 31 December 2018, the charter capital was contributed by shareholders as follows:

Shareholders	Under Enterprise Registration		Contributed capital as of 31 December 2018 VND
	VND	%	
Vietnam Oil and Gas Group	18,721,414,770,000	79.94%	18,721,414,770,000
Other shareholders	4,697,301,230,000	20.06%	4,697,301,230,000
	23,418,716,000,000	100%	23,418,716,000,000

SHARES

	31/12/2018 VND	01/07/2018 VND
Number of publicly offered shares + Ordinary shares	2,341,871,600	2,341,871,600
Number of outstanding shares + Ordinary shares	2,341,871,600	2,341,871,600

Ordinary shares with face value of VND10,000/share.

The accompanying notes are an integral part of these consolidated financial statements

25. OFF-BALANCE SHEET ITEMS

	31/12/2018 VND	01/07/2018 VND
Foreign currencies		
US dollar (USD)	9,942.80	10,081.44
Euro (EUR)	1,886.15	1,905.54

26. REVENUE FROM SALES AND SERVICES

	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (Restated) VND
Power sales revenue	14,224,788,659,732	17,286,859,201,739
Goods sales revenue	586,839,527,118	519,291,941,806
Revenue from services	22,697,635,866	2,242,587,680
Revenue from construction contract	873,505,145	2,442,755,933
Revenue from sales of properties	-	16,152,798,387
	14,835,199,327,861	17,826,989,285,545
Revenue with related party (Described in Note No. 36)	107,977,891,469	121,306,578,536

The accompanying notes are an integral part of these consolidated financial statements

27. COSTS OF GOODS SOLD

	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
Power sales cost	12,472,746,055,465	14,578,290,338,703
Costs of goods sales	581,632,267,666	518,480,973,454
Costs of services	19,808,885,872	959,510,962
Costs of construction contracts	937,588,357	2,085,514,102
Costs of properties sales	-	10,717,917,945
	13,075,124,797,360	15,110,534,255,166

28. OPERATING COST BY NATURE

	From 1 July 2018 to 31 December 2018 VND	From 1 January 2018 to 30 June 2018 (Restated) VND
Raw materials and consumables	9,353,786,552,172	11,189,838,531,094
Labor	320,417,378,795	463,094,067,496
Depreciation expenses of fixed assets	1,906,127,430,872	2,014,211,539,980
Outsourcing service charges	1,051,392,818,696	1,209,646,212,298
Other costs in cash	197,678,240,270	174,669,783,579
	12,829,402,420,805	15,051,460,134,447

The accompanying notes are an integral part of these consolidated financial statements

29. FINANCIAL INCOME

	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
Deposit interest	126,057,575,498	101,143,924,403
Gains on exchange rate differences in payment	93,825,118,244	46,806,582,290
Gains on exchange rate differences from revaluation of accounts denominated in foreign currencies	16,538,117,513	11,054,083,746
Dividends and profits received	6,990,000,000	73,516,679,230
Gains from capital transfers	-	39,575,182,046
	243,410,811,255	272,096,451,715

30. FINANCIAL EXPENSE

	From 1 July 2018 to 31 December 2018 VND	From 1 January 2018 to 30 June 2018 (Restated) VND
Interest expenses	661,190,866,665	645,970,976,077
Losses on exchange rate differences from revaluation of accounts denominated in foreign currencies	139,235,745,484	31,100,555,479
Exchange rate difference carried forward to Joint Stock Company	85,859,153,505	-
Loan guarantee fees	26,902,292,501	33,002,352,115
Loan insurance premium	44,143,260,446	31,929,150,264
Loss on exchange rate differences in payment	46,990,293,706	16,879,145,480
Provision/ (Reversed) for devaluation of long-term financial investment	21,024,399,291	(20,294,824,800)
Others	6,476,765,870	8,719,910,014
	1,031,822,777,468	747,307,264,629

The accompanying notes are an integral part of these consolidated financial statements

