EDL-Generation Public Company

The First Six- month period of 2023

30 June 2023



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1. Overview of the Company's business.

❖ Vision

1. A leading company in Lao PDR in generating the stable electric power, to fulfil the demand of socio-economic development of Lao PDR and the region in line with the green and sustainable direction.
2. A leading company in providing the operation and maintenance services to power producers in Lao PDR and the region.
3. A leading company that creates the added values for Shareholders.

❖ Mission

1. To supply electric power from clean and renewable energy sources by taking the environment into account, ensuring the energy security and sustainability for Lao PDR and the region.

2. To comprise the clear, transparent and auditable decision-making process.

3. To collaborate closely with strategic partners and power distributors to supply electricity for domestic and regional socio-economic development.

4. To enhance the effectiveness and improve the company in all aspects, in order to become the producer and provider of the operation-maintenance service for power producers in Lao PDR and the region.

5. To invest in businesses which emphasis the creating of added values both short term and long term with highest returns continuously for Shareholders.

❖ Core Business Operations

1. To generate and sell (wholesale) electricity to EDL as well as to construct transmission lines and substations as necessary.

2. To invest in power generation assets constructed and planned by EDL, or to invest in or acquire shares wholly owned or partially owned by EDL in IPPs.

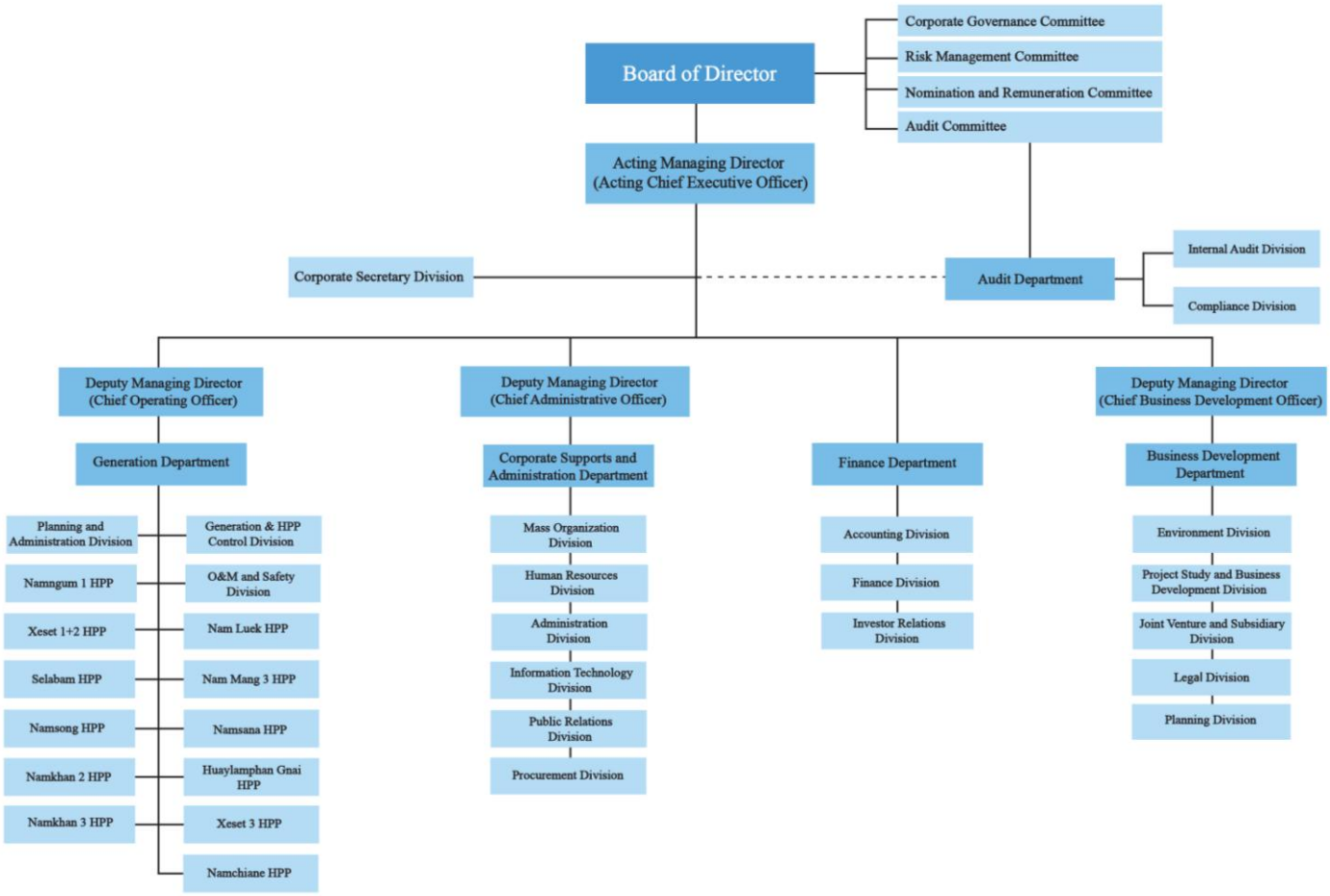
3. To provide operation and maintenance services to power generation projects in Lao PDR.

