



EDL-Generation Public Company

The First Quarter Report

31 March 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

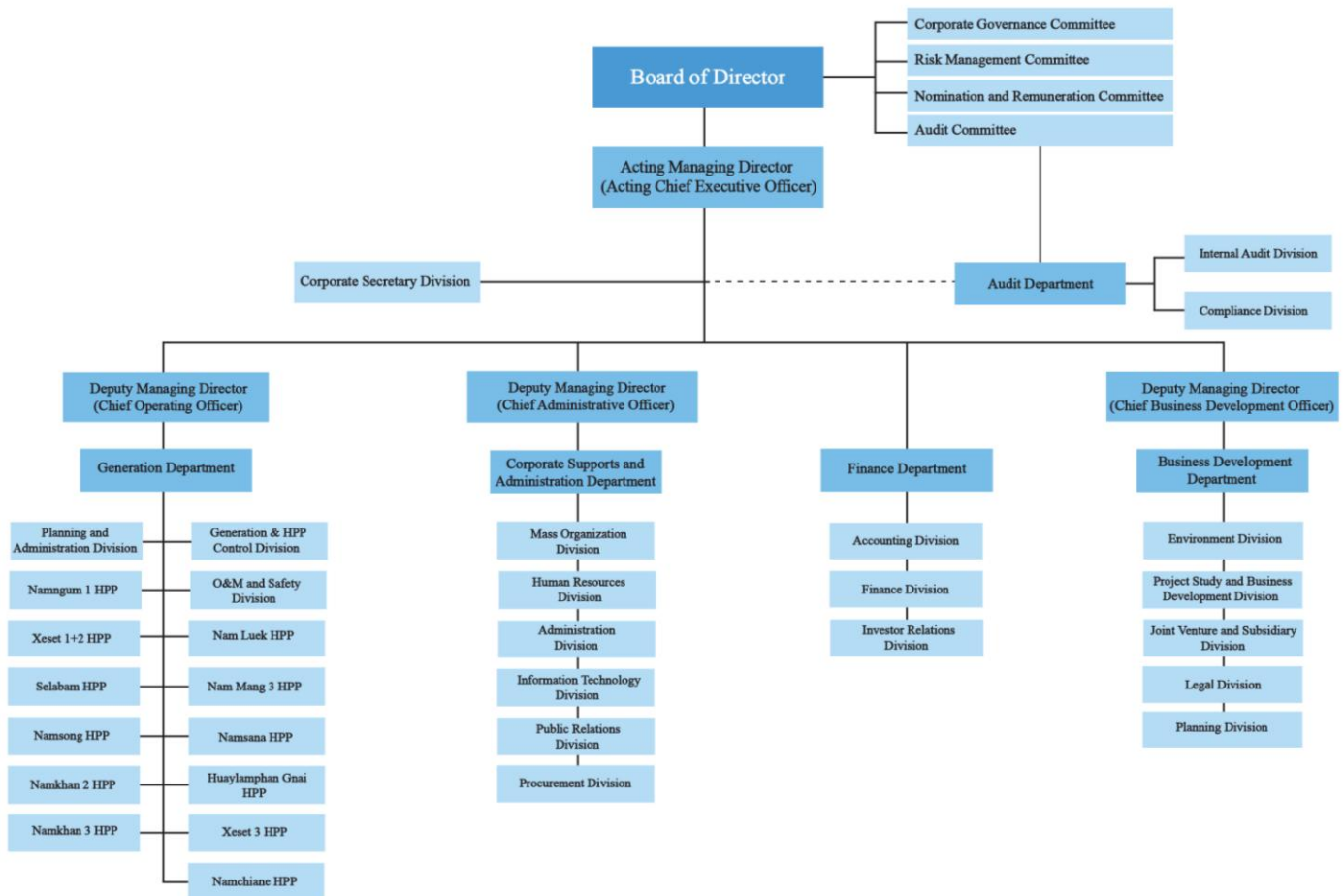
1. To generate and sell (wholesale) electricity to EDL as well as to construct transmission lines and substations as necessary.
2. To invest in power generation assets constructed and planned by EDL, or to invest in or acquire shares wholly owned or partially owned by EDL in IPPs.
3. To provide operation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

2. Organization Structure

2.1 Organization Chart

As of March 31, 2023 The organization chart of EDL-Gen consists of the board of directors with 11 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 812 staff, 146 of whom are female members.

