

PV Power (POW)

Earnings 2Q2020 up 6.5% YoY

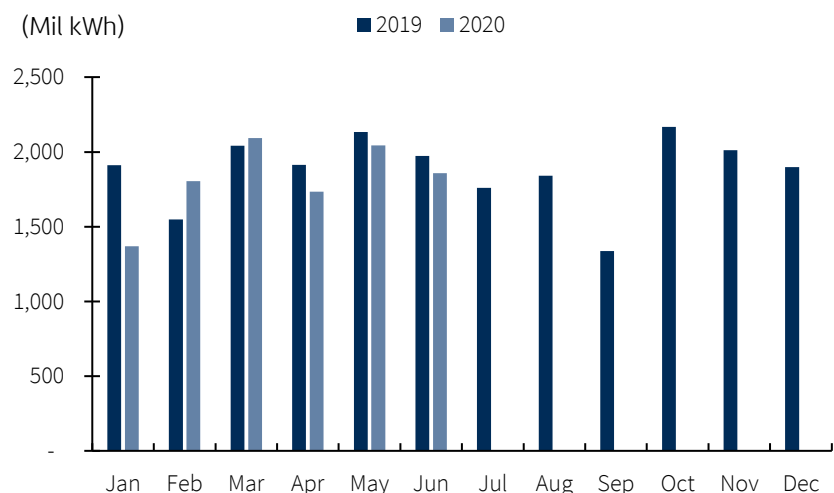
Earnings in 2Q was VND 735 billion, up 6.5% YoY

— POW's profit in 2Q was VND 735 billion, up by 6.5% YoY, sales was VND 7,708 billion, down by 22% YoY, gross profit was VND 1,337 billion, down by 2% YoY. In 2Q2020, POW has fx gain VND 135 billion due to lower VND/USD exchange rate, while 2Q2019, POW had a fx loss VND 36 billion. In addition, the company booked VND 263 billion of provision for account receivable of the Electricity Trading Company (EPTC), making SG&A increased sharply to VND 426 billion, nearly double to compare with 2Q2019. This bad debt is VND 1,537 billion, POW has booked provision VND 914 billion and the remaining is about VND 624 billion which needs to be further provisioned in the future. Accumulated 1H2020, earnings and sales reached VND 1,179 billion and VND 15,684 billion, down 23% YoY and 14% YoY respectively, met 66% and 44% the guidance 2020. Electricity output reached 10,903 million kWh, down 5.4% YoY. The electricity output of Ca Mau 1 & 2, Nhon Trach 1 and Nhon Trach 2 decreased by 11% YoY, 71% YoY and 6% YoY respectively due to the shortage of natural gas. The electricity output of Hua Na and Dakdrinh hydroelectric plants also decreased by 41% YoY and 40% YoY due to the prolonged drought. Only Vung Ang 1 coal-fired power plant had a 53% YoY increase in electricity output because the coal shortage was basically resolved.

Nhon Trach 3&4 projects will be started in construction in 2Q2021

— The *Nhon Trach 3* and *Nhon Trach 4* projects remain on schedule and management are finalizing the feasibility report, negotiating the PPA electricity price contract with EVN and preparing the LNG supply contract with PV Gas. Moreover, the company has also begun working with local and foreign credit institutions to arrange capital for the projects. The

Fig 1. POW's Electricity output by month



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Investment Ratings for Stocks

(based on expectations for absolute price gains over the next 6 months)

Buy:	Hold:	Sell:
+15% or more	+15% to -15%	-15% or more

Investment Ratings for Sectors

(based on expectations for absolute price gains over the next 6 months)

Positive:	Neutral:	Negative:
Outperform the market	Perform in line with the market	Underperform the market

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