2. Organization Structure

2.1 Organization Chart

As of June 30, 2023 The organization chart of EDL-Gen consists of the board of directors with 12 members, 3 of whom are independent directors; 4 members of executive management team, 5 departments, 20 divisions, and 13 hydropower plants. EDL-Gen and its subsidiaries have 807 staff, 143 of whom are female members.

Organization Chart of EDL-Generation Public Company



Board of Directors



* Date of Birth: 30/10/1977
* Nationality: Lao
* Position ： Director General, Public Debt Management Department, Ministry of Finance.
* Education: Master of International Relations in Economics and Politics, University of Lodz, Lodz, Poland.

Mr. Soulivath SOUVANNACHOUMKHAM
Chairman



* Date of Birth: 03/05/1973
* Nationality: Lao
* Position: Managing Director of Electricite Du Laos (EDL)
* Education: Master of Business Administration, emphasis in Finance, Avila University, Kansas City, the United States. Bachelor of Science Degree in Electrical Engineering, National University of Laos.

Mr. Chanthaboun SOUKALOUN
Vice Chairman



* Date of Birth: 30/03/1974
* Nationality: Lao
* Position: Acting Managing Director & Acting CEO (EDL-GEN)
* Education: Master of Accounting at the National University of Laos

Mr. Vanhseng VANNAVONG
Director



* Date of Birth: 01/05/1968
* Nationality: Lao
* Positon: Director General of Energy Business Department, Ministry of Energy and Mines
* Education: Bachelor of Mechanical Engineering, National University of Laos

Mr. Somphith KEOVICHITH
Director



Mr. Pasomphet KHAMTANH
Director

* Date of Birth: 25/05/1970
* Nationality: Lao
* Position: Deputy Director General of State-Owned Enterprises Reform and Insurance Department, Ministry of Finance.
* Education: Master of Economics and Business, Kyung Hee University, the Republic of Korea.



Mr. Souksavart SOSOUPHANH
Director

* Date of Birth: 20/03/1985
* Nationality: Lao
* Position: Deputy Managing Director of Eletricite Du Laos (EDL).
* Education: Master of Energy and Environmental Engineering, Japan.



Mr. Phongsavath SENAPHUAN
Director

* Date of Birth: 10/10/1978
* Nationality: Lao
* Position: Chairman of the Board of Directors and President of Phongsubthavy Road, Building and Irrigation Construction Sole Co., Ltd.
* Education: Sengsavanh Business Management University



Mr. Somlath MEKAKATH
Director

* Date of Birth: 21/07/1972
* Nationality: Thai
* Position: Managing Director of Phongsubthavy Road, Building and Irrigation Construction Sole Co., Ltd.
* Education: Master of Public Administration, Tsinghua University, China.

* Date of Birth: 12/03/1978
* Nationality: Thai
* Position: Board of Director, Hongsa Power Co., Ltd and Phufai Mining Company Limited
Managing Director of Ratch-Lao Service Co., Ltd
Managing Director of Asia Water Company Limited
CEO of Foreast Renewable Development
* Education:
- Master of Science (Banking and Finance), (English Program), Chulalongkorn University, Thailand
- Master of Engineering (Electrical Engineering), Chulalongkorn University, Thailand



Mr. Chollawit WINITCHAI
Director

* Date of Birth: 13/02/1958
* Nationality: Lao
* Position: Committee of Lao Securities Commission.
* Education: Master of Law and Public Administration.



