



EDL-Generation Public Company

The Semi-Annual Report

30 June 2022



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1. Overview of the Company's business.

❖ Vision

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

❖ Mission

1. To supply electric power from clean and renewable energy sources by taking the environment into account, ensuring the energy security and sustainability for Lao PDR and the region.
2. To comprise the clear, transparent and auditable decision-making process.
3. To collaborate closely with strategic partners and power distributors to supply electricity for domestic and regional socio-economic development.
4. To enhance the effectiveness and improve the company in all aspects, in order to become the producer and provider of the operation-maintenance service for power producers in Lao PDR and the region.
5. To invest in businesses which emphasis the creating of added values both short term and long term with highest returns continuously for Shareholders.

❖ Core Business Operations

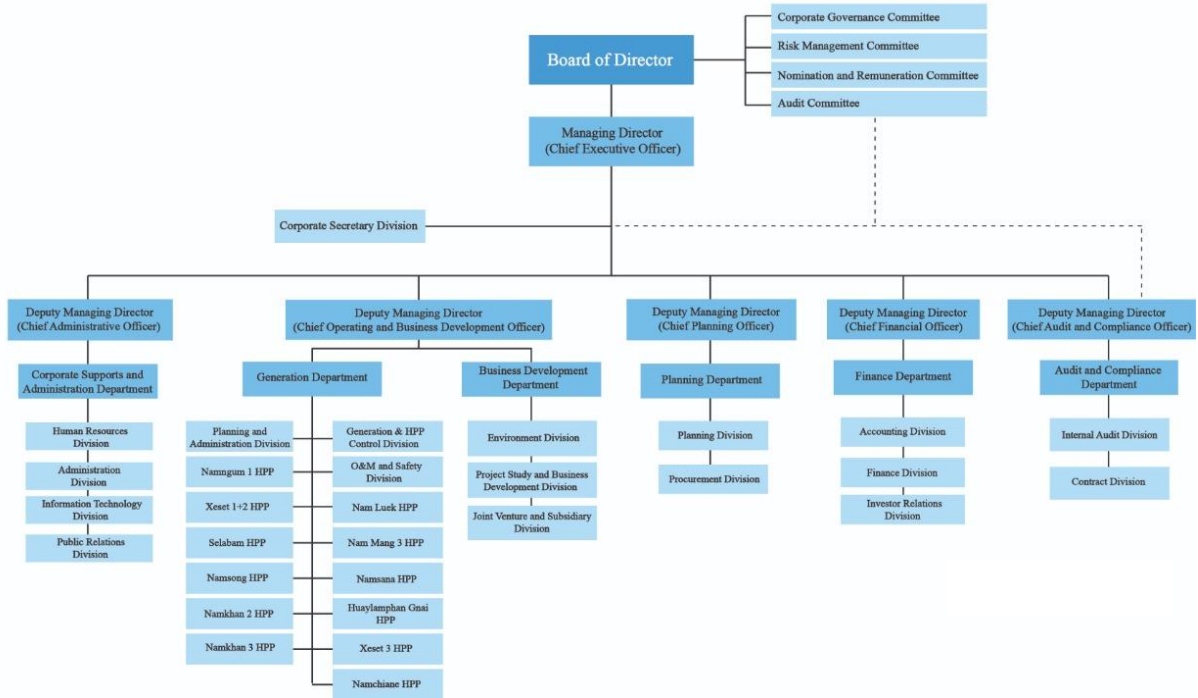
1. To generate and sell (wholesale) electricity to EDL as well as to construct transmission lines and substations as necessary.
2. To invest in power generation assets constructed and planned by EDL, or to invest in or acquire shares wholly owned or partially owned by EDL in IPPs.
3. To provide operation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

2. Organization Structure

2.1 Organization Chart

As of June 30, 2022 The organization chart of EDL-Gen consists of the board of directors with 11 members, 3 of which are independent directors; 6 members of executive management team, 6 departments, 18 divisions, and 13 hydropower plants. EDL-GEN and its subsidiaries have 798 staff, members of whom 131 are female.

Organization Chart of EDL-Generation Public Company



Board of Directors

- * Date of Birth: 24/11/1966
- * Nationality: Lao
- * Position : Vice Minister, Ministry of Finance
- * Education:
 - PhD in Economics from the Australian National University, Canberra, ACT, Australia.



