



EDL-Generation Public Company

The First Semi-Annual Report

30 June 2017



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The First semi-annual Financial Report June 30, 2017

1. The EDL-Generation Public Company.

The EDL-Generation Public Company (EDL-Gen) was incorporated as a public company with limited liability on 15 December 2010 through a spin off from Electricité Du Laos (EDL) where EDL's generation assets were transferred to the company including Nam Ngum 1, Nam Mang 3, Nam Leuk, Xeset 1, Xeset 2, Selabam and Nam Song hydropower plants, with an installed capacity of 387 MW. The technical staffs, who are working for the hydropower plants and some employees at EDL headquarter, have been transferred to EDL-Gen.

In the beginning, EDL-Gen has a registered capital with the total of 2.605.792.200.000 Kip or 651.448.050 in shares (4.000 Kip per share). EDL-Gen has approved the increase of its capital to 217.149.000 shares for the initial public offering (IPO). On 7 January 2011, the company had the registered capital with the total of 3.474.388.200.000 Kip, which amounts to 868.597.050 shares. On 11 January 2011, EDL-Gen was officially listed on the Lao Securities Exchange (LSX).

In the middle of 2012, EDL-Gen sold successfully Right offering and Public offering in order to purchase shares of four Independence Power Producer (IPPs) from EDL. The four IPPs are 60% of shares in Theun Hinboun, 25% of shares in Nam Ngum 2, 20% of shares in Houay Ho and 10% of shares in Nam Lik 1-2 hydropower plants. The total installed capacity of these four IPPs amount 494 MW, increasing EDL-Gen's installed capacity of 881 MW. At the end of 2012, EDL-Gen has registered capital of 4.904.867.060.000 kip and 1.226.216.765 shares.

In October 2014, EDL-Gen became the first public company in Lao PDR to have an investment grade credit rating by TRIS Rating Co., Ltd. at "BBB+".

On 12 December 2014, EDL-Gen officially issued debentures and successfully raised the targeted THB 6.500 million. This financial capital are being invested for an additional 392 MW, comprising of 4 hydropower projects to be transferred from EDL to EDL-Gen with a combined installed capacity of 292 MW; and the acquisitions of shares from EDL held at 5 IPPs with a total of 100 MW.

On 10 February 2015, EDL-Gen has successfully transferred shares of Nam Ngum 5 Hydropower plant (15%) from EDL which increased the total installed capacity of the company to 899 MW.

To promote continued growth, in September 2015 EDL-Gen issued the third ordinary share under RO and PO, raising 2.754 billion kip. This amount of fund will finance a further 513,1 MW, including 5 wholly-owned projects from EDL with a combined 277,9 MW, shares from EDL in 6 IPPs with equity attributed installed capacity of 108,3 MW. The registered capital of the company increased to 6.717.214.788.000 kip and the total share grew up to 1.679.303.697 shares. The shareholders structure remained the same.

On 24 December 2015, EDL-Gen Completion of asset transferring 3 hydropower plant projects: Nam Khan 2 hydropower plant project with an installed capacity of 130 MW, Houay Lamphan Gnai hydropower plant project with an installed capacity of 88 MW and Nam Sana hydropower plant project with an installed capacity of 14 MW from EDL which increased the total installed capacity of the company to 1.131 MW.

EDL-Gen issued USD Bond valued 312 million USD in Thailand on September 2nd, 2016. The bond was planned to invest in 10 projects which are Selabam Extension Project, Xeset 2 Extension Project, Nam Teun 1 Project, Pak Beng Project, Solar Farm Project Phase 1, Nam Dik 1 Project, Overhaul of Xeset 1-2 and Nam Mung 3 unit 1, Nam Phoun Project (Finance cost), and Nam Bi 1,2,3 Project (Finance cost).

2. The Core Business Operation.

1. To generate and sell (wholesale) electricity to EDL as well as construct the transmission lines and substations as necessary.
2. To invest in the generation assets, which are constructed and planned by EDL or the shares wholly owned or partially owned by EDL in the EDL's IPPs.
3. To provide operation and maintenance services to other power generation projects in Lao PDR.

❖ Vision:

EDL-Gen has strong desire: (1) to be a number one leading company in Lao PDR in ensuring a reliable electric power supplier for the socio-economic development of Lao PDR. (2) To be a company which strongly contributes to the realization of Lao PDR's vision of being a battery of ASEAN in order to contribute and ensure sustainable and reliable power supplier to ASEAN community.

❖ Mission:

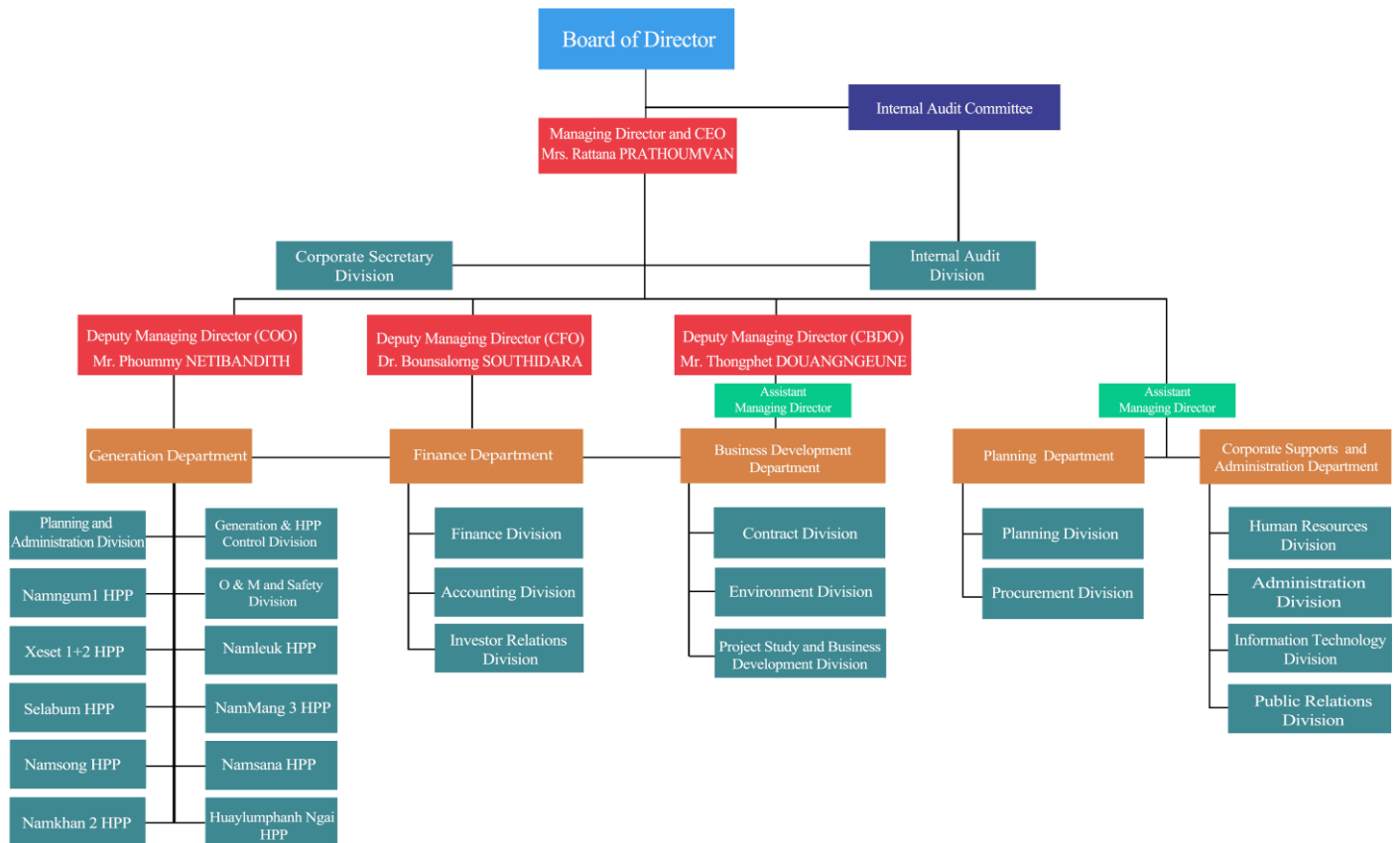
1. To be a number one leading company in electricity generating business to provide Lao PDR and neighboring nations, with sustainable power at a reasonable prices and to create the shareholder's value.
2. To stand side by side with EDL and coordinate closely with EDL in order to maintain power reliability and effectively respond to the needs of the social and economic development of Lao PDR as well as the ASEAN nations.
3. To upgrade and train its staff, so that they can actively participate in the development of the company with pride, responsibility and ownership.