Mr. Khammoune VIPHONGXAY
Independent Director

* Date of Birth: 29/12/1975
* Nationality: Lao
* Position: Director General of Banking Operation Department, Bank of Lao PDR.
* Education: Master of Economics, Australia



Mr. Khamkeo VISISOMBATH
Independent Director

* Date of Birth: 22/08/1979
* Nationality: Lao
* Position: Deputy Director General of Research and General Affairs Department, Office of the Party Central Committee.
* Education: PhD in Economics, Kobe University, Japan.



Dr. Phanhpakit ONPHANDALA
Independent Director

Managing Directors of EDL-Gen



Vanhseng VANNAVONG
Acting Managing Director & Acting CEO



Vongsakoun YINGYONG
Deputy Managing Director,
COO



Souksanh PHONGPHILA
Deputy Managing Director,
CAO



Dr. Kounlaphanh VONGNATHI
Deputy Managing Director,
CBDO

3. Committees

In order to secure the quality and the regulations of the company, the board of directors appointed a number of committees, consisting of committees under Board of Directors and under the Managing Directors.

3.1 Committees under Board of Directors

Committees to the Board of Directors comprises of 5 committees and each committee includes members. The details are as follows:

1) Audit Committee

1.	Mr. Khammoune VIPHONGXAY	Independent Director	Chairman
2.	Mr. Somlath MEK AKATH	Director	Vice Chairman
3.	Mr. Khamkeo VISISOMBATH	Independent Director	Member
4.	Mr. Pasomphet KHAMTANH	Director	Member

2) Risk Management Committee

1.	Mr. Somphith KEOVICHITH	Director	Chairman
2.	Mr. Phongsavath SENAPHUAN	Director	Vice Chairman
3.	Dr. Phanhpakit ONPHANDALA	Independent Director	Member
4.	Mr. Pasomphet KHAMTANH	Director	Member
5.	Mr. Souksavart SOSOUPHANH	Director	Member

3) Nomination and Remuneration Committee

1.	Mr. Chanthaboun SOUKALOUN	Vice Chairman	Chairman
2.	Mr. Phongsavath SENAPHUAN	Director	Vice Chairman
3.	Soulivath SOUVANNACHOUMKHAM	Chairman	Member
4.	Mr. Chollawit WINITCHAI	Director	Member

4) Corporate Governance Committee

1.	Mr. Chanthaboun SOUKALOUN	Vice Chairman	Chairman
2.	Mr. Somphith KEOVICHITH	Director	Vice Chairman
3.	Mr. Somlath MEK AKATH	Director	Member
4.	Mr. Vanhseng VANNAVONG	Director	Member
5.	Mr. Souksavart SOSOUPHANH	Director	Member

5) Hydropower Project Transfer and Shares in IPPs Transfer from EDL to EDL-GEN Committee

1.	Mr. Souksavart SOSOUPHANH	Director	Chairman
2.	Mr. Phongsavath SENAPHUAN	Director	Vice Chairman
3.	Mr. Chollawit WINITCHAI	Director	Member
4.	Mr. Pasomphet KHAMTANH	Director	Member
5.	Mr. Vanhseng VANNAVONG	Director	Member

3.2 Board of Directors Meeting

In The first six-month period of 2023, the Board of Directors held 3 meetings as follows:

- The Board of Directors extraordinary meeting No1/2023, on 09 February 2023, in the absence of 1 member: Mr. Chanthaboun SOUKALOUN, the vice chairman, on the occurrence of the urgent mission. the main agenda were:
  - Determination of date, time and venue of the Annual General Meeting of Shareholder for the year 2022
  - The Agenda of the Annual General meeting of Shareholders for the year 2022

- The Board of Directors Ordinary meeting No1/2023 on 20 March 2023, the main agenda were:
  - The Company's 2022 business performance report including the Company's financial statements for the year 2022; and the Company's 2023 business plan.
  - Approved the dividend payment from the Company's 2022
  - Approved the increase of index multiplier of the basic salary of the Company's employees by 12 percent for the fiscal year 2023.
  - Adopted the appointment of Chairman and Director of the Board of Directors in replacement of former members, the re-appointment of Vice Chairman and some Directors, the appointment of additional Director, and the determination of term of office of the Directors.
- The Board of Directors Ordinary meeting No2/2023 on 11 May 2023, the main agenda was:
  - Approved the Company's business performance report including the financial statements for first quarter of 2023.