31. SELLING EXPENSE, GENERAL AND ADMINISTRATIVE

	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
General and administrative expenses		
Change in the period		
Labor costs	134,996,138,191	203,561,691,812
Depreciation expenses	17,113,279,829	16,257,410,438
Office supply expenses	14,190,068,603	16,211,775,044
Outsourcing service charges	87,291,948,453	53,785,570,659
Contingencies	13,120,400,110	25,227,363,684
Others	91,810,758,210	99,207,469,848
	358,522,593,396	414,251,281,485
Selling expenses incurred in the period		
Labor	3,736,967,927	4,621,217,360
Depreciation expenses	132,938,274	133,338,298
Materials selling expense	24,214,702	33,740,003
Outsourcing service charges	6,945,446,094	4,687,743,090
	10,839,566,997	9,476,038,751

32. OTHER INCOMES

	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
Fines for Contract Breach	1,718,068,517	3,039,900,838
Other incomes	16,020,970,005	12,191,468,208
	17,739,038,522	15,231,369,046

The accompanying notes are an integral part of these consolidated financial statements

33. OTHER

	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
Disposal of fixed assets	18,488,000	1,209,000,000
Other expenses	5,519,396,662	3,778,397,808
	5,537,884,662	4,987,397,808

34 . CURRENT CORPORATE INCOME TAX EXPENSES

	From 1 July 2018 to 31 December 2018 VND	From 1 January 2018 to 30 June 2018 VND
Corporate income tax (CIT) from electricity power trading	75,127,780,886	126,892,062,270
CIT from other activities	4,533,204,164	4,257,917,860
	79,660,985,050	131,149,980,130

The accompanying notes are an integral part of these consolidated financial statements

35. BASIC EARNINGS PER SHARE

Basic earnings per share in the period from 1 July 2018 to 31 December 2018 is calculated in accordance with profit distributed to PV Power's ordinary shareholders and weighted average number of ordinary shares of 2,341,871,600 shares, concretely:

	From 1 July 2018 to 31 December 2018 VND
Profit in the period distributed to ordinary shareholders (VND)	431,441,727,122
Less: Appropriation from Bonus and Welfare Fund (*)	-
Profit for basic earnings per share (VND)	431,441,727,122
Weighted average number of ordinary shares for basic earnings per share (share)	2,341,871,600
Basic earnings per share (VND/share)	184

(*) As of 31 December 2018, PV Power failed to reliably estimate the Bonus and Welfare Fund value to be deducted from the profit distributed to its ordinary shareholders for the period from 1 July 2018 to 31 December 2018. If the provision for Bonus and Welfare Fund is made for the period from 1 July 2018 to 31 December 2018, the profit for basic earnings per share and basic earnings against reduced share volumes, accordingly.

36. TRANSACTIONS AND BALANCE WITH RELATED PARTIES

List of related parties with key transactions and balances in the period:

Related	Relationship
Vietnam Oil and Gas Group	Holding Company
Entities of Vietnam Oil and Gas Group	Co-ownership

The accompanying notes are an integral part of these consolidated financial statements

In the period, PV Power mainly transacted with related parties as follows:

	From 1 July 2018 to 31 December 2018 VND	From 1 July 2018 to 30 June 2018 (restated) VND
Sales	107,977,891,469	121,306,578,536
PetroVietnam Camau Fertilizer Joint Stock Company (PVCFC)	107,580,232,718	120,983,942,172
PetroVietnam Gas Joint Stock Corporation (PV GAS)	328,522,389	322,636,364
PetroVietnam Security Service Corporation	69,136,362	-
Purchase of goods and services	8,223,368,196,607	8,032,002,601,349
PetroVietnam Gas Joint Stock Corporation (PV GAS)	4,690,411,088,690	4,488,624,289,080
Vietnam Oil and Gas Group	3,487,510,646,634	3,473,215,987,555
Vung Ang Petroleum Joint Stock Company	23,349,417,626	45,968,212,603
Vietnam Petroleum Institute	10,481,560,451	7,212,385,940
PetroVietnam Security Service Corporation	4,923,552,211	6,565,770,726
Drilling Mud Corporation	4,181,541,350	8,657,419,140
Vung Ang-Quang Trach Power Project Management Board	1,546,205,745	-
PetroVietnam Maintenance and Repair Corporation	964,183,900	1,605,511,173
Petro Vietnam Technical Safety Registration Company Limited	-	153,025,132
Interest expenses	83,021,642,146	83,434,349,048
Vietnam Public Joint Stock Commercial Bank	83,021,642,146	83,434,349,048
Deposit interest	2,008,428,771	5,645,218,929
Vietnam Public Joint Stock Commercial Bank	2,008,428,771	5,645,218,929