3. Organization;

3.1 Organization Chart.

The organization chart of EDL-Gen consists of general meeting of shareholders, the board of directors consist of 9 directors (herein are 3 independent directors), 4 managing directors, 2 Assistant Managing Directors, 5 departments, 15 offices, and 10 hydropower plants.

Organization Chart of EDL-Gen - Generation Public Company



EDL-Gen Staffs

EDL-GEN consists of 778 staffs, of whom 156 are females. It consists 581 permanent staffs, of whom 101 are female and it consists 197 contractual staffs, of whom 55 are female:

Details	Permanent staff					Temporary staff				
Head office	85	staff	Female	29	staff	20	staff	Female	9	staff
Nam Ngum 1	130	staff	Female	32	staff	45	staff	Female	11	staff
Nam Kham 2-3	54	staff	Female	5	staff	11	staff	Female	5	staff
Xe set 1-2	75	staff	Female	15	staff	53	staff	Female	8	staff
Houay Lamphan Ngai	34	staff	Female	1	staff	4	staff	Female	0	staff
Num Leuk	51	staff	Female	4	staff	15	staff	Female	5	staff
Num Mung 3	52	staff	Female	7	staff	8	staff	Female	5	staff
Xe set 3	24	staff	Female	3	staff	11	staff	Female	5	staff
Nam Sana	20	staff	Female	0	staff	9	staff	Female	3	staff
Nam Song	20	staff	Female	1	staff	5	staff	Female	2	staff
Selabam	30	staff	Female	4	staff	12	staff	Female	2	staff
Tadsaland	6	staff	Female	0	staff	4	staff	Female	0	staff
Total	581	staff	Female	101	staff	197	staff	Female	55	staff

* **Remark :** EDL-Gen provided Operation and Maintenance Service at Nam Khan 3 Hydro power plant
Xeset 3 Hydro power plant, Tadsaland Hydro power plant.

Board of Directors



Dr. Khammany INTHIRATH
Chairman



Mr. Boun Oum SYVANPHENG
Vice Chairman



Mrs. Rattana PRATHOUMVANH
Director



Mr. Bounma MANIVONG
Director



Mrs. Vanida SAVADDY
Director



Mr. Sychath BOUTSAKITIRATH
Director



Assoc. Prof. Dr. Kongsy SENGMAHY
Independent Director



Prof. Dr. Khamlusa NOUANSAVANH
Independent Director



Assoc. Prof. Khampheui PHOMACHANH
Independent Director

Managing Directors of EDL-Gen



Mrs. Rattana PRATHOUMVANH
Managing Director (CEO)



Mr. Thongphet DOUANGNEUNE
Deputy Managing Director (CBDO)



Dr. Bounsalong SOUTHIDARA
Deputy Managing Director (CFO)



Mr. Phoummy NETIBANEDITH
Deputy Managing Director (COO)



Mr. Viratha PHONEKEO
Assistant Managing Director
Director of Business Development



Mrs. Souksanh PHONGPHILA
Assistant Managing Director
Director of Planning Department

4. Committees

In order to secure the quality and the regulations of the company, the board of directors appointed a number of committees which some were under the managing director and some were under the board of director.

4.1 Committees of Board of Directors

1. Audit Committee (AC)

In the first semi-annual 2017, Internal Audit Committee (IAC) held 3 meetings. Main issues of the meetings as follows:

- The first extraordinary meeting was held on February 3rd. The committee discussed on appointment of new president, discussion on the works of auditing division and IAC in year 2016, and their future work in 2017.
- The first ordinary meeting was held on March 13th. The committee discussed on a draft of annual financial statement year 2016. The statement was verified by external auditing company, Klynveld Peat Marwick Goerdeler (KPMG).
- The second ordinary meeting was held on May 8th. The committee discussed on a draft of first quarter financial statement year 2017.

2. Risk committee

In the First semi-annual 2017, Risk Committee held 1 meeting. Main issues of the meetings as follows:

- The meeting was held on May 5th. The committee discussed on tasks of Risk Committee especially the tasks regarding on financial risks.

3. Reimbursement Committee

The Reimbursement committee is appointed by board of directors regarding on document numbered 0041/EDL-Gen. dated January 6, 2017. The committee currently has been preparing for action.

4. Nomination Committee

The nomination committee is appointed by board of directors regarding on document numbered 0042/EDL-Gen. dated January 6, 2017. The committee currently has been preparing for action.

5. Audit of Related Party Transaction Committee (ARPTC)

In the First semi-annual 2017, Audit of Related Party Transaction Committee held 1 meeting on April 28th, 2017. The main topic of the meeting was to discuss the role and working plan of the committee.

4.2 Managing Directors.

1. The Committee on Negotiation of Concession Agreement, Shareholder Agreement, and Power Purchasing Agreement (CASAPPAC)

In the First semi-annual 2017, Committee on Negotiation of Concession Agreement, Shareholder Agreement, and Power Purchasing Agreement worked on some tasks as follows:

- Signed Power Development Agreement and Project Operating Agreement of Nam Sana Hydropower Project with Vientiane provincial authorities on March 28th, 2017
- Negotiated Shareholder Agreement of Nam Thuen 1 Hydropower Project with Phonesack Group and Electricity Generating Public Company Limited (EGCO).

- Signed the Land Lease Agreement of Nam Sana Hydropower Plant with Vientiane provincial authorities on May 4th, 2017.
- Negotiated Shareholder Agreement of Mekong Pak Beng Hydropower Project with Datang Overseas Investment Co., Ltd., and Electricity Generating Public Company Limited (EGCO).

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

In the first semi-annual 2017 the PESC held 2 meeting on Procurement and signed contracts in 14 projects as follows:

- | | |
|------------------------------|------------|
| 1. Work contracts in | 5 projects |
| 2. Goods supply contracts in | 7 projects |
| 3. Service contracts in | 2 project |

3. Honor Policy and Discipline Committee (HPDC)

In the first semi-annual 2017, the HPDC held discussed some important issues as follows:

1. Reviewed the adjustment of an obligation on HPDC appointment.
2. Reviewed on Bonus distribution in year 2016.
3. Edited an obligations and policies on EDL-Gen staff.
4. Adjusted obligation on traveling expense.
5. Reviewed procedure of employee recruitment.

5. Business Operation and Productivity

It has been the seven year since the company established in December 2010 to operate and wholesale the generating electricity to EDL. Meanwhile, the company had to improve the overall management to suit the laws and regulations of a public company set by the Lao Securities Exchange to ensure a healthy development of EDL-Gen and build trust amongst shareholders and international investors. The outcomes of our business operation in the first semi-annual 2017 are as followed:

5.1. Generation

In the first semi-annual 2017, the company owned 10 hydropower plants with a combined installed capacity of 1.131 MW. Since the weather condition in 2017 was supportive, enabling company's generation reached 1.238,46 GWh which was 108,50% of the plan.

5.2. Revenue

In the first semi-annual 2017, the total revenue of EDL-Generation mainly came from selling electricity to EDL and its total revenue was 586.334 million Kip, which was below the plan by 9,83% including revenue from electricity sale totally 573.305 million Kip, equaled to 97,78% of the total revenue and other revenue equaled to 2,22% of the total revenue.

5.3. Expenses

In the first semi-annual 2017, EDL-Gen has the total expenses in the amount of 576.688 million Kip, equivalent to 98,35% of total revenue.

No.	Details	Million Kip	% of revenue
1	Finance Costs	239.875	40,91 %
2	Cost of Sales	222.044	37,87 %
3	Operating Cost	63.327	10,80 %
4	Foreign exchange rate	45.090	7,69 %
5	Income Tax	6.352	1,08 %
Total		576.688	98,35 %

5.4. Net Profits

The total Net Profits of EDL-Gen for the first semi-annual 2017 came from 2 main sources as follows:

1. Profit from business operation of EDL-Gen, amounted to 9.646 million Kip.
2. Profit from share of associates and joint ventures, amounted to 120.593 million Kip

The total Net Profits of EDL-Gen for the first semi-annual 2017 was 130.239 million Kip.

