(Translation)

LAO PEOPLE'S DEMOCRATIC REPUBLIC

PEACE INDEPENDENCE DEMOCRACY UNITY PROSPERITY

EDL-Generation Public Company

No 4430 /EDL-Gen

Vientiane Capital, Date 14 October 2025

Disclosure Report

To: Director General of the Lao Securities Commission Office
CEO of the Lao Securities Exchange
Shareholders of EDL-Generation Public Company

Re: Progress report of EDL-Generation Public Company Business Reform Plan.

- Pursuant to the Financial Statements for the year ended 2024.
- Pursuant to the Notification on Maintaining Listed Company Status in the Lao Securities Exchange, No. 639/LSX, dated 6 May 2025.
- Pursuant to the Extraordinary Board of Directors' Meeting No.4/2025, dated 6 June 2025
- Pursuant to the EDL-Generation Public Company Business Reform Plan No.1737/EDL-Gen, date 06 June 2025.

EDL-Generation Public Company (EDL-Gen) hereby notifies its report to you on the progress of the implementation of the **Business Reform Plan of EDL-Gen**, which was disclosed on 6 June 2025. After three months of implementation, significant progress has been made in several key areas, particularly in the **short-term action plan (within 2025)**. The details of the implementation in each work area are as follows:

❖ **Short-term Plan (within 2025)**

1. **Continue comprehensive evaluations and finalize agreements with Electricité du Laos (EDL) and the relevant government authorities to promptly expedite the adjustment of electricity tariffs in accordance with the conditions stipulated in existing contracts, with the objective of mitigate the impact of exchange rate volatility and enhancing profitability**
    - EDL-Gen has completed the minutes of the meeting with Electricité du Laos on 06 August 2025 regarding the adjustment of electricity tariff to 4.7 cents/kWh. The new tariff has been applied from 01 July 2025 to 31 December 2025, or until the completion of the new electricity pricing legislation (Power Purchase Agreement and/or its amended or supplementary versions).
2. **Continue working on the transfer of selected EDL-Gen wholly owned hydropower projects (HPP), which are still in the documentation process, back to EDL at a price that delivers optimal value and benefits for both parties. The proceeds will be used for the timely repayment of EDL-Gen's debt and to strengthen the company's financial position by reducing overall liabilities**
    - EDL-Gen has obtained in principle approval from the Board of Directors on 06 June 2025 regarding the transfer of selected 100%-owned projects (HPPs) to Electricité du Laos. The company is now in the process of engaging financial consultants to assess the

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fair value of the assets and legal consultants to draft the required legal instruments for the transfer.

3. **Continue re-evaluating EDL-Gen's fixed assets, as the current valuations have remained unchanged since the company's establishment. This re-assessment aims to reflect the present market conditions and the evolving socio-economic environment in Laos.**
    - The initial asset revaluation has been completed, and the company is currently reviewing and finalizing the valuation report with the appointed valuer. The process was expected to be completed by September 2025, with formal approval from EDL-Gen and relevant authorities anticipated by October 2025.
4. **Continue studying the potential of using foreign currency in the company's financial statements. If considered feasible and expected to positively impact financial reporting, EDL-Gen will seek approval from the Accounting Department, Ministry of Finance, in accordance with applicable regulations**
    - The study is currently being conducted with EY Lao and is expected to be completed by October 2025.
5. **Maintain close monitoring of the foreign currency control plan issued by the Bank of Lao PDR (BOL), and formally request that the Government and BOL consider implementing measures to stabilize the foreign exchange rate and mitigate rapid depreciation.**
    - EDL-Gen is closely monitoring the exchange rate movement in coordination with the Bank of the Lao PDR and commercial banks, particularly during periods of bond principal and interest repayments, to help ensure domestic exchange rate stability.

❖ **Long-term Plan**

1. **Conduct a comprehensive study on the reduction or divestment of shares in IPPs that have been assessed as uneconomical or incapable of generating cash-flow for EDL-Gen, through a re-evaluation of their fair value. Such actions should be appropriate and aimed at securing the maximum benefit for the company. Nonetheless, any consideration and execution of share reduction or divestment must strictly adhere to the conditions set forth by lenders and comply with all applicable laws and regulations to prevent any breach or failure to fulfill contractual obligations.**
    - EDL-Gen has conducted studies and considerations regarding asset divestment in certain projects, including the proposed transfer of EDL-Gen's 15% shareholding in the Nam Theun 1 Hydropower Project and 60% shareholding of EDL-Gen O&M in E&E to Chaleun Sekong Group, with proceeds intended for the repayment of bond principals and interest due in 2025 and early 2026. The study of non-economic IPP projects is ongoing and expected to be completed by December 2025.
2. **Conduct a comprehensive study on the potential to diversify and enhance income sources by exploring opportunities such as carbon offset and credit programs, floating solar system installations, the development of pumping hydro projects, and other innovative renewable energy solutions.**
    - EDL-Gen has signed MOUs for the development of pumped-storage hydropower projects at Houay Lamphan Lower and Houay Lamphan Gnai Dams, to enhance system reliability, and MOAs for solar power projects at Xelabam, Xeset 1–2, Xeset 3, and Nam Mang 3 hydropower sites, totaling 15 MW of installed capacity. The study results are expected by late 2025.

3. **In pursuing new investments, the company will implement rigorous evaluation criteria to identify and select projects that demonstrate strong financial viability. Priority will be given to small-scale projects with high return on investment that are capable of achieving operational self-sufficiency and securing their own funding.**
    - This is currently under study and consideration by the company.
4. **Enhance and modernize the operations and maintenance processes of machinery through the adoption of advanced technology systems. This initiative aims to reduce operational expenses, increase efficiency, and optimize resource utilization.**
    - This is currently under study and consideration by the company.
5. **Improve the dividend Policy by considering available cash after deducting mandatory regulatory reserves and any other required reserves, if applicable, rather than solely relying on net profit figure.**
    - This is currently under study and consideration by the company.

Please be informed for your information and references.

Sincerely yours,

Deputy Managing Director (CBDO)

-Signature and Company Seal Affixed-

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