

Dear: Shareholders and Investors

PetroVietnam Power Joint Stock Corporation would like to inform shareholders & investors about business performance of 2019 are as follows:

I. ACHIEVEMENTS IN 2019

PV Power has successfully completed the set targets. Although facing many difficulties and challenges related to input materials / fuels, payment of electricity... specifically as follows:

1. Exceeding business plan targets in all aspects of output, turnover and profits, specifically:



Total output reaches 22,54 bil kWh, which is equivalent to 104% of the plan



Total revenue of whole corporation is VND 38,884 billion, which is equivalent to 110% of the plan; Parent company is VND 25,036 billion which is equivalent to 108% of the plan



Profit before tax of whole corporation is VND 3,121 billion, equivalent to 125% of the plan; Parent company is VND 2,195 billion which is equivalent to 105% of the plan

(The main performance indicators in 2019 are specified in the attached appendix, the figures of Revenue and Profit are the figures before auditing).

2. Operating safely, effectively, ensuring safety and preventing fire and explosion at power plant.

3. Transfer of POW stock exchange to Ho Chi Minh City Stock Exchange (HOSE) and PV Power reached the Top 50 Best Listed Companies in 2019, ranked 27th in the Top 100 Largest Public Companies by Forbes Magazine.

4. Building the PV Power development strategy to 2025, orientation to 2035 as a basis for implementing development investment and production.

5. Implementing safety, quality, completing the schedule of periodical maintenance of power plants, specifically: Repairing Hua Na Hydropower Plant 4 days ahead of schedule; Medium inspection of Unit 2 of Vung Ang 1 Thermal Power Plant completed on schedule; Minor inspection of Nhon Trach 1 Thermal Power Plant on schedule; Minor inspection of Nhon Trach 2 Thermal Power Plant 2 days ahead of schedule; Minor inspection to Ca Mau 1 & 2 Thermal power plant completed on schedule.

6. Actively propose Government and Ministries in changing mechanisms and policies for coal supply to power plants. On December 2, 2019, the Prime Minister issued Directive No. 29 / CT-TTg on continuing to strengthen the State management of electricity production activities. Accordingly, it has created initiative for power generation companies in providing coal to operate the plant, paving the way for overcoming coal shortage of Vung Ang 1 Thermal Power Plant because it is using only domestic coal as before.

7. Promoting investment in new power projects, researching and expanding new fuel sources, types of clean energy such as solar power, electricity using LNG ... besides traditional types, coal-fired thermal power, gas-fired thermal power, hydroelectricity.

8. Implementing the restructuring and reorganizing functions and duties between the division and units of PV Power. Paying attention to life and welfare for employees, motivating employees of PV Power to fulfill their duties.

9. Changing management, strong decentralization for units, making the initiative for the units in management and production.

10. Performing well financial management, balancing money sources to pay debts, thereby benefiting billions of VNĐ. At the same time, creating trust and good relationships with domestic and foreign banks, is a good basis for arranging short-term and long-term capital sources for PV Power's active.

II. PERFORM OTHER ASSIGNED TASKS

● **Cost reduction:** PV Power expected to save and reduced VND **395 billion** in 2019.

● **Power market:** The total market price in 2019 reaches **1,208.51 VND / kWh**, higher than the same period in 2018 (1,045.31 VND / kWh).

● **Service sector:**

+ In 2019, the maintenance of power plants is well implemented, ensuring that the plants are always available.

+ Total revenue from technical service, repair and maintenance service of power plants and commercial supplies / spare parts (PV Power Services, PV Machino) in 2019 is estimated at VND 1,792 billion, reaching 126% of the plan.

● **Supplying coal to Vung Ang 1 Thermal Power Plant:** The total volume of delivered coal is estimated at 2.5 million tons, equal to 94.5% of the plan.

● **Construction investment and the implementation of projects:**

+ Luang Prabang Hydropower Project: PV Power has completed a specific set of mechanisms to submit to the Government with FS report.