The accompanying notes are an integral part of these consolidated financial statements

Key balances with related parties as of ending date of accounting period:

	31/12/2018 VND	01/7/2018 VND
Cash and cash equivalents	9,962,167,458	511,648,764,669
Vietnam Public Joint Stock Commercial Bank	9,962,167,458	511,648,764,669
Short-term trade accounts receivable	42,935,794,584	59,977,539,695
PetroVietnam Camau Fertilizer Joint Stock Company (PVCFC)	41,414,975,677	45,583,823,258
Vietnam Oil and Gas Group	1,111,335,085	-
PetroVietnam Construction Joint Stock Corporation	332,592,435	14,325,533,583
PetroVietnam Gas Joint Stock Corporation (PV GAS)	64,216,387	68,182,854
PetroVietnam Security Service Corporation	12,675,000	-
Short-term advances to suppliers	4,338,748,235	4,635,096,315
PetroVietnam Maintenance and Repair Corporation	2,686,937,637	667,318,740
Drilling Mud Corporation	1,621,810,598	3,674,777,575
Vietnam Petroleum Institute	-	263,000,000
PetroVietnam Oil Corporation (PVOIL)	30,000,000	30,000,000
Others	264,052,370,087	265,062,674,711
Vietnam Oil and Gas Group	218,489,976,676	219,500,281,300
Vung Ang-Quang Trach Power Project Management Board	44,717,292,306	44,717,292,306
Petroleum Industrial and Civil Construction Joint Stock Company	845,101,105	845,101,105
Short-term trade payables	2,005,985,347,262	2,384,124,130,760
Vietnam Oil and Gas Group	1,356,822,881,228	1,430,470,932,431
PetroVietnam Gas Joint Stock Corporation (PV GAS)	639,274,563,146	899,604,633,053
PetroVietnam Maintenance and Repair Corporation	2,147,881,922	1,169,136,393
Vung Ang Petroleum Joint Stock Company	2,063,035,350	37,801,072,390
PetroVietnam Security Service Corporation	2,055,281,134	1,438,423,343
Vung Ang-Quang Trach Power Project Management Board	1,700,826,320	-
Drilling Mud Corporation	1,074,684,798	6,405,450,716
PetroVietnam Construction Joint Stock Corporation	454,403,426	454,403,426
Vietnam Petroleum Institute	391,789,938	6,780,079,008
Advance from customers	1,709,635,299	1,709,615,000
PetroVietnam Manpower Training College (PVMTC)	1,709,635,299	1,709,615,000
Accruals	1,625,768,336,249	1,595,668,147,256
PetroVietnam Gas Joint Stock Corporation (PV GAS)	1,625,768,336,249	1,591,400,952,924
Vietnam Oil and Gas Group	-	4,267,194,332
Other payables	2,153,073,927,356	2,154,620,133,101
Vietnam Oil and Gas Group	2,130,275,290,623	2,130,275,290,623
Vung Ang-Quang Trach Power Project Management Board	22,798,636,733	24,344,842,478
Loans	1,792,457,886,425	1,845,398,104,086
Vietnam Public Joint Stock Commercial Bank	1,792,457,886,425	1,845,398,104,086

The accompanying notes are an integral part of these consolidated financial statements

37. GUARANTEES

As of 31 December 2018, some long-term borrowings and loans of entities were guaranteed by PV Power with guaranteed amount described as follows:

	31/12/2018 VND	01/07/2018 VND
Hua Na Hydropower Joint Stock Company	561,211,898,193	599,603,796,158
Bac Kan Petrovietnam Power Joint Stock Company	11,604,270,662	14,777,804,118
Dakdrinh Hydropower Joint Stock Company	109,689,523,079	-
	682,505,691,934	614,381,600,276

38. BUSINESS SEGMENT REPORT

BUSINESS BY LINES

PV Power's principal activities are power production and business, repair and maintenance services of power plants and investment in construction of independent hydropower projects. The financial information presented in the Consolidated Balance Sheet as of 31 December 2018 and all related revenues, costs described in the Consolidated Income Statements for the period from 1 July 2018 to 31 December 2018 are related to the aforesaid production and business activities. Accordingly, no business segment report is prepared by PV Power. Revenue and costs by each business line are detailed at Notes No. 26 and No. 27.

BUSINESS BY GEOGRAPHIC AREA

PV Power's plants and purchasers operate within the territory of Vietnam. As a result, the Business Segment Report by Geographic Area is not prepared.

39. RETROACTIVE ADJUSTMENTS

Some comparative figures adjusted on the basis of Holding Company's and its Subsidiaries' database in the period from 1 January 2018 to to 30 June 2018 have been subject to retroactive adjustments as concluded by the State Auditor in the Notice on Audit Results No. 02/TB-KTNN dated 3 January 2019 on the 2017 consolidated financial statements prepared by PV Power. Effects of adjustments are described as follows:

Consolidated Balance Sheet

Items	Code	30/06/2018 (Pre-adjustment)	Retroactive adjustment	30/06/2018 (Post-adjustment)
ASSETS				
Short-term trade accounts receivable	131	9,502,784,880,366	7,405,590,737	9,510,190,471,103
Others	136	321,320,766,551	9,502,909,711	330,823,676,262
Provision for bad debts	137	(251,439,951,008)	17,035,005,614	(234,404,945,394)
Inventories	141	3,748,714,302,767	498,489,056	3,749,212,791,823
Short-term prepayments	151	32,303,835,617	(42,376,165)	32,261,459,452
Deductible VAT	152	109,164,213,683	(260,099,038)	108,904,114,645
Tangible fixed assets	221	41,963,928,913,954	(73,019,582,758)	41,890,909,331,196
- Historical cost	222	69,247,969,570,739	(79,611,754,260)	69,168,357,816,479
- Accumulated depreciation	223	(27,284,040,656,785)	6,592,171,502	(27,277,448,485,283)
Intangible fixed assets	227	64,278,025,807	349,438,689	64,627,464,496
- Historical cost	228	96,154,741,901	490,000,000	96,644,741,901
- Accumulated depreciation	229	(31,876,716,094)	(140,561,311)	(32,017,277,405)
Works in progress	242	302,604,702,299	70,786,364,479	373,391,066,778
Provision for long-term financial investment	254	(34,966,177,502)	20,389,289,671	(14,576,887,831)
Long-term prepayments	261	722,819,542,097	2,484,819,060	725,304,361,157
Deferred tax assets	262	1,414,869,026	(1,164,052,104)	250,816,922
LIABILITIES AND FINANCIAL RESOURCES				
Short-term trade payables	311	6,736,088,772,877	(27,677,699,975)	6,708,411,072,902
Taxes and amounts payable to State budget	313	267,032,286,338	7,601,009,058	274,633,295,396
Payables to employees	314	74,293,837,845	32,622,367,566	106,916,205,411
Short-term payments	315	1,985,987,736,725	6,882,858,564	1,992,870,595,289
Others	319	1,526,703,608,099	1,259,107,615,279	2,785,811,223,378
Provisions for short-term payables	321	824,232,374,285	(266,943,885,244)	557,288,489,041
Bonus and welfare fund	322	123,607,926,685	8,057,368,970	131,665,295,655
Provisions for long-term payables	342	153,869,087,564	(23,281,042,069)	130,588,045,495
Fund for Science and Technology Development	343	170,731,936,753	(1,101,102,307)	169,630,834,446
Contributed capital of owner	411	21,774,301,577,676	1,644,414,422,324	23,418,716,000,000
Revaluation differences on assets	416	-	(191,305,728,000)	(191,305,728,000)
Foreign exchange differences	417	-	(85,859,153,505)	(85,859,153,505)
Investment & Development Fund	418	1,659,875,709,098	(1,559,015,923,565)	100,859,785,533
Retained earnings after tax	421	1,293,053,584,792	(750,537,999,496)	542,515,585,296
Benefits of uncontrolled shareholders	429	2,269,243,993,989	1,002,689,352	2,270,246,683,341