Organization Chart of EDL-Generation Public Company



Board of Directors

- * Date of Birth: 24/11/1966
- * Nationality: Lao
- * Position : Governor of the Bank of the Lao PDR
- * Education:
 - PhD in Economics from the Australian National University, Canberra, ACT, Australia. Masters of Business Administration from Thammasat University Bangkok, Thailand. Bachelor and Master of Science in Physics and Mathematics from Moscow Pedagogical University, Moscow, Russia.



Dr. Bounleua SINXAYVORAVONG
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
- * Position: Director General of Energy Business Department, Ministry of Energy and Mines
- * Education: Bachelor of Mechanical Engineering, National University of Laos



Mr. Somphith KEOVICHITH
Director

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



Mr. Phongsavath SENAPHUAN
Director

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



Mr. Somlath MEKAKATH
Director

- * Date of Birth: 23/03/1980
- * Nationality: Lao
- * Position: Deputy Director General, Public Debt Management Department, Ministry of Finance.
- * Education: Master of Public Administration, Flinders University, Australia



Ms. Manivone PHONHAMATH
Director

- * 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: 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: 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: 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. Ms. Manivone PHONH AMATH	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. Ms. Manivone PHONH AMATH	Director	Member

3) Nomination and Remuneration Committee

1. Mr. Chanthaboun SOUKALOUN	Vice Chairman	Chairman
2. Mr. Phongsavath SENAPHUAN	Director	Vice Chairman
3. Dr. Bounleua SINXAYVORAVONG	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) Hydropower Project Transfer and Shares in IPPs Transfer from EDL to EDL-GEN Committee

1. Mr. Chanthaboun SOUKALOUN	Vice Chairman	Chairman
2. Mr. Phongsavath SENAPHUAN	Director	Vice Chairman
3. Mr. Chollawit WINITCHAI	Director	Member
4. Ms. Manivone PHONH AMATH	Director	Member
5. Mr. Vanhseng VANNAVONG	Director	Member

3.2 Board of Directors Meeting

In the first quarter of 2023, the Board of Directors held 2 meetings as follows:

- The first Extraordinary meeting of the Board of Directors on 09 of February 2023, 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 first Ordinary meeting of the Board of Director 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 business performance.
- 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.

1. Audit Committee (AC)

In the First quarter 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.
- ❖ To Report implementation of the Audit Committee for the First Quarter of 2023 on 5 May 2023.

2. Risk Management Committee (RMC)

In the first quarter of 2023, RMC held the first ordinary meeting on 11 January 2023 and the first extraordinary meeting on 13 March 2023 in order to discuss various issues and risks such as:

- 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

3. Nomination and Remuneration Committee (NRC)

In the first quarter 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 quarter 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 quarter of 2023, the PESC held meetings on procurement matters, divided into 3 sections as follows:

- | | |
|------------------------------|---------------------|
| 1. Work contracts in | 06 projects. |
| 2. Goods supply contracts in | 07 projects. |
| 3. Service contracts in | 03 project. |

2. Honor Policy and Discipline Committee (HPDC).

In the first quarter of 2023, The HPDC held 1 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's Articles of Association (12th revision).

4. The Environmental and Social Activities.

4.1 Environmental Conservation

- Working together with Department of Energy Business and providing fund in order to monitor Community Development Project of the year 2022, Organised meetings to discuss and prioritize community development projects for year 2023.
- Successfully edited and adjusted the Environmental-Social Management and Monitoring Plan of Nam Sana Hydropower project.
- On 27th January 2023, organised meeting to discuss on the carbon credit trading proposal of lower-HLPG hydropower project.
- In March, organized site visit to Nam Khan 2 HPP in order to monitor and held meeting with local authorities to discuss the pros and cons of the implementation of livelihood improvements plan and skills training during the year 2022.
- All EDL-Gen wholly-owned hydro power plants has submitted the environmental-social monitoring report and its E&S implementation monthly, in order to monitor closely of E&S surrounding the hydro power plants.
- EDL-Gen continuously monitored the water level, both the upstream and downstream of each plants, examined the water qualities, monitored the emergency warning system and implemented the reservoir's surface clearance while retain to examine reservoir area and the surrounding forest conditions regularly, prioritising the abundance of the biodiversity surrounding the hydro power plants also core of the company E&S activities.