+ Nhon Trach Thermal Power Project 3.4: PV Power signed a contract to prepare a feasibility study report (FS) with Power Engineering Consulting Joint Stock Company 2 (PECC2) and a contract to verify the feasibility study report with Power Engineering Consulting JSC 1. PV Power will send an official letter to the competent authorities for approval specialized reports. PVPower is continue to work with credit institutions and banks in arranging capital for the project. PV Power also works with EVN/EPTC and PV Gas to negotiate the contents of the PPA and gas trading contract for the project.

➤ **Restructuring and divestment in units:** Completing the finalization of equitization expenses, submitting to competent authorities for consideration and approval. Completed the divestment in PV Power BackKan.

➤ **Investor relations:**

+ PV Power has completed the transfer of POW stock exchange to Ho Chi Minh Stock Exchange (HOSE) on January 14, 2019; Organized PV Power Annual Shareholders Meeting 2019 successfully on April 19, 2019.

+ Organized and participated in conference programs such as: Visiting Ca Mau 1 and 2 power plants; POW 2019 stock potential conference from March 21-22, 2019 in Ca Mau; Meeting with investors in the Large Cap tour program organized by VCSC at PV Power on June 3, 2019; Join the “HSC’s Emerging Vietnam Conference 2019” organized by HSC on 12-13 June 2019 in Ho Chi Minh City HCM; Join the event “Honoring 50 best listed companies in 2019” organized by Forbes Vietnam on August 15, 2019.

+ By meeting the criteria of international financial investment funds in the trading period on HOSE . POW has been added to the portfolio by VNM ETF, FTSE Vietnam ETF and basket of MSCI Frontier Markets Index.

III. MISSION TO 2020

- Managing the operation, repair and maintenance of power plants to ensure high availability, safety and efficiency of power plants, striving for the total electricity production of the whole year to reach 21.6 billion kWh.

- Monitoring the competitive electricity market, optimizing the efficiency of production and business activities of power plants when participating in the market. At the same time, deploying work to participate in the competitive wholesale electricity market.

- Organize the periodic repair of power plants: Hot gas path inspection of Nhon Trach 1 Thermal power plant and Nhon Trach 2 Thermal power plant. Medium inspection of DakDrinh Hydropower plant, Minor inspection of Hua Na Hydropower Plant and overcoming abnormalities at Vung Ang 1 Thermal Power Plant to ensure quality, progress and safety. Getting ready for the repairing and maintenance of power plants in 2021.

- Continue to work with EVN / EPTC to finalize the PPA amendment of Ca Mau 1 & 2 power plants on conversion of unit cost of capacity from USD to VND and prepare the plant to participate in the CGM in the coming time.

- Ensure stable and long-term coal supply to Vung Ang 1 Thermal Power Plant:

Deploying the consumption of ash and slag to ensure safe and long-term operation for Vung Ang 1 Thermal Power Plant. Negotiate the official electricity price of Vung Ang 1 Thermal power plant after the project investment settlement is approved.

- Focusing on the management, good control and minimize costs: Manage and use capital and assets safely and for the right purpose;

Ensure effective business and investment activities of the Parent Company and subsidiaries. Strengthen management of procurement of materials and equipment, implement measures to reduce inventories to improve the efficiency of capital use.