5.5. Taxes

EDL-Gen is the public company and lists in LSX, and operates its business under Lao PDR Law. EDL-Gen obligates to pay tax to the Government of Laos including VAT, profit tax, dividend tax, royalty fee, personal income tax-salary, and meeting premium Tax. The total amount of tax for the first semi-annual 2017 was 107.681 million kip and represents as below:

No.	Details	Million Kip
1	VAT	61.174
2	Profit Tax	27.663
3	Dividend Tax	12.421
4	Royalty fee	3.590
5	Personal income tax- salary	2.724
6	Meeting Premium Tax	109
Total		107.681

The First Semi-Annual Financial Report

June 30, 2017

EDL-Generation Public Company and its subsidiaries

Condensed interim financial statements
for the six-month period ended 30 June 2017
and
Independent auditors' report on review of
condensed interim financial information

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Independent auditors' report on review of condensed interim financial information

To Board of Directors of EDL-Generation Public Company

Introduction

We have reviewed the accompanying condensed consolidated and separate interim statements of financial position of EDL-Generation Public Company and its subsidiaries (the "Group") and EDL-Generation Public Company (the "Company"), respectively, as at 30 June 2017, the condensed consolidated and separate interim statements of income, changes in equity and cash flows for the six-month period then ended, and notes to the condensed interim financial information ("the condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with the Group's accounting principles as described in Note 3 in the annual financial statements and condensed interim financial information. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at 30 June 2017 is not prepared, in all material respects, in accordance with the Group's accounting principles.

KPMG Lao Co., Ltd.
Vientiane
22 August 2017



EDL-Generation Public Company and its subsidiaries
Condensed interim statement of financial position

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2017 (Unaudited)	31 December 2016 (Unaudited)	30 June 2017 (Unaudited)	31 December 2016
		(in million Kip)			
Assets					
Investment in subsidiaries	5	-	-	82.760	81.260
Investments in associates and joint ventures	6	2.289.463	2.297.166	2.289.463	2.297.166
Advance payment for investments	7, 17	3.139.475	3.133.596	3.139.475	3.133.596
Advance payment for interest rate swap contracts	12	43.919	-	43.919	-
Assets under concession	8	9.465.280	9.435.337	9.375.286	9.412.504
Other non-current assets	17	108.156	130.073	253.936	153.707
Total non-current assets		15.046.293	14.996.172	15.184.839	15.078.233
Cash and cash equivalents		1.589.352	2.249.635	1.517.767	2.235.280
Current investments		925.311	918.603	925.311	918.603
Trade and other receivables	9, 17	779.157	490.973	778.324	491.469
Current portion of advance payment for interest rate swap contracts	12	14.425	-	14.425	-
Spare parts and supplies		4.359	4.765	4.359	4.765
Other current assets		82.525	74.747	16.558	8.826
Total current assets		3.395.129	3.738.723	3.256.744	3.658.943
Total assets		18.441.422	18.734.895	18.441.583	18.737.176



RATTANA PRATHOUMVAN
 Chief Executive Officer
 Date: 22 August 2017

BOUNSA LONG SOUTHIDARA
 Chief Financial Officer
 Date: 22 August 2017

The accompanying notes are an integral part of these condensed interim financial information.

EDL-Generation Public Company and its subsidiaries
Condensed interim statement of financial position

		Consolidated financial statements		Separate financial statements	
		30 June	31 December	30 June	31 December
	Note	2017	2016	2017	2016
		(Unaudited)	(Unaudited)	(Unaudited)	
		(in million Kip)			
Shareholders' equity					
Share capital		6.717.215	6.717.215	6.717.215	6.717.215
Share premium		985.621	985.621	985.621	985.621
Legal reserve		416.729	416.729	416.729	416.729
Translation reserve		(681)	(1.342)	(681)	(1.342)
Retained earnings		929.153	1.068.179	932.477	1.070.927
Equity attributable to owners					
of the Company		9.048.037	9.186.402	9.051.361	9.189.150
Non-controlling interests		527	-	-	-
Total shareholders' equity		9.048.564	9.186.402	9.051.361	9.189.150
Liabilities					
Long-term borrowings	10	4.280.955	844.299	4.280.955	844.299
Debentures	11	4.095.929	3.985.936	4.095.929	3.985.936
Swap contract payables	12	68.873	145.676	68.873	145.676
Total non-current liabilities		8.445.757	4.975.911	8.445.757	4.975.911
Trade and other payables		255.197	228.730	255.370	228.730
Payables for assets under concession	17	-	3.957.400	-	3.957.400
Current portion of long-term borrowings	10	527.072	214.484	527.072	214.484
Income tax payable		-	12.238	-	12.238
Accrued expenses		163.205	159.355	161.652	158.888
Other current liabilities		1.627	375	371	375
Total current liabilities		947.101	4.572.582	944.465	4.572.115
Total liabilities		9.392.858	9.548.493	9.390.222	9.548.026
Total equity and liabilities		18.441.422	18.734.895	18.441.583	18.737.176



RATTANA PRATHOUMVAN
Chief Executive Officer
Date: 22 August 2017

BOUNSALONG SOUTHIDARA
Chief Financial Officer
Date: 22 August 2017

The accompanying notes are an integral part of these condensed interim financial information.

EDL-Generation Public Company and its subsidiaries
Condensed interim statement of income (Unaudited)

		Consolidated		Separate financial	
		financial statements		statements	
		For the six-month periods		For the six-month periods	
		ended 30 June		ended 30 June	
	<i>Note</i>	2017	2016	2017	2016
<i>(in million Kip)</i>					
Continuing operation					
Sales	17	574.566	564.996	573.305	564.996
Costs of sales		<u>(222.462)</u>	<u>(254.284)</u>	<u>(222.044)</u>	<u>(254.284)</u>
Gross profit		352.104	310.712	351.261	310.712
Other income		13.029	5.181	13.029	5.181
Operating and administrative expenses		(64.663)	(43.417)	(63.327)	(43.417)
Net foreign exchange gain (loss)		(45.646)	18.618	(45.090)	18.618
Share of profit from investments in associates and joint ventures	6	<u>120.593</u>	<u>36.029</u>	<u>120.593</u>	<u>36.029</u>
Operating profit		375.417	327.123	376.466	327.123
Finance costs	17	<u>(239.875)</u>	<u>(51.339)</u>	<u>(239.875)</u>	<u>(51.339)</u>
Profit before income tax expense		135.542	275.784	136.591	275.784
Income tax expense	13	<u>(6.352)</u>	<u>(24.297)</u>	<u>(6.352)</u>	<u>(24.297)</u>
Profit for the period		<u>129.190</u>	<u>251.487</u>	<u>130.239</u>	<u>251.487</u>
Profit attributable to:					
Owners of parent		129.663	251.487	130.239	251.487
Non-controlling interests		<u>(473)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit for the period		<u>129.190</u>	<u>251.487</u>	<u>130.239</u>	<u>251.487</u>
Earning per share					
Basis earning per share <i>(in Kip)</i>	14	<u>77,22</u>	<u>149,76</u>	<u>77,57</u>	<u>149,76</u>



RATTANA PRATHOUMVAN
 Chief Executive Officer
 Date: 22 August 2017

BOUNSALONG SOUTHIDARA
 Chief Financial Officer
 Date: 22 August 2017

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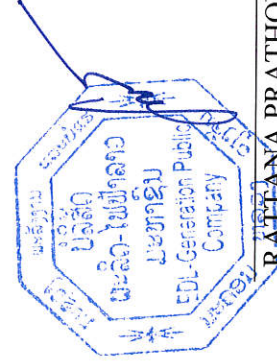
EDL-Generation Public Company and its subsidiaries
Condensed interim statement of changes in equity (Unaudited)

		Consolidated financial statements					
		Attributable to owners of the Company					
	Note	Share capital	Share premium	Legal reserve	Currency translation differences (in million Kip)	Retained earnings	Non-controlling interests
Six-month period ended 30 June 2016							
Balance at 1 January 2016		6,717,215	985,621	361,294	(2,119)	1,042,217	-
Profit for the period		-	-	-	-	251,487	-
Currency translation differences	6	-	-	-	388	-	-
Dividends paid	15	-	-	-	-	(251,895)	-
Balance at 30 June 2016		6,717,215	985,621	361,294	(1,731)	1,041,809	-
Six-month period ended 30 June 2017							
Balance at 1 January 2017 (Unaudited)		6,717,215	985,621	416,729	(1,342)	1,068,179	-
Acquisition of subsidiary's non-controlling interest		-	-	-	-	-	1,000
Profit for the period		-	-	-	-	129,663	(473)
Currency translation differences	6	-	-	-	661	-	-
Dividends paid	15	-	-	-	-	(268,689)	-
Balance at 30 June 2017		6,717,215	985,621	416,729	(681)	929,153	527
						9,048,037	9,048,564
						9,186,402	9,186,402
						129,190	1,000
						(268,689)	661
						9,048,037	9,048,564

The accompanying notes are an integral part of these condensed interim financial information.

EDL-Generation Public Company and its subsidiaries
Condensed interim statement of changes in equity (Unaudited)

		Separate financial statements					
	Note	Share capital	Share premium	Legal reserve	Currency translation differences (in million Kip)	Retained earnings	Total equity
Six-month period ended 30 June 2016							
Balance at 1 January 2016		6,717,215	985,621	361,294	(2,119)	1,042,217	9,104,228
Profit for the period		-	-	-	-	251,487	251,487
Currency translation differences		-	-	-	388	-	388
Dividends paid		-	-	-	-	(251,895)	(251,895)
Balance at 30 June 2016		6,717,215	985,621	361,294	(1,731)	1,041,809	9,104,208
Six-month period ended 30 June 2017							
Balance at 1 January 2017		6,717,215	985,621	416,729	(1,342)	1,070,927	9,189,150
Profit for the period		-	-	-	-	130,239	130,239
Currency translation differences		-	-	-	661	-	661
Dividends paid		-	-	-	-	(268,689)	(268,689)
Balance at 30 June 2017		6,717,215	985,621	416,729	(681)	932,477	9,051,361



RATTANA PRATHOUMVAN
 Chief Executive Officer
 Date: 22 August 2017

BOUNSALONG SOUTHDARA
 Chief Financial Officer
 Date: 22 August 2017

The accompanying notes are an integral part of these condensed interim financial information.

EDL-Generation Public Company and its subsidiaries
Condensed statement of cash flows (Unaudited)

		Consolidated financial statements		Separate financial statements	
		For the six-month periods ended 30 June		For the six-month periods ended 30 June	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in million Kip)</i>			
Cash flows from operating activities					
Profit for the period		129.190	251.487	130.239	251.487
<i>Adjustments :</i>					
Depreciation and amortisation		204.052	210.274	203.552	210.274
Finance costs		239.875	45.058	239.875	45.058
Unrealise (gain) loss on foreign exchange		46.014	(6.505)	46.005	(6.505)
Share of profit from investments in associates and joint ventures	6	(120.593)	(36.029)	(120.593)	(36.029)
Income tax expense		6.352	24.297	6.352	24.297
		504.890	488.582	505.430	488.582
<i>Changes in:</i>					
Trade and other receivables		(464.570)	(313.829)	(463.388)	(313.829)
Spare parts and supplies		406	(360)	406	(360)
Other current assets		(4.677)	1.829	(5.009)	1.829
Other non-current assets		(11.760)	(42.458)	(129.278)	(42.458)
Trade and other payables		(2.116)	(148.082)	(1.943)	(148.082)
Accrued expenses		(5.411)	(7.633)	(6.496)	(7.633)
Other current liabilities		1.243	109	(4.070)	109
Cash generated from (used in) operating activities		18.005	(21.842)	(104.348)	(21.842)
Income tax paid		(27.663)	(20.774)	(27.663)	(20.774)
Net cash used in operating activities		(9.658)	(42.616)	(132.011)	(42.616)

The accompanying notes are an integral part of these condensed interim financial information.

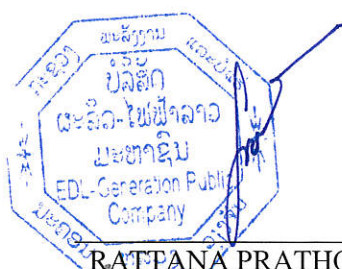
EDL-Generation Public Company and its subsidiaries
Condensed statement of cash flows (Unaudited)

		Consolidated financial statements		Separate financial statements	
		For the six-month periods ended 30 June		For the six-month periods ended 30 June	
	<i>Note</i>	2017	2016	2017	2016
		<i>(in million Kip)</i>			
Cash flows from investing activities					
Cash paid for advance payment for investments		-	(77.264)	-	(77.264)
Purchase of investments in subsidiaries		-	-	(1.500)	(81.260)
Purchase of assets under concession		(207.578)	(170.298)	(139.955)	(170.298)
Purchase of investment in joint venture		(1.634)	-	(1.634)	-
Dividend received from investment in associates and joint-ventures	6	130.591	7.550	130.591	7.550
Net cash used in investing activities		(78.621)	(240.012)	(12.498)	(321.272)
Cash flows from financing activities					
Finance costs paid		(223.331)	(51.829)	(223.331)	(51.829)
Dividends paid		(72.957)	(251.895)	(72.957)	(251.895)
Proceeds from long-term borrowings		12.676	-	12.676	-
Repayment of long-term borrowings		(243.594)	(89.389)	(243.594)	(89.389)
Cash proceed from non-controlling interests		1.000	-	-	-
Advance payment for interest rate swap contracts		(65.130)	-	(65.130)	-
Cash proceed from interest rate swap contracts		5.285	-	5.285	-
Net cash used in financing activities		(586.051)	(393.113)	(587.051)	(393.113)
Net decrease in cash and cash equivalents		(674.330)	(675.741)	(731.560)	(757.001)
Effect of exchange rate change on balance held in foreign currencies at end of period		14.047	(13.939)	14.047	(13.939)
Cash and cash equivalents at 1 January		2.249.635	1.213.770	2.235.280	1.213.770
Cash and cash equivalents at 30 June		1.589.352	524.090	1.517.767	442.830

The accompanying notes are an integral part of these condensed interim financial information.

EDL-Generation Public Company and its subsidiaries
Condensed statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	For the six-month periods ended 30 June		For the six-month periods ended 30 June	
<i>Note</i>	2017	2016	2017	2016
	<i>(in million Kip)</i>			
<i>Non-cash transactions</i>				
Payables for assets under concession	261.384	4.019.450	261.384	4.019.450
Offsetting dividend payment with trade and other accounts receivables	160.731	-	160.731	-
Offsetting loan repayment with trade and other accounts receivables	19.369	-	19.369	-
Offsetting payable for assets under concession with long-term borrowing	3.957.400	-	3.957.400	-



RATTANA PRATHOUMVAN
 Chief Executive Officer
 Date: 22 August 2017

BOUNSA LONG SOUTHIDARA
 Chief Financial Officer
 Date: 22 August 2017

The accompanying notes are an integral part of these condensed interim financial information.

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

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EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

1 Reporting entity

EDL-Generation Public Company (“the Company” or “EDL-GEN”) is a public company which is listed on the Lao Securities Exchange (“LSX”) on 11 January 2011, and is incorporated and domiciled in the Lao Peoples' Democratic Republic (“Lao PDR”). The Company was incorporated and registered with the Ministry of Industry and Commerce on 15 December 2010. The Company is a subsidiary of Electricite Du Laos (“EDL”) with 75% shareholding.

The incorporation of the Company was initiated by EDL in connection with the restructuring of the energy business of EDL by transferring the Existing Generation Assets and certain rights and obligations to the Company according to the Prime Minister’s Office (“PMO”) Decision No. 180 dated 13 December 2010. The PMO approved EDL to sell its shares in the Independent Power Plants (“IPP”) projects to the Group.

On 15 December 2010, EDL transferred the Existing Generation Assets and related liabilities of 7 hydropower dams, Nam Ngum 1, Nam Leuk, Nam Mang 3, Nam Song, Xeset1, Xeset 2, and Xelabam, based on the net book value as at 20 October 2010, to the Company of Kip 2,605,792 million. EDL will continue its activities on the transmission and distribution of electricity generated by the Existing Generation Assets to end-users. Since 15 December 2010, the Company has commenced its electricity generation operation mainly based on such transferred assets to supply the electricity generated back to EDL according to terms and conditions specified in Power Purchase Agreements (“PPA”).

Further more, the Company has continued acquiring more power projects and establishing new joint venture with counterparties and EDL.

The address of the Company’s registered office is 7th Floor, EDL Headquarter Building, Lao-Thai Friendship Road, Thongkang Village, Sisattanak District, Vientiane Capital, P.O. Box 2392, Lao PDR.

These condensed interim financial information was authorised for issue by the Board of Directors on 22 August 2017.

2 Basis of accounting

The condensed interim financial information was prepared in accordance with the Group's accounting policies as described more detail in the annual financial statements for the year ended 31 December 2016. The primary financial statements (i.e. statement of financial position, statements of income, cash flows and changes in equity) is prepared in the full format. The notes to the financial information are prepared in a condensed format.

The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2016.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

There is no comprehensive set of accounting standards in Laos ("LAS"). LAS is currently under development by the Accounting Department and Lao Chamber of Professional Accountants and Auditors (LCPAA). At present, companies apply Lao Accounting Manual (LAM) issued by the Ministry of Finance. LAM is a set of instructions based on accrual basis of accounting. Accordingly, there are significant differences between LAM and the International Financial Reporting Standards (IFRS). These areas of significant differences are, for example property, plant and equipment, leases, employee benefit, the effects of changes in foreign exchange rate, income tax and deferred income tax, financial instrument, associates, joint ventures and pre-operation cost. The accounting principles applied may materially differ from the generally accepted accounting principles including the International Financial Reporting Standards ("IFRS") adopted in certain countries and jurisdictions.

The preparation of condensed interim financial information requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed interim financial information and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

3 New accounting policy

Commencing 1 January 2017, the Group has additionally adopted new account policy regarding consolidated financial statements. Therefore, the comparative figure in the consolidated statement of financial position as at 31 December 2016 was prepared by management for comparative purpose.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated.

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

4 Segment information

The Group has two reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different type of business. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Electricity generation
- Segment 2 Other businesses

Information regarding the results of each reportable segment are included below. Performance is measured based on segment profit, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

For the six-month period ended 30 June 2017

	Segment 1	Segment 2	Elimination	Total
		<i>(in million Kip)</i>		
Sales	574.566	-	-	574.566
Costs of sales	(222.462)	-	-	(222.462)
Segment result	352.104	-	-	352.104
Other income	13.029	-	-	13.029
Operating and administrative expenses	(64.663)	-	-	(64.663)
Foreign exchange loss	(45.646)	-	-	(45.646)
Share of profit from investment in associates and joint ventures	-	120.593	-	120.593
Operating profit	254.824	120.593	-	375.417
Finance costs	(239.875)	-	-	(239.875)
Net profit before income tax expense	14.949	120.593	-	135.542
Income tax expense	(6.352)	-	-	(6.352)
Net profit for the period	8.597	120.593	-	129.190

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

For the six-month period ended 30 June 2016

	Segment 1	Segment 2	Elimination	Total
		<i>(in million Kip)</i>		
Sales	564.996	-	-	564.996
Costs of sales	(254.284)	-	-	(254.284)
Segment result	310.712	-	-	310.712
Other income	5.181	-	-	5.181
Operating and administrative expenses	(43.417)	-	-	(43.417)
Foreign exchange gain	18.618	-	-	18.618
Share of profit from investment in associates and joint ventures	-	36.029	-	36.029
Operating profit	291.094	36.029	-	327.123
Finance costs	(51.339)	-	-	(51.339)
Net profit before income tax expense	239.755	36.029	-	275.784
Income tax expense	(24.297)	-	-	(24.297)
Net profit for the period	215.458	36.029	-	251.487

5 Investment in subsidiaries

	Separate financial statements	
	2017	2016
	<i>(in million Kip)</i>	
At 1 January	81.260	-
Additions	1.500	81.260
At 30 June	82.760	81.260

During the six-month period ended 30 June 2017, the Company has paid for capital of EDL-Gen Solar Power Company Limited, 15.000 shares at Kip 0,1 million per share, totalling Kip 1.500 million.

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

Investments in subsidiaries as at 30 June 2017 and 31 December 2016, and dividend income from those investments for the six-month periods ended 30 June 2017 and 2016 were as follows:

Separate financial statement														
Ownership interest			Paid-up capital		Cost		Impairment		Cost - net		Dividend income			
30 June 2017	31 December 2016	Type of business	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016		
(in million Kip)														
EDL-Gen Solar														
60	60	Electricity generation	2,500	-	1,500	-	-	-	1,500	-	-	-		
Nam Bi Power														
80	80	Electricity generation	80,000	80,000	81,260	81,260	-	-	81,260	81,260	-	-		
Total			82,760	81,260	82,760	81,260	-	-	82,760	81,260	-	-		

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

6 Investments in associates and joint ventures

<i>Six-month periods ended 30 June</i>	Consolidated and Separate financial statements	
	2017	2016
	<i>(in million Kip)</i>	
Associates		
At 1 January	606.728	710.599
Share of net profit of associates	10.215	26.776
Dividend income	(36.774)	(7.550)
Currency translation differences	96	419
At 30 June	580.265	730.244
Joint ventures		
At 1 January	1.690.438	1.558.324
Share of net profit of joint ventures	110.378	9.253
Dividend income	(93.817)	-
Addition	1.634	-
Currency translation differences	565	(31)
At 30 June	1.709.198	1.567.546
Total		
At 1 January	2.297.166	2.268.923
Share of net profit of associates and joint ventures	120.593	36.029
Dividend income	(130.591)	(7.550)
Addition	1.634	-
Currency translation differences	661	388
At 30 June	2.289.463	2.297.790

On 9 January 2017, The Group has invested in Nam Dik 1 Hydro Power Company Limited, a joint venture which incorporated in Lao PDR, with cash consideration at USD 0,2 million or equivalent to Kip 1.634 million. The joint venture's businesses are electricity production and distribution.

EDL-Generation Public Company and its subsidiaries

Notes to the condensed interim financial information

For the six-month period ended 30 June 2017 (Unaudited)

Investments in associates and joint ventures as at 30 June 2017 and 31 December 2016, and dividend income from those investments for the six-month periods ended 30 June 2017 and 2016 were as follows:

Consolidated and Separate financial statements													
Ownership interest			Cost		Impairment		Cost - net		Equity		Dividend income		
30 June 2017	31 December 2016	Type of business	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	31 December 2016	30 June 2017	30 June 2016	
(%)			(in million Kip)										
<i>Associates</i>													
Nam Ngum 2 Power Co., Ltd. ("Nam Ngum 2")	25	25	Electricity generation	454.742	454.742	-	-	454.742	454.742	417.357	451.954	36.774	-
Nam Lik 1-2 Power Co., Ltd. ("Nam Lik 1-2")	10	10	Electricity generation	32.240	32.240	-	-	32.240	32.240	69.978	65.281	-	7.550
Nam Ngum 5 Power Co., Ltd. ("Nam Ngum 5")	15	15	Electricity generation	80.022	80.022	-	-	80.022	80.022	92.930	89.493	-	-
Total				567.004	567.004	-	-	567.004	567.004	580.265	606.728	36.774	7.550
<i>Joint ventures</i>													
Theun-Hinboun Power Co., Ltd. ("THPC")	60	60	Electricity generation	1.120.696	1.120.696	-	-	1.120.696	1.120.696	1.682.464	1.666.995	87.269	-
Houay Ho Power Co., Ltd. ("HHPC")	20	20	Electricity generation	1.171	1.171	-	-	1.171	1.171	17.039	15.820	6.548	-
Lower Houay Lamphanh Co., Ltd. ("LHPC")	60	60	Electricity generation	9.760	9.760	-	-	9.760	9.760	8.061	7.623	-	-
Nam Dik 1 Hydro Power Co., Ltd. ("Nam Dik 1")	70	-	Electricity generation	1.634	-	-	-	1.634	-	1.634	-	-	-
Total				1.133.261	1.131.627	-	-	1.133.261	1.131.627	1.709.198	1.690.438	93.817	-
Grand Total				1.700.265	1.698.631	-	-	1.700.265	1.698.631	2.289.463	2.297.166	130.591	7.550

With respect to THPC, HHPC and Nam Dik 1, although the Company has its interest in those companies more or less than 50% but according to the conditions in joint venture agreements the Company has obtained voting rights and Board of Directors' seats and has abilities to make only certain key decisions in finance and operations (but not as much as a controlling party). Management therefore concludes these are interest in joint ventures.

With respect to Nam Lik 1-2 and Nam Ngum 5, the Company has obtained voting rights and Board of Directors' seats and has abilities to make certain key decisions in finance and operations (but not as much as a joint controlled party) as stipulated in related shareholders' agreements concerned. Management therefore concludes this investment as an associate.

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

7 Advance payment for investments

<i>Six-month periods ended 30 June</i>	<i>Note</i>	Consolidated and Separate financial statement	
		2017	2016
		<i>(in million Kip)</i>	
At 1 January		3.133.596	3.690.647
Additions		-	77.264
Finance costs		5.879	6.281
Transferred to assets under concession	8	-	(686.379)
At 30 June		3.139.475	3.087.813

Advance payment for investments as at 30 June 2017 and 31 December 2016 were as follows:

	<i>Type</i>	Consolidated and Separate financial statement	
		30 June 2017	31 December 2016
		<i>(in million Kip)</i>	
Nam Khan 3	Assets	307.712	301.833
Nam Chiean 1	Assets	678.504	678.504
Nam Hinboun	Assets	205.955	205.955
Xeset 3	Assets	149.418	149.418
Nam Ngum 1 Ext DFE	Assets	488.494	488.494
Nam Ngum 1 Ext Unit 6	Assets	242.231	242.231
Nam Ou 2,5,6	IPP	364.640	364.640
Nam Ngiep 2	IPP	111.470	111.470
Nam Beng	IPP	42.138	42.138
Xekamam 3	IPP	232.163	232.163
Nam Lik 1	IPP	34.680	34.680
Nam Mang 1	IPP	37.596	37.596
Nam Tha 1	IPP	244.474	244.474
Total		3.139.475	3.133.596

8 Assets under concession

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in million Kip)</i>			
At 1 January		9.435.337	4.343.130	9.412.504	4.343.130
Additions		233.798	4.517.083	166.137	4.517.083
Transferred from advance payment for investments	7	-	686.379	-	686.379
Depreciation charge		(203.855)	(208.968)	(203.355)	(208.968)
At 30 June		9.465.280	9.337.624	9.375.286	9.337.624

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

9 Trade and other receivables

		Consolidated financial statements		Separate financial statements	
		30 June	31 December	30 June	31 December
	<i>Note</i>	2017	2016	2017	2016
		<i>(in million Kip)</i>			
Trade accounts receivable from related party	17	762.205	476.457	760.932	476.457
Other receivables from related parties	17	12.699	10.172	13.188	10.666
Others		4.253	4.344	4.204	4.346
Total		779.157	490.973	778.324	491.469

10 Long-term borrowings

		Consolidated and Separate financial statements	
		30 June	31 December
	Note	2017	2016
		(in million Kip)	
Current portion of long-term borrowings			
- Long-term borrowing from related party	17	337.951	132.173
- Long-term borrowing from financial institution		189.121	82.311
Total current portion of long-term borrowings		527.072	214.484
Non-current portion of long-term borrowings			
- Long-term borrowing from related party	17	3.652.455	444.651
- Long-term borrowing from financial institution		628.500	399.648
Total non-current portion of long-term borrowings		4.280.955	844.299
Total long-term borrowings		4.808.027	1.058.783

Movements in long-term borrowings for the six-month periods ended 30 June 2017 and 2016 were as follow:

	Consolidated and Separate financial statements	
	2017	2016
<i>(in million Kip)</i>		
At 1 January	1.058.783	1.019.464
Additions	3.970.076	185.502
Repayments	(262.963)	(89.389)
Effect from currency translation	42.131	3.305
At 30 June	4.808.027	1.118.882

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

Debt Repayment Agreement

On 3 February 2017, the Company entered into the additional Debt Repayment Agreement (“the Agreement”) total USD 482 million or equivalent to Kip 3.957.400 million with the EDL. EDL is a borrower pursuant to Nam Khan 2 and Houay Lamphanh Ngai Power Project under Sub-Loan Agreement No. 0227/EDL and 0220/EDL, dated 21 January 2013 with the Government of Lao PDR (“GOL”) in which the original fund is provided from Export-Import Bank of China (the lender) and made through the GOL. In addition to the assets transfer, both parties agreed that the Company will make payments to EDL equal to payments due by EDL to the GOL, for the GOL’s further repayments to the lender pursuant to the original borrowing agreements. These borrowings are unsecured and no other obligations other than the repayments required as per agreed schedules.

Long-term loan agreement

On 26 August 2016, the Company has signed addendum to long-term loan agreement with Thai Military Bank Public Company Limited (“TMB”) for additional credit facility amounting to USD 6,8 million for additional construction project. This borrowing has an interest rate of LIBOR 3 months + 3.5% and is payable on a quarterly basis. The Company will repay this borrowing within 7 years after the first drawn down date on 28 October 2016 the Company to access Facility I and II totalling USD 5,25 million and on 26 January 2017, the Company received the second drawn down for facility III of the borrowing which amounts to USD 1,55 million or equivalent to Kip 12.676 million. In addition, the Company is required to comply with certain terms and conditions; for examples, debt service coverage ratio, gearing ratio and dividend payment.

Long-term borrowings as at 30 June 2017 and 31 December 2016 were denominated in foreign currency as follow:

	Consolidated and Separate financial statements	
	30 June 2017	31 December 2016
	<i>(in million Kip)</i>	
U.S. Dollar	4.755.502	1.001.391
Japanese Yen	52.525	57.392
Total	4.808.027	1.058.783

The aging analysis of these borrowings is as follows:

	Consolidated and Separate financial statements	
	30 June 2017	31 December 2016
	<i>(in million Kip)</i>	
Less than 1 year	527.072	214.484
More than 1 year but less than 5 years	1.940.096	814.218
More than 5 years	2.340.859	30.081
Total	4.808.027	1.058.783

EDL-Generation Public Company and its subsidiaries
Notes to the condensed interim financial information
For the six-month period ended 30 June 2017 (Unaudited)

11 Debentures

	Consolidated and Separate financial statements	
	30 June 2017	31 December 2016
	<i>(in million Kip)</i>	
Debentures	4.168.489	4.060.173
Transaction costs	(72.560)	(74.237)
Net	4.095.929	3.985.936

Movements in debentures for the six-month periods ended 30 June 2017 and 2016 were as follow:

	Consolidated and Separate financial statements	
	2017	2016
	<i>(in million Kip)</i>	
At 1 January	3.985.936	1.452.163
Amortisation of deferred financing fee	1.677	1.306
Effect from currency translation	108.316	27.625
At 30 June	4.095.929	1.481.094

Summary key terms and conditions of the debentures issued during the third quarter of 2016 is outlined in the below table:

Description	Series 1	Series 2	Series 3
Type	Unsubordinated unsecured debentures	Unsubordinated unsecured debentures	Unsubordinated unsecured debentures
Repayment	Principal repayment at the maturity date	Principal repayment at the maturity date	Principal repayment at the maturity date
Total offering price	USD 51.000 million	USD 166.000 million	USD 95.000 million
Issue amount	51.000 units	166.000 units	95.000 units
Interest rate	Fixed rate at 5% per annum	Fixed rate at 5,59% per annum	Fixed rate at 5,98% per annum
Effective interest rate	5,24% per annum	5,85% per annum	6,26% per annum
Interest due	Semi-annually, 2 March and 2 September	Semi-annually, 2 March and 2 September	Semi-annually, 2 March and 2 September
Period	7 years	10 years	12 years
Maturity date	2 September 2023	2 September 2026	2 September 2028

EDL-Generation Public Company and its subsidiaries
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Summary key terms and conditions of the debentures issued in 2014 is outlined in the below table:

Description	Series 1	Series 2	Series 3
Type	Unsubordinated unsecured debentures	Unsubordinated unsecured debentures	Unsubordinated unsecured debentures
Repayment	Principal repayment at the maturity date	Principal repayment at the maturity date	Principal repayment at the maturity date
Total offering price	Baht 1.500 million	Baht 2.000 million	Baht 3.000 million
Issue amount	1.500.000 units	2.000.000 units	3.000.000 units
Interest rate	Fixed rate 4,95% per annum	Fixed rate at 5,20% per annum	Fixed rate at 5,45% per annum
Effective interest rate	5,26% per annum	5,54% per annum	5,82% per annum
Interest due	Semi-annually, 12 June and 12 December	Semi-annually, 12 June and 12 December	Semi-annually, 12 June and 12 December
Period	5 years	7 years	10 years
Maturity date	12 December 2019	12 December 2021	12 December 2024

12 Swap contracts

(a) Cross currency swap contracts

	Consolidated and Separate financial statements	
	30 June 2017	31 December 2016
	<i>(in million Kip)</i>	
Swap contract payable	1.633.298	1.620.851
Swap contract receivable	(1.577.745)	(1.489.735)
Deferred gain on swap contract	13.320	14.560
Net	68.873	145.676

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Key terms of cross currency swap contracts are summarised as below:

Series	Issued amount (million Baht)	Swap amount (million USD)	Payment term	Original rate	Swap rate	Payment term
1	1.500	45,59	December 2019	4,95%	Libor 6 months + 3,36%	Semi-annually from June 2015 to December 2019
2	2.000	60,79	December 2021	5,20%	Libor 6 months + 3,61%	Semi-annually from June 2015 to December 2021
3	3.000	91,18	December 2024	5,45%	Libor 6 months + 3,795%	Semi-annually from June 2015 to December 2024

(b) Interest rate swap contracts

During the six-month period ended 30 June 2017, the Company has entered into interest rate swap contracts with a foreign bank which the Company is required to pay advance payment.

As at 30 June 2017, the balance of advance payment for interest rate swap contracts is as below:

	Consolidated and Separate financial statements	
	30 June 2017	31 December 2016
	<i>(in million Kip)</i>	
Current portion of advance payment for interest rate swap contracts	14.425	-
Non-current portion of advance payment for interest rate swap contracts	43.919	-
Total	58.344	-

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Key terms of interest rate currency swap contracts are summarised as below:

Series	Notional amount (million USD)	Contract end date	Original rate	Swap rate	Payment term
1	22,80	December 2019	Libor 6 months	Floor 1,75% - Cap 2,55%	Semi-annually from June 2015 to December 2019
2	30,39	December 2021	Libor 6 months	Floor 1,75% - Cap 3,35%	Semi-annually from June 2015 to December 2021
3	45,59	December 2021	Libor 6 months	Floor 1,75% - Cap 3,35%	Semi-annually from June 2015 to December 2021

13 Income tax

According to the Concession Agreement with GOL, the Company shall pay taxes on its net taxable income at a rate of ten percent (10%) in accordance with applicable Laws, subject to further reduction to the rate of five percent (5%) during an initial period of four (4) years from the date of Company registration in accordance with the Enactment of the President of Lao PDR regarding Corporate Income Tax and Fee for Securities and Exchange, No. 1/ President, date 28 December 2010.

From the 1st quarter of 2015 onwards, the Company records corporate income tax at the current rate of 10% on net profit after the adjustments for non-deductible expenses and others according to the Tax Law effective on 1 October 2012 on an accrual basis.

The Company does not recognise corporate income tax payable or receivable in future periods in respect of temporary difference. Income tax expense is recognised based on the operating result for the related period and the applicable tax rate.

14 Basic earnings per share

The calculations of basic earnings per share for the six-month periods ended 30 June 2017 and 2016 were based on the profit for the period attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the period as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Profit attributable to ordinary shareholders of the Company (in million Kip)	129.663	251.487	130.239	251.487
Number of ordinary shares outstanding (in million shares)	1.679	1.679	1.679	1.679
Basic earnings per share (in Kip)	77,22	149,76	77,57	149,76

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15 Dividends

The annual general meeting of Shareholders, held on 3 April 2017, has approved interim dividend payment in respect of net profit for the six-month period from 1 July to 31 December 2016 of Kip 160 per share amounting to a total of Kip 268.689 million. This dividend was paid during April 2017.

The annual general meeting of Shareholders, held on 25 April 2016, has approved interim dividend payment in respect of net profit for the six-month period from 1 July to 31 December 2015 of Kip 150 per share amounting to a total of Kip 251.895 million. This dividend was paid during May 2016.

16 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	<i>(in million Kip)</i>			
Capital commitments				
Contracted but not provided for:				
Design, Constuction and installment for machinry and equipment and project construction	<u>2.818.115</u>	<u>2.604.279</u>	<u>242.691</u>	<u>372.791</u>

	Consolidated and Separate financial statements	
	30 June 2017	31 December 2016
	<i>(in million Kip)</i>	
Non-cancellable operating lease commitments		
Within one year	2.234	256
More than one year but within five years	3.629	1.064
More than five years	6.272	6.628
Total	<u>12.135</u>	<u>7.948</u>

Land lease agreement

According to Prime Minister's Office Instruction No.180 on 13 December 2010, the Company has the right to use related land for electricity generation operation. Ministry of Natural Resources and Environment and the Company are in process of survey and preparation of land lease agreement. Rental fee will be recorded when both party can agree related terms and conditions in the land lease agreement.

Subsequently, Ministry of Natural Resources and Environment and the Company signed the land lease agreement (the Agreement) on 30 January 2014. According to the Agreement, the Company has right to use related land over 30 years for its business, commencing from the Agreement date.

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For the six-month period ended 30 June 2017 (Unaudited)

17 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Name of entities	Country of incorporation/ nationality	Nature of relationships
Electricite Du Laos	Lao PDR	Parent company
Houay Ho Power Co., Ltd.	Lao PDR	Joint venture
Nam Bi Power Co., Ltd.	Lao PDR	Subsidiary, 80% shareholding
EDL-Gen Solar Power Co., Ltd.	Lao PDR	Subsidiary, 60% shareholding

The pricing policies for particular types of transactions are explained further belows:

Transactions	Pricing policies
Sale of electricity	Contract price
Interest expense	Contract rate

Significant transactions for the six-month periods ended 30 June 2017 and 2016 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in million Kip)</i>			
Parent company				
Sales of electricity	574.566	564.996	573.305	564.996
Interest expense	168.920	15.080	168.920	15.080

Balances as at 30 June 2017 and 31 December 2016 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	<i>(in million Kip)</i>			

Advance payment for investments

Parent company				
Electricite Du Laos	3.109.676	3.109.676	3.109.676	3.109.676

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	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	<i>(in million Kip)</i>			
Other non-current assets				
Parent company				
Electricite Du Laos	-	35.000	-	35.000
Subsidiary				
EDL-Gen Solar Power Company Limited	-	-	177.391	35.955
Joint venture				
Houay Ho Power Co., Ltd.	-	3.232	-	3.232
Total	<u>-</u>	<u>38.232</u>	<u>177.391</u>	<u>74.187</u>
Trade and other receivables				
Trade receivables				
Parent company				
Electricite Du Laos	762.205	476.457	760.932	476.457
Total	<u>762.205</u>	<u>476.457</u>	<u>760.932</u>	<u>476.457</u>
Other receivables				
Parent company				
Electricite Du Laos	12.699	10.173	12.699	10.173
Subsidiary				
Nam Bi Power Company Limited	-	-	489	493
Total	<u>12.699</u>	<u>10.173</u>	<u>13.188</u>	<u>10.666</u>
Grand total	<u>774.904</u>	<u>486.630</u>	<u>774.120</u>	<u>487.123</u>

Aging analysis of trade accounts receivables from related party is as below:

	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	<i>(in million Kip)</i>			
Not due	263.169	191.394	262.435	191.394
Overdue				
- Less than 3 months	369.675	154.959	369.136	154.959
- 3 - 6 months	129.361	130.104	129.361	130.104
	<u>762.205</u>	<u>476.457</u>	<u>760.932</u>	<u>476.457</u>
Less allowance for doubtful accounts	-	-	-	-
Net	<u>762.205</u>	<u>476.457</u>	<u>760.932</u>	<u>476.457</u>

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**Consolidated and Separate
financial statements**
30 June 31 December
2017 2016
(in million Kip)

Payables for assets under concession

Parent company

Electricite Du Laos	-	3.957.400
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Pursuant to the MOU for the transfer of the project assets of Houay Lamphanh Ngai and Nam Khan 2 hydro power projects between the Company and EDL, the Company recognised those assets under concession in the financial statements for the year ended 31 December 2016. Prior to the assets transfer date, the Company has made advance payment to investments amounting to Kip 664.721 million. The remaining cost of assets is recognised as payable for assets under concession.

Subsequent to February 2017, the Debt Repayment Agreement (“the Agreement”) among the Company, EDL and lender has been finalised. The agreement transferred obligation to repay long-term loan relevant to the aforementioned hydro power projects from EDL to the Company.

**Consolidated and Separate
financial statements**
30 June 31 December
2017 2016
(in million Kip)

Long-term borrowings

Parent company

Electricite Du Laos		
- Current portion	337.951	132.173
- Long-term portion	3.652.455	444.651
Total	3.990.406	576.824

Significant agreements with related parties

Concession Agreement (“CA”)

On 15 December 2010, the Company entered into the Concession Agreement (“CA”) which was subsequently revised on 24 July 2013, with Government of Lao People’s Democratic Republic (“GOL”) represented by Ministry of Planning and Investment (“MPI”). The CA provides for a term of 30 years, together with a renewal period of 10 years for the Power Plant projects as described in Note 1 (b). At the end of the concession period, the Company must transfer to the GOL or its nominee, free of charge and encumbrances, all the Company’s right, title and interest in the projects and all assets held by the Company for operating the projects as agreed under this CA.

Under the CA, the GOL grants to the Company the exclusive rights, during the concession period. Significant exclusive rights under the CA include 1) right to own, operate and maintain the project facilities and any other property or assets which the Company procures 2) right to use dam, divert and river 3) right to sell electricity to EDL 4) corporate income tax of 10% and 5) royalty fee payable at 1% of sale of electricity.

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In addition, the Company is required to comply with several terms and conditions which include but not limited to constructions, financing arrangement, royalty fee, health and safety, tax and land rental, Value Added Tax ("VAT") in respect of supplies of electricity it makes to EDL.

Memorandum of Understanding of Electricity Sales and Purchase for Nam Khan 2 and Houay Lamphanh Ngai Projects ("MOU")

During 2016, the Company has signed an MOU with EDL for sale and purchase of electricity generated from Nam Khan 2 and Houay Lamphanh Ngai hydro power projects with selling price, terms and conditions as stipulated in the MOU. The Company has rights over the electricity distributed to EDL prior to the MOU date.

The Power Purchase Agreement for these projects is currently in submitting for approval process.

Purchase Power Agreement ("PPA")

On 15 December 2010 and revised on 9 December 2011, the Company entered into the Purchase Power Agreement ("PPA") with EDL. The PPA provides for a term of 30 years, together with a renewal period of 10 years which is the same period as the CA.

The main source of the Company's revenue is the sales of electricity to EDL pursuant to the PPA of the electricity produced by the Existing Generation Assets. The electricity sales are based on the tariffs as agreed with EDL which are set out in related PPA for each Existing Generation Asset.

Under the PPA, the Company is required to comply with several terms and conditions include 1) responsibilities in the operation and maintenance of the capacity under normal operation throughout the PPA period 2) prohibits to grant any third party any right to supply or use of electrical energy generated by the facility during the PPA period 3) obligation to agree the planned outages from the facilities or EDL grid system with EDL before each PPA year and 4) collect money from EDL for net electrical output 5) EDL can make partial payment and off-set unpaid balance with dividend payable announced by the Company in each year 6) Facility shall be made available to supply to EDL not less than 90% of its declared availability taking into consideration all outages, force majeure, dispatch failures and the like and EDL agree to purchase from the Company not less than 90% of the net available output 7) Amendment conditions on tariffs including when there are fluctuations of exchange rates as stipulated in the agreement.

On 7 November 2016, and revised on 28 March 2017, the Company entered into Power Purchase Agreement ("PPA") with EDL for the transfer of the project assets of Nam Sana Hydro Project. The PPA provides for a term of 30 years, together with a renewal period, the PPA defined a term of extension as may be extended in accordance with the terms of the CA.

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For the six-month period ended 30 June 2017 (Unaudited)

Memorandum of Understanding (“MOU”) for share transfer of the project asset of Nam Khan 3 (“the Project”)

On 17 February 2014, the Company and EDL signed a MOU for the transfer of the project assets of Nam Khan3 Hydro Project. According to the conditions in this MOU, EDL wish to transfer all assets of the project to the Company after the Commercial Operation Date (COD) or at any other date as each party agree, under the conditions that i) if it is successful, the Company shall agree to fully reimburse EDL for all costs incurred by EDL up to the completion date and, on a continuing or recurring basis, up to and through the time of completion of transfer of ownership of the respective projects and ii) the Company shall be responsible to repay to EDL or to advance to EDL, on a continuing or recurring basis as both parties agreed, all of EDL’s further financial obligations with respect to the Project as may be contractually required iii) Both parties intend to finalise relating documents and negotiation within 31 December 2015 iv) the total consideration to be paid by the Company to EDL is not overpay than USD 18.13 million. If there will be additional payment more than above incurred by EDL, the Company will pay this additional amount to EDL with under condition mentioned in this MOU.

Memorandum of Understanding (“MOU”) for the share transfer of project assets of Nam Ou Power Company Limited

On 19 January 2015, the Company and EDL signed an MOU for the transfer of equity shareholding in Nam Ou Power Company Limited. This includes the project assets of Nam Ou 2, 5 and 6.

Under this MOU, the Company agree to fully reimburse EDL for all costs incurred by EDL up to the completion date and, on a continuing or recurring basis, up to and through the time of completion of transfer of ownership of the respective projects. In addition, the Company is responsible to repay to EDL or to pay in advance to EDL, on a continuing or recurring basis as both parties agreed, all of EDL’s further financial obligations with respect to the Project as may be contractually required. Both parties agree the selling price at the time of project transfer. The Company is required to pay the remaining balance after deduction of related advance to EDL.

Memorandum of Understanding (“MOU”) for transfer Assets and Shares of IPPs

On 12 June 2015, the Company signed an MOU with EDL for the transferred assets and shares IPPs as summarised below:

No	Project name	Location	Stake	MW
Assets				
1	Nam Chiean 1	Xiengkouang	100%	104
2	Nam Hinboun	Khammouan	100%	30
3	Xeset 3	Champasack	100%	24
4	Nam Ngum 1 Ext DFE	Vientiane	100%	80
5	Nam Ngum 1 Ext Unit 6	Vientiane	100%	40
	Total			278
Shares IPPs				
1	Nam Ngiep 2	Xiengkouang	10%	18
2	Nam Beng	Oudomxay	20%	6,8
3	Xekamam 3	Sekong	15%	37,5
4	Nam Lik 1	Vientiane	10%	6
5	Nam Mang 1	Bolikhamxay	10%	6,4
6	Nam Tha 1	Louangnamtha	20%	33,6
	Total	Bokeo		108,3

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Under this MOU, the Company agree to fully reimburse EDL for all costs incurred by EDL up to the completion date and, on a continuing or recurring basis, up to and through the time of completion of transfer of ownership of the respective projects. In addition, the Company is responsible to repay to EDL or to pay in advance to EDL, on a continuing or recurring basis as both parties agreed, all of EDL's further financial obligations with respect to the Project as may be contractually required. Both parties agree the selling price at the time of project transferred project transfer, the Company is required to pay the remaining balance after deduction of related advance to EDL.

Employees transferred from EDL

After the Incorporation Date, certain EDL's employees who mainly operate existing generation assets will be transferred and work for the Company. On 28 February 2011, the transferred employees have signed new employment contracts with the Company and all obligations from EDL to staff were transferred to the Company and the benefits to be provided by the Company are still the same as those provided by EDL.

18 Events after the reporting period

Significant agreement

On 21 July 2017, the Company and EDL signed an MOU for the transfer of equity shareholding in Don Sahong Power Co., Ltd. and Xayaburi Power Co., Ltd. Advance payment for investment amounting to USD 100 million has been transferred to EDL on 1 August 2017.

On 27 July 2017, the Company signed credit facility with a foreign bank which consist of Tranche A Facility amount of USD 85 million and Tranche B Facility amount of USD 15 million. On 31 July 2017, the Company received both facilities A and B total amount of USD 100 million.

On 21 August 2017, the Company signed credit facility with a local bank amounting to EUR 17,2 million and the Company received first drawdown amount EUR 8,6 million on 22 August 2017.

Dividend

The Board of directors meeting, held on 22 August 2017, has approved interim dividend payment in respect of net profit for the six-month period from 1 January to 30 June 2017 of Kip 110 per share amounting to a total of Kip 184.723 million. This dividend will be paid during October 2017.

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19 Supplementary information

The Group presents the unaudited condensed interim statement of income for the three-month period ended 30 June 2017 under this note to the condensed interim financial information. This is in accordance with the reporting and disclosure regulation issued by Lao Securities and Exchange Commission Office.

Summary of statement of income (Unaudited)
For the three-month period ended 30 June 2017

	Consolidated financial statements 30 June 2017	Separate financial statements 30 June 2017
	<i>(in million Kip)</i>	
Sales	330.868	330.111
Cost of sales	(108.601)	(108.350)
Gross profit	222.267	221.761
Other income	7.648	7.648
Operating and administrative expenses	(42.449)	(41.647)
Net foreign exchange loss	(27.154)	(26.598)
Share of profit from investments in associates and joints ventures	104.674	104.674
Operating profit	264.986	265.838
Finance costs	(149.073)	(149.073)
Profit before income tax expense	115.913	116.765
Income tax expense	(2.692)	(2.692)
Net profit for the period	113.221	114.073

Managing Director:

(Signature) Rattana PRATHOUMVANH

Accounting Division Manager:

(Signature) Khambay LUANGXAY

Deputy Manager of Audit Committee :

(Signature) Manivanh NHOTKONGMY