1. Audit Committee (AC)

In The first six-month period of 2023, Audit Committee successfully implementation On 05 May 2023, the first ordinary meeting was held to discuss the following:

- ❖ Review and comment on the financial statements for the first quarter of 2023, including the Statement of Financial Position, The Statement of Income, The Statement of Changes in Equity and the Statement of Cash Flow.
- ❖ Review the Audit and Inspection findings of the Audit Department for the first quarter of 2023 as follows:
  - To Report the Audit findings of Nam Bi Power Limited Company including. Management Process, Budget Process, Procurement Process, Accounting Process.
  - To Report the Technical Inspection findings, including Electrical, Mechanical and Safety of Nam Khan 2-3 hydropower, Nam Ngeum-1 hydropower and Nam Chien hydropower.
  - Follow up the improvement of the Audit findings in 2022 of Nam Ngum-1 hydropower.

On August 18, 2023, the second ordinary meeting was held to discuss the following:

- ❖ Review to the Management Letter from the External Auditors Ernst & Yong - Lao.
- ❖ Review and comment on the financial report for The Semi-Annual Report 2023, including the Statement of Financial Position, The Statement of Income, The Statement of Changes in Equity and the Statement of Cash Flow.
- ❖ Review the Audit and Inspection findings of the Audit Department for The Semi-Annual Report 2023:
  - To Report the Audit findings of the Finance Department, Business Development Department, Corporate Supports and Administrations Department, Generation Department, Xeset 1-2 hydropower, Selabam hydropower, Nam Chien hydropower, Houay Lamphan Gnai hydropower and Xeset3 hydropower.
  - To Report the Technical Inspection findings, including Electrical, Mechanical and Safety ofthe HouaylamphanGnaihydropower, Xeset3 hydropower, the Nam Leuk hydro power, and Nam Mang 3 hydro power.

2. Risk Management Committee (RMC)

In The first six-month period of 2023, RMC held three meeting which to discuss the following:

- Researching on negotiations to move forward on making the loan agreement of working capital from VietinBank Lao Limited.
- Reporting the negotiation progress and making the loan agreement of EDL-Gen working capital from Agricultural Promotion Bank Co.,Ltd.
- Reporting on the liquidity of EDL-Gen in January and February of 2023 and estimate the financial situation for the period of March-May of 2023
- Conversion of the floating interest rate of bond in 2014 using LIBOR to SOFR (Secured Overnight Financing Rate) with KrungsriAyudhya Bank and Kasikorn Thai Bank
- Report the Progress Projects transfer of EDL-Generation Public Company.
- Report the Progress Of Loan contractbetween EDL-Gen and Agricultural Promotion Bank
- To find a source of reserve fund to repay bond and loans by borrowing from domestic banks
- Report on the issuance of bond in the Laos as a source of reserve fund of Edl-Gen

3. Nomination and Remuneration Committee (NRC)

In The first six-month period of 2023, Nomination and Remuneration Committee held one meeting which considered and approved the following

- To consider and adopt the appointment of Chairman and Director of the Board of directors in replacement of former members, the re-appointment of Vice Chairman and some Directors, the appointment of additional Director, and the determination of term of office of Directors.
- To consider the increase of index multiplier of the basic salary of the Company's Employee.
- To consider the bonus of Board of Directors and the Company's Employee for the year 2022

4. Corporate Governance Committee

In The first six-month period of 2023, Corporate Governance Committee held one Ordinary Meeting No.1/2023 on February 8th, 2023; the main focus of the meeting was on the approval of EDL-GEN 2023 Business Budget Plan and the Organizational Structure of Nam Ngum-1 and Nam Song HPP.

3.3 Committees under Managing Directors

1. Procurement and Equipment's Supply Committee (PESC).

In The first six-month period of 2023, the PESC held meetings on procurement matters, divided into 3 sections as follows:

1. Work contracts in	**10** projects.
2. Goods supply contracts in	**07** projects.
3. Service contracts in	**04** project.

2. Honor Policy and Discipline Committee (HPDC)

In The first six-month period of 2023, The HPDC held 2 meeting, and researched and considered to improve the business operations within EDL-Gen as follows:

- Regulations on temporary staff members of EDL-Gen (5th revision).
- EDL-GEN vehicles and fuel policy (4th revision).
- EDL-GEN policy (13th revision).