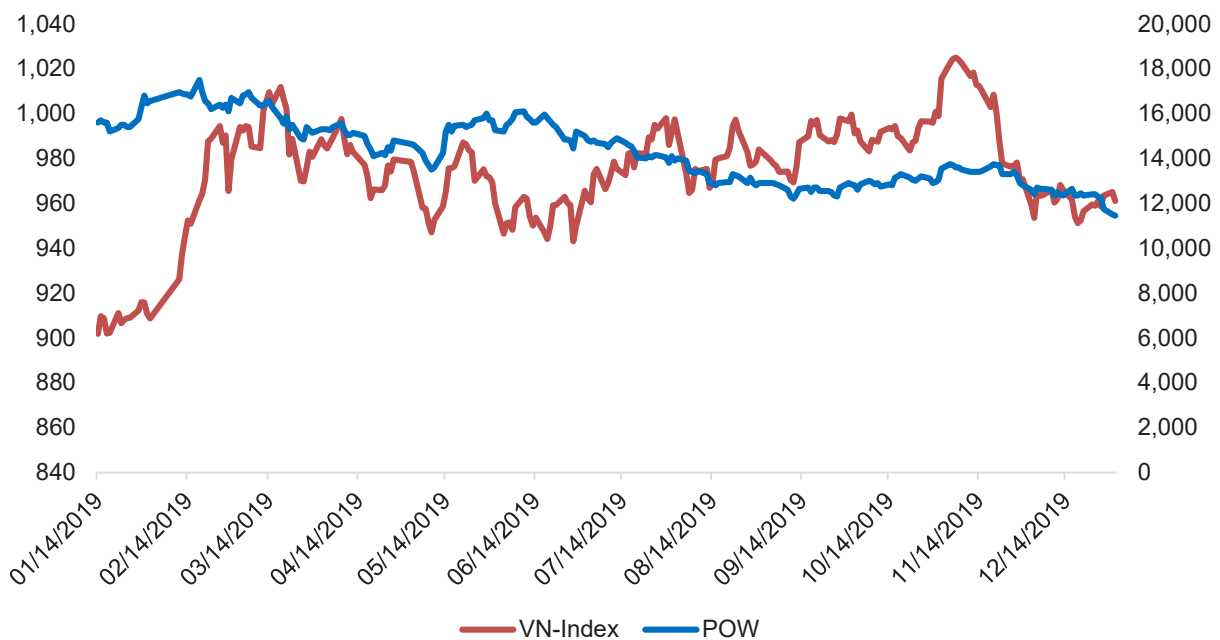
- Implementation of safety, health, environment, fire and explosion prevention at the power plants.

- Summary of PV Power’s business plan for 2020.

Power output	kWh	21.600
Total revenue	Bill VNĐ	35.449
Profit before tax	Bill VNĐ	2.395
Profit after tax	Bill VNĐ	2.044