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: 08/03/1963
- * Nationality: Lao
- * Position: Managing Director of EDL-Generation Public Company (EDL-GEN)
- * Education: Master's Degree in Electrical Power Systems, Former Soviet Union



Mr. Duangsy PHARANHOK
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 MEK AKATH
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 PHONH AMATH
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



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



Duangsy PHARANHOK
Managing Director
Chief Executive Officer



Thongphet
DOUANGNGEUNE
Deputy Managing
Director, CAO



Vongsakoun
YINGYONG
Deputy Managing
Director, COBDO



Souksanh
PHONGPHILA
Deputy Managing
Director, CPO



Vanhseng
VANNAVONG
Deputy Managing
Director, CFO



Kounlaphanh
VONGNATHI
Deputy Managing
Director, CACO

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. Duangsy PHARANHOK	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. Duangsy PHARANHOK	Director	Member

3.2 Board Of Directors Meeting

In the first six-month period of 2022, the Board of Director held 6 meeting and 1 academic seminar as follows:

- The First Extraordinary Meeting of the Board of Directors on 14th of February 2022, the main agenda is: the appointment of new directors of the Board of Directors in replacement of directors whose term is completed.
- The First Ordinary Meeting of the Board of Directors on 18th of March 2022, the main agenda are the Company's business performance report including the Company's financial statements for the year 2021 and the amendments to the Articles of Association of the Company in Article 9: Directors and Article 12: Board of Directors.
 - The academic seminar about the Company's 2022 business plan on 24th March 2022.
- The second extraordinary meeting of board of directors on 05th April 2022, the main agenda is: to report progress in resolving financial liquidity of EDL-Gen in 2022 and to determination of remuneration of external auditors for 2023-2025.
- The second ordinary meeting of board of directors on 12th May 2022, the main agenda is: to consider the company's business operation report, including the company's financial statements for the first quarter of 2022.
- The third extraordinary meeting of board of director on 31st May 2022, the main agenda: To adopted the appointment of acting managing director and a new director of the board of directors in replacement of the former director who was assigned to new position.
- The fourth extraordinary meeting of board of director on 30th 2022, the main agenda: Extraordinary General Meeting of Shareholders 1/2022.

1. Audit Committee (AC)

In the first six-month period of 2022, Audit Committee (AC) held 4 meetings as follows:

- On 15 March 2022, the First Ordinary Meeting was held to discuss the annual financial statements of 2021 which were audited by External Auditor (PwC)
- On 04 April 2022, the First Extraordinary Meeting was held to discuss the role and responsibility of Audit Committee, the Audit Committee's report for year 2021 and the action plan for year 2022
- On 06 May 2022, the second Ordinary Meeting was held to discuss the first quarter of financial statement of 2022. which was comment on the financial statement and send to the Secretariat of the Board of Directors for approval in the meeting before disclosing information in the LSX.
- On 12 August 2022, the third Ordinary Meeting was held to discuss the executive guideline, to review the financial statement and Audit results for the Semi-annual of 2022 from the Internal Audit Division. The financial statement that was reviewed by independent auditor (PwC) and send to the Secretariat of the Board of Directors for approval in the meeting before disclosing information in the LSX.

2. Risk Management Committee (RMC)

In the first six-month period of 2022, RMC held 2 meeting. the first extraordinary meeting on 28 January 2022 and the ordinary meeting on 10 May 2022 to discuss various matters: Research the regulations on the authority to operate EDL-Gen, Progress Requesting approval for the issuance of Baht loan and others issue.

3. Corporate Governance Committee

In the first six-month period of 2022, the committee held 1 meeting, the first extraordinary meeting on 09 May 2022 to discuss the main issue in EDL-Gen:

- Implementation of policies on corporate and personal management.
- The implementation of the company's business plan of EDL-Gen in the past.
- Implementation of the company's strategic.

4. Nomination and Remuneration Committee (NRC)

In the first six-month period of 2022, NRC held 1 meeting on 31 March 2022 to discuss as follows:

- The dividend payment from the Company's 2021 business performance to shareholders.
- The bonus non-payment for the Board of Directors and the Company's employees for the year 2021.

5. Project asset transfer and share transfer from EDL to EDL-Gen Committee.

Project asset transfer and share transfer from EDL to EDL-Gen Committee is appointed by board of director regarding on document number 001/edl-Gen. dated April 06, 2022.