4. The Environmental and Social Activities.

4.1 Environmental Conservation

- Provided the monitoring budget for Department of Energy Business, MEM to be used on the site visiting and following up the community development project of the year 2022 as well as organized the meeting to discuss on prioritize projects for year 2023.
- Completed the edition and adjustment on the Environmental-Social Management and Monitoring Plan of Nam SaNa Hydropower project.
- On 27th January 2023, has organized the discussion meeting on the carbon credit trading proposal of lower-HLPG hydropower project.
- On March, EDL-Gen has organized the site monitoring as well as the meeting with local authorities to discuss the pros and cons on the implementation of livelihood improvement project and skills training during the year 2022 at Nam Khan 2 HPP.
- Continue to update the environmental-social management and monitoring plan for Nam Khan 2, Nam Khan 3, Nam Ngm-1 extension, Nam Chien, Xeset 2, Xeset 3 and Huay Lumphan yaiHydro Power plant to submit to the Department of Natural Resources and Environment, Ministry of Natural Resources and Environment
- Provide the budget to the authority of Xiengkuang province; which to be used in environmental monitoring and inspection of social-environmental implementation of NamChiane hydropower plant.
- In response to the comments onKotra vientaine in the beginning of the draft of the master plan for the implementation of carbon trading system in Lao PDR
- EDL-Gen has implemented the biodiversityconservation activities every year, by planting trees and releasing fingerlings to its HPPs' surrounding. On the occasion of International Children's Day and National Arbor's Day2023, on 3rd June 2023, EDL-Gen has held official ceremony at Nam Leuk HPP which located Xaysomboun Province, in this event 300 trees have been planted and 10,000 fingerlings have been released into the downstream reach moreover, also contributing educational materials and sport equipmentto nearby school, the unofficial event was also held at all EDL-Gen' HPPs
- Implemented the reforestation for year 2023 in replace of the impoundment area of Namkhan 2 and HLPG hydropower plants, in the total area of 1 Ha per year in order to rehabilitate the protected area of the watershed of the HPPs.
- Participated in the discussion on the conception of financial support on SMEs toward the environmental and waste management, which was hosted by the Environmental Protection Fund.
- Actively participated in the meeting on strategy drafting on fund raising and the implementation plan of the Environmental Protection Fund for year 2023-2030, organised by the EPF.
- All EDL-Gen owned hydro power plants has submitted the environmental-social monitoring report monthly to report its E&S implementation.
- EDL-Gen has monitored the water level, especially the upstream and downstream reach, examine the water qualities, monitoring the emergency warning system and implement the reservoir's surface clearance regularly, meantime surveying reservoir area, the surrounded forest conditions, as well asthe abundance of the biodiversity surrounded its HPPs.

4.2 Social Contribution

- Organized the monitoring and surveying on livelihood conditions of local people live nearby upstream of NamNgum 1 reservoir, the school at Xayudom village, area 2 and Mai village, in order to collect the important information and plan for the necessary assistance in the future.
- Implemented the fund raising under the project "Love Just For You 4", in order to contribute in help Selabam primary school in Xanasomboun district, Champasak province. To support the purchase on teaching and learning materials which still in lack. As well as promoting on proper healthcare, increase the healthy lifestyle knowledge, and also promoting the better understanding on hydropower generation and the natural resource conservation to students and teachers.
- Installed and renovated the village loud speaker and radio system with in the downstream area of Nam Ngum 1 hydropower plant for 6 villages and Nam Song hydropower plant for 3 villages. To be used in notification of news in case of emergency.
- Providing budget for Energy Business Department, Ministry of Energy and Mines in monitoring the renovation of xeset primary school and construction of 0,4 kV transmission linein Dasia village, Laongam district, Salavan province.
- Together EDL and EDL-Gen has Implemented Improvement of the agricultural water pipe system at Nawa village, thulakhom District Vientiane Province Nam mung 3 hydropower plant.
- EDL-Gen has prioritized the CSR works and contributing to its community in all possible sectors, especially in promoting local livelihood and education of unfortunate young generations, as well as providing and maintenance the infrastructures to the local communities.