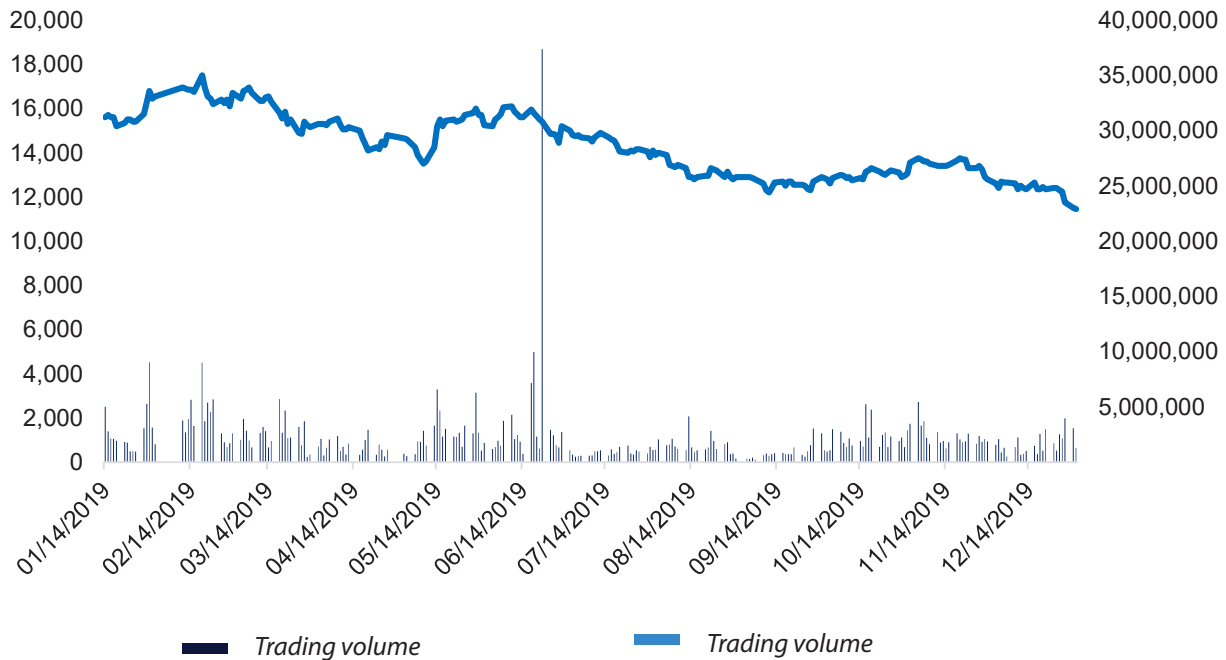
IV. POW trading

VN-Index and POW trading in the 2019



Source: Fiiipro, Cafef

POW trading in the 2019



Source: Fiinpro, Cafef

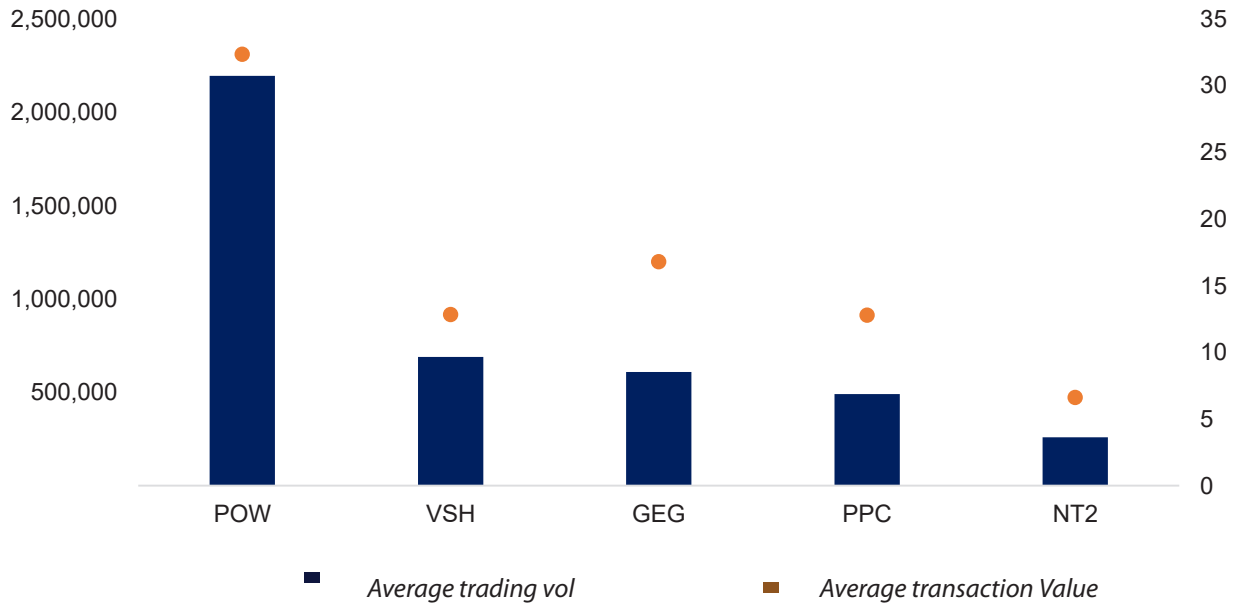
Overall, 2019 is a difficult year for the stock market with unpredictable fluctuations. In the H1, the stock market recovered after falling sharply at the end of 2018 because the valuation of VN-Index was quite attractive when the revenue and profit of businesses, especially large-cap stocks such as VIC, VCB, VNM ... still maintained good growth, making the P/E of VN-Index only about 15.6x, low compared to other countries in the region.