3.3 Committees under Managing Directors

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

In the first six-month period of 2022, the PESC held a meeting on procurement matters, divided into 3 sections as follows:

- | | |
|------------------------------|---------------------|
| 1. Work contracts in | 04 projects. |
| 2. Goods supply contracts in | 05 projects. |
| 3. Service contracts in | 01 project. |

2. Honor Policy and Discipline Committee (HPDC).

In the first six-month period of 2022, The HPDC held 4 meetings, and researched and considered to improve the business operations within EDL-Gen as follows:

- (Draft) Recruitment Regulations (1st Amendment);
- (Draft) Regulations on Personnel Evaluation (1st Amendment);
- (Draft) Regulations on the Policies of the Committees of the Board of Directors (1st Amendment);
- (Draft) Regulations and policies on staff and workers who are sick or dead (3rd revision).
- (Draft) EDL-Gen vehicles and fuel policy (3rd Revision).

4. The Environmental and Social Activities.

4.1 Environmental Conservation

- Had carried out the monitoring and organizing the meeting with local authorities of Thateng district, Xekong province to discuss and evaluate the implementation of environmental work as well as the livelihood development plan for the villagers at Ban HuayDamMai, which is the resettlement village of HLPG HPP.
- Conducted the monitoring and hosted the meeting with local authorities of Xiengngern district, Luangprabang province to discuss and evaluate the implementation of environmental-social work as well as the livelihood development plan for the villagers at Ban Phouxang, which is the resettlement village of NK2 HPP.
- EDL-Gen had held the local stakeholder consultation meeting for seven hydropower projects (Nam Khan 2, Nam Ngum 1 Extension, Houay Lamphanh Gnai, Nam Khan 3, Xeset 3, Xeset 2 Extension and Nam Chiane Hydropower project). The meeting aims to distribute information about the carbon credit trading and Clean Development Mechanism (CDM) and to discuss the development and benefits of this project and also to understand the concerns and opinion of the stakeholders.

- Provided budget and small plants for local villagers living nearby NamKhan 2 and HLPG Hydropower plants. Therefore, it aims to promote the abundance of forestry and reforestation after the impoundment. 22 million kip was set for each project.
- EDL-Gen has implemented the biodiversity conservation activities every year, by planting trees and releasing fingerlings to its HPPs' surrounding. On the occasion of National Labor's Day 2022, on 1st June 2022, EDL-Gen has held official ceremony at Nam Sana HPP which located in Kasi district, Vientiane Province, in this event 220 trees have been planted and 10,000 fingerlings have been released into the downstream reach. Meanwhile, the unofficial event was also held at all EDL-Gen' HPPs.
- Implement the environmental monitoring and organized the meeting with related local authorities at NamChiane hydropower plant to discuss on previous environmental and social work, as well as to share the ideas on the further improvement and address all the local needs.
- EDL-Gen has monitored the water level, examine the water qualities and reservoir's surface clearance, meanwhile surveying surrounded area of its HPPs, observed its environment and contributed in the abundance of the biodiversity monthly/quarterly/annually.

4.2 Social Contribution

- Organized the technical training on how to grow mushroom and feeding grass for the villagers at Ban HuayDamMai which is the resettlement village of HLPG HPP. Meanwhile, the HPP had provided the barbed wire fence for Health center at Ban ThonNoy, Thateng district, Xekong province.
- EDL-Gen has prioritized the concerns the CSR works and keep contributing to its community in all possible sectors, especially in promoting local livelihood and education of unfortunate young generations, as well as providing and maintenance the infrastructures to the local communities.

5. Business Operation and Performance.

From 2010 to the present, EDL-Gen's business performance based on electricity generation where EDL-Gen supply wholesale electricity to EDL exclusively and from co-investment in projects with independent hydro power plant. In accordance to government policy guidelines, including regulations, principles and laws related to the public listed companies. This is to ensure the continuous growth of the company and cement the confidence of both local and foreign investors. Base on EDL-Gen's business performance in the first six-month period of 2022 can be summarized as follows:

5.1 Generation

In the first six-month period of 2022, the power generation's plan of wholly-owned hydropower plants of EDL-Gen was 1.113,37 GWh, the actual generation was 1.469,87 GWh, equivalent to 132,02% of the plan and 132,24% compared to the same period of previous year. However, the generation plan from 17 Projects that EDL-Gen shareholding in Independent Power Producer (IPPs) was 2.268,