5. Business Operation and Performance.

From 2010 to the present, EDL-Gen's business is based on electricity generation where EDL-Gen supply wholesale electricity to EDL exclusively and from co-investment in projects with independent hydro power plants in accordance with government policy guidelines, including regulations, principles and laws related to the public listed companies. This is to ensure continuous growth of the company and cement the confidence of both local and foreign investors. EDL-Gen's business performance in the first six-month period of 2023 can be summarized as follows:

5.1 Generation

In The first six-month period of 2023, the power generation's plan of wholly-owned hydro power plants of EDL-Gen was 1.293,37 GWh, The actual generation was 1.161,77 GWh, equivalent to 89,93% of the plan and 79,04% compared to the same period of previous year. In addition, the generation plan from EDL-Gen's share holdings in Independent Power Producers (IPPs) was 2.327,31 GWh and actual generation was 1.923,78 GWh, equivalent to 82,66% of the plan and 84,83% compared to the same period of previous year.

In the first six-month of 2023, the total power generation plan of EDL-Gen was 3.620,68 GWh, the actual generation was 3.085,55 GWh, equivalent to 85,22% of the plan and 82,55% compared to the same period of previous year because of the amount of water inflows to the reservoirs was not as planned. power generation details are summarised in the table below:

Table 1: Power Generation of the first six-month period of 2023

No.	Description	The first six-month of 2023			The first six-month of 2022	
		Actual (GWh)	Plan (GWh)	(%)	Actual (GWh)	(%)
1	EDL-Gen wholly owned hydropower plants	1.161,77	1.293,37	89,93%	1.469,87	79,04%
2	Independent Power Producer (IPPs)	1.923,78	2.327,31	82,66%	2.267,79	84,83%
Total		**3.085,55**	**3.620,68**	**85,22%**	**3.737,66**	**82,55%**

5.2 Revenue

The total revenue for the first six –month period of 2023 was 1.105.736 Million Kip, a decrease of 123.902 Million Kip compared to the same period of last year. The main reasons were the actual power generation of wholly-owned hydropower plants and Independent Power Producers (IPPs) was not as planned. (Table 2)

5.3 Expenses

The total expenses for the first six –month period of 2023 amounted to 927.092 Million Kip, a decrease of 402.255 Million Kip compared to the same period of last year. The main reasons were lower cost of sales and no foreign exchange loss. (Table 2)

5.4 Net Profit

For the business performance of the first six –month period of 2023 EDL-Gen reported a net profit of 178.644 Million Kip, a increase of 278.353 Million Kip compared to the same period. (Table 2)

Table 2: Revenue, expenses and Net Profit/Loss of the first six-month period of 2023

No.	Description	The first six-month of 2023	The first six-month of 2022	Change	% Change
		(Million Kip)	(Million Kip)	(Million Kip)	
		1	2	3= 1-2	4=3/2
I	**Revenue**	**1.105.736**	**1.229.638**	**(123.902)**	**-10%**
1	Revenue from sale	548.758	670.120	(121.362)	-18%
2	Other income	119.007	50.766	68.241	134%
3	Net Foreign Exchange Gain	1.163	-	-	-
4	Share of profit from investment in associates and joint ventures	436.809	508.752	(71.943)	-14%
II	**Expenses**	**927.092**	**1.329.347**	**(402.255)**	**-30%**
1	Cost of sale	303.389	309.739	(6.350)	-2%
2	Operating and administrative expenses	70.438	77.338	(6.900)	-9%
3	Financial costs	553.265	486.446	66.819	14%
4	Net Foreign exchange Loss	-	455.824	-	-
	Net Profit/(loss)	**178.644**	**(99.709)**	**278.353**	**279%**

Noted : The figures are based on consolidated financial statement.

5.5 Taxes

EDL-Gen is a public company listed on the Lao Securities Exchange (LSX) and operates its business under the laws of Lao PDR. EDL-Gen has made commitment and strictly follow its obligations to pay taxes to the Lao government including Personal Income Tax (Salary and Meeting Allowances), Withholding Tax and VAT. In the Semi-Annual Report 2023, EDL-Gen contributed 4.107 Million Kip to the government as detailed below:

No.	Description	Amount (Million Kip)
1	Personal Income Taxes (Salary and meeting allowances)	3.659
2	Withholding Tax	325
3	VAT	123
Total		**4.107**

Managing Director: **(Signature) Vongsakoun YINGYONG**