From the middle of Q2, the market gradually adjusted slightly to 940 level, gradually stabilized and accumulated, fluctuated with a narrow margin and reached 1,000 by the end of October. The domestic economy achieved good growth with macro - political stability amid the context of global economic growth is forecast to slow down. The US-China trade war temporarily cooled down and FED's continuous lowering of interest rates helped Vietnam's stock market to have the best growth rate in the ASEAN region. At the session on December 31, 2019, the VN-Index closed at 960.99 points, up 68.45 points, equivalent to 7.7% compared to the end of 2018 with an average trading volume of 180,638,875 shares / session, a trading value of VND 3,949 billion / session, decreased by 9.2% and 26.65% over the previous year.

POW was traded on HOSE at VND 14,900 / share and quickly increased, setting a new peak at VND 17,500 / share before plummeting. POW closed the year-end session at VND 11,450 / share, down 23% from the floor price.

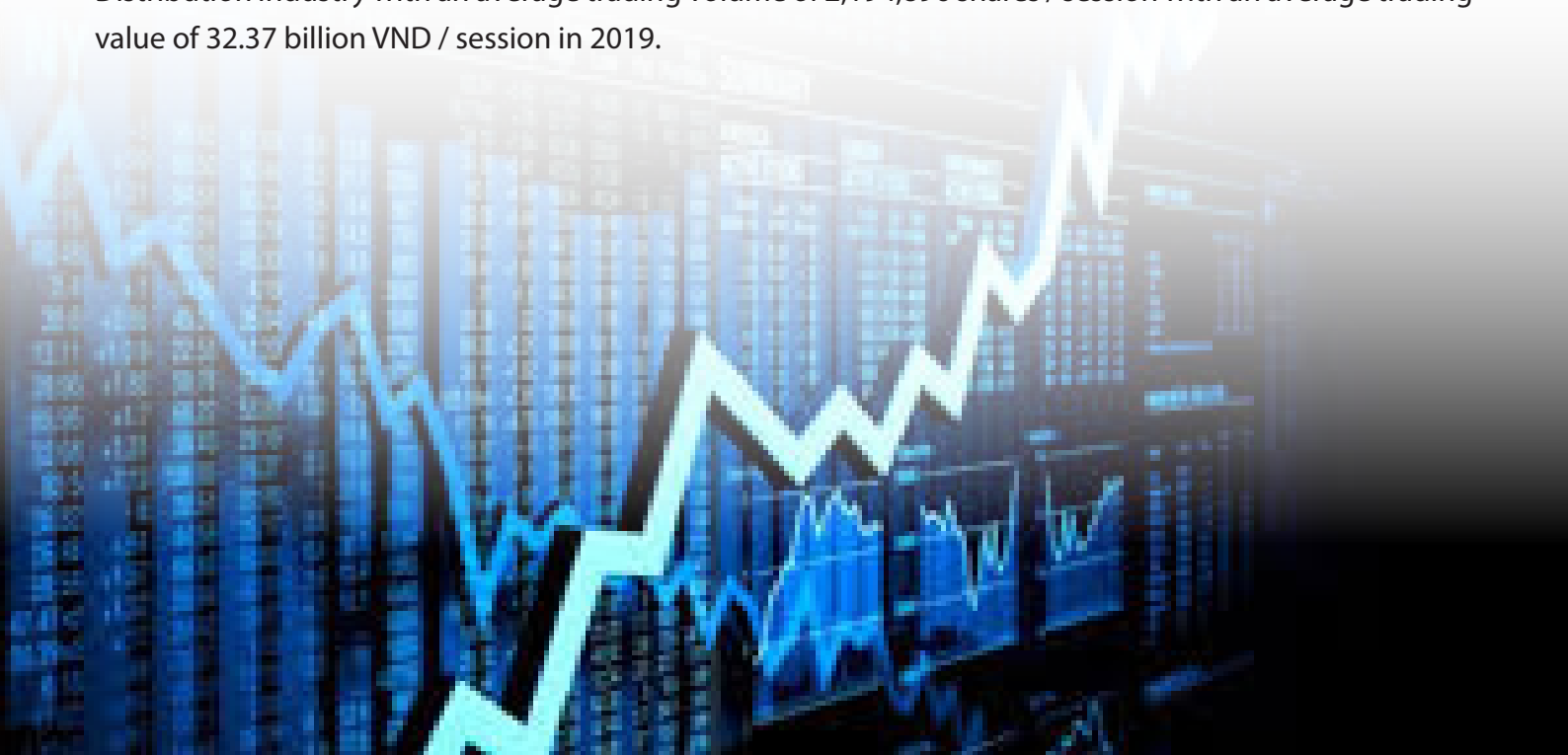
Top 5 the highest trading value stocks in power sector Dec /2019 (share/day)