The accompanying notes are an integral part of these consolidated financial statements

Consolidated Income Statements

Items	Code	From 1 January 2018 to 30 June 2018 (pre-adjustment)	Adjustment retroactive	From 1 January 2018 to 30 June 2018 (post-adjustment)
Revenue from sales and services	01	17,822,402,571,558	4,586,713,987	17,826,989,285,545
Costs of goods sold	11	15,348,553,581,395	(238,019,326,229)	15,110,534,255,166
Financial income	21	272,583,416,472	(486,964,757)	272,096,451,715
Financial expense	22	893,018,203,936	(145,710,939,307)	747,307,264,629
General and administrative expenses	26	412,648,586,490	1,602,694,995	414,251,281,485
Other incomes	31	11,490,154,414	3,741,214,632	15,231,369,046
Other expenses	32	4,928,560,655	58,837,153	4,987,397,808
Current corporate income tax expenses	51	129,467,307,313	1,682,672,817	131,149,980,130
Current corporate income tax expenses (income)	52	(7,183,901,370)	1,082,343,656	(6,101,557,714)

Consolidated Cash Flow Statements

Items	Code	From 1 January 2018 to 30 June 2018 (pre-adjustment)	Retroactive adjustment	From 1 January 2018 to 30 June 2018 (post-adjustment)
Pre-tax profit	01	1,446,786,619,438	389,909,697,250	1,836,696,316,688
Depreciation of fixed assets and investment properties	02	2,010,926,198,063	3,285,341,917	2,014,211,539,980
Provisions	03	492,132,207,273	(301,648,085,529)	190,484,121,744
Changes in receivables	09	(3,037,538,910,204)	49,582,705,089	(2,987,956,205,115)
Change in inventories	10	(215,732,678,879)	283,219,818	(215,449,459,061)
Change in liabilities (excluding interest exchange payable and taxes Corporate income tax payables)	11	1,882,894,289,518	(132,058,482,558)	1,750,835,806,960
Change in prepaid expenses	12	82,301,364,010	342,887,990	82,644,252,000
Other operating income	16	-	15,000,000	15,000,000
Other cash outflows	17	(26,652,994,233)	(8,669,729,886)	(35,322,724,119)

The accompanying notes are an integral part of these consolidated financial statements

40. EVENTS AFTER FINISHING THE ACCOUNTING PERIOD

According to the Decision No. 234/QĐ-TTg of the Prime Minister dated 27 February 2019, the Prime Minister approved the investment guidelines of Nhon Trach 3&4 Power Plant Projects where PV Power is the Project Owner. The expected capacity of each plant varies within the range of 650- 880 MW. It is characterized by single or multiple axis combined cycle gas turbine. Total primary investment of Nhon Trach 3 & 4 Power Plant Project is VND 16,228,051,302,185 and VND 16,265,671,490,967, respectively. The expected financial resources are originated from 30% of owner's equity and 70% of loans. Nhon Trach 3 & 4 Power Plants are expected to be put into operation by 2022 and 2023, respectively. Power selling price is based on transferring gas fuel cost from Gas Purchase Agreement to Power Purchase Agreement as specified in the Statement No. 03/TB-VPCP of the Government Office dated 4 January 2019.



QUACH THI HONG LIEN
Prepared by



HA THI MINH NGUYET
Chief Accountant



LE NHU LINH
President & CEO

20 March 2019

The accompanying notes are an integral part of these consolidated financial statements



PETROVIETNAM POWER CORPORATION - JSC

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