4.2 Social Contribution

- Visited NamNgum 1 reservoir to monitor and evaluate the livelihood conditions of local people who live nearby, especially school in Xayoudom village, area 2 and Mai village, in order to collect the important information and create road map for the assistance plan in the future.
- Implemented fund raising project "Love Just For You 4", to contribute financial support for Selabam primary school in Xanasomboun district, Champasak province to purchase teaching and learning materials as well as providing vital healthcare knowledge and

promoting healthy lifestyle, while also promoting better understanding on hydropower generation and the natural resource conservation to local students and teachers.

- EDL-Gen has prioritized the CSR works and committed to contribute for the local communities in all possible sectors, especially in promoting local livelihoods and education for disadvantage young generations, while persistently supporting for fundamental infrastructures and conserve for 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 quarter of 2023 can be summarized as follows:

5.1 Generation

In the first quarter of 2023, the power generation's plan of wholly-owned hydropower plants of EDL-Gen was 610,25 GWh. The actual generation was 643,14 GWh, equivalent to 105,39% of the plan and 112,67% compared to the same period of previous year. However, the generation plan from EDL-Gen's shareholdings in Independent Power Producers (IPPs) was 1.103,89 GWh and actual generation was 883,44 GWh, equivalent to 80,03% of the plan and 92,70% compared to the same period of previous year.

In the first quarter period of 2023, the total power generation plan of EDL-Gen was 1.714,14 GWh, the actual generation was 1.526,58 GWh, equivalent to 89,06% of the plan and 100,18% compared to the same period of previous year as shown in the table below:

Table 1: power generation of the first quarter of 2023

No.	Description	The first quarter of 2023			The first quarter of 2022	
		Actual (GWh)	Plan (GWh)	(%)	Actual (GWh)	(%)
1	EDL-Gen wholly owned hydropower plants	643,14	610,25	105,39%	570,84	112,67%
2	Independent Power Producer (IPPs)	883,44	1.103,89	80,03%	952,98	92,70%
Total		1.526,58	1.714,14	89,06%	1.523,82	100,18%

5.2 Revenue

The total revenue for first quarter of 2023 was 501.976 Million Kip, equivalent to 115,26% compared to the same period of previous year. The main reasons were increases in revenue from sale and other income. (Table 2)

5.3 Expenses

The total expenses for the first quarter of 2023 amounted to 443.062 Million Kip, equivalent to 108,25% compared to the same period of previous year. The main reasons were increases from the operating cost and finance costs. (Table 2)

5.4 Net Profit

For the business performance of the first quarter of 2023, EDL-Gen reported a net profit of 58.914 Million Kip. When compared to the same period of previous year, it increased by 32.685 million kip. (Table 2)

Table 2: Revenue, expenses and Net Profit/Loss of the first quarter report of 2023

No.	Description	The first quarter of 2023	The first quarter of 2022	Change	Comparison to the first quarter of 2022
		(Million Kip)	(Million Kip)	(Million Kip)	(%)
		1	2	3= 1-2	4=1/2
I	Revenue	501.976	435.513	66.463	115,26%
1	Revenue from sale	304.108	260.624	43.484	116,68%
2	Other income	26.914	8.996	17.918	299,18%
3	Net Foreign Exchange Gain	5.258	1.427	3.831	368,47%
4	Share of profit from investment in associates and joint ventures	165.696	164.466	1.230	100,75%
II	Expenses	443.062	409.284	33.778	108,25%
1	Cost of sale	153.351	147.434	5.917	104,01%
2	Operating and administrative expenses	46.368	33.233	13.135	139,52%
3	Financial costs	243.343	228.617	14.726	106,44%
4	Net Foreign exchange Loss			N/A	N/A
	Net Profit	58.914	26.229	32.685	224,61%

Noted : The calculation 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), VAT and Withholding Tax. In the first quarter report of 2023, EDL-Gen contributed 2.449 Million Kip to the government as detailed below:

No.	Description	Amount (Million Kip)
1	Personal Income Taxes (Salary and meeting allowances)	2.027
2	VAT	325
3	Withholding Tax	97
Total		2.449

Acting Managing Director:

(Signature) Vanhseng VANNAVONG