Unit : share/session ; Bill VND



Source: Fiinpro

About liquidity, POW still holds the position of the best liquidity stock in the Power Production and Distribution industry with an average trading volume of 2,194,896 shares / session with an average trading value of 32.37 billion VND / session in 2019.



Appendix: Key performance targets in 2019

1. Commercial electricity output:

Unit: Mill kWh

TT	Target	Implementing	Plan	Implementing	Ratio (%)	
		2018	2019	2019	(3/1)	(3/2)
		(1)	(2)	(3)	(3/1)	(3/2)
1	Cà Mau 1&2 TPP	7.210,5	7.040,7	7.556,2	105%	107%
2	Nhon Trach 1 TPP	2.934,6	2.950,0	3.254,6	111%	110%
3	Nhon Trach 2 TPP	4.737,2	4.650,0	4.952,2	105%	106%
4	Nam Cat HPP	18,0	14,7	14,2	79%	97%
5	Hua Na HPP	806,2	650,6	559,8	69%	86%
6	Đakđrinh HPP	423,2	525,0	432,9	102%	82%
7	Vung Ang 1 TPP	4.877,1	5.769,0	5.770,5	118%	100%
	Total	21.006,8	21.600,0	22.540,3	107%	104%

The total electricity output of the Corporation is estimated to be 22,433 million kWh in 2019, exceeding 4% compared to the whole-year plan of 2019 and exceeding 7% compared to the same period in 2018. Of which:

- Ca Mau 1 & 2, Nhon Trach 1 and Nhon Trach 2 electricity plants operate stably and efficiently, exceeding the assigned targets.

- Hua Na and Dakdrinh hydroelectric plants are greatly affected by the weather.

The amount of water returning to the lake during the year and during the flood season is much lower than the average for many years. Therefore, there is not enough water to operate the plant according to the set plan.

- The Vung Ang 1 coal power plant in 2019 has reduced the problem compared to 2018. Moreover, the coal supplied from TKV is increased and guaranteed. The thermal power plant achieved higher output than the same period in 2018 and completed 100% of the assigned output plan.

- Nam Cut Hydropower Plant completed the production exceeding the assigned plan. PV Power has completely divested all capital since October 16, 2019, so the plant's output is only calculated until the end of October 15, 2019.

2. Revenue target :

No	Target	Plan 2019	Estimated implementation 2019	Ratio
I	Revenue of whole Corporation	32.770	35.884	110%
1	Revenue of Parent Company	22.737	25.022	110%
2	Subsidiaries & affiliated companies	10.033	11.072	110%
2.1	PV Power NT2	7.340	8.065	110%
2.2	PV Power HHC	703	682	97%
2.3	PV Power DHC	547	514	94%
2.4	PV Power BacKan	18	19	106%
2.5	PV Power Services	225	222	99%
2.6	PV Machino	1.200	1.570	131%

Units : Bill VND

3. Profit target

No	Target	Performance of 2018	Plan 2019	Estimated implementation 2019	% performed / yearly plan	
A	B	1	2	3	4=3/2	5=3/1
	Profit of Whole Corporation					
1	Profit before tax	2.492	2.500	3.121	125%	125%
1.1	Profit of Parent company	1.404	1.697	2.180	128%	155%
1.2	Profit of Units	1.038	803	941	117%	91%
2	Profit after tax	2.288	2.275	2.824	124%	123%

Units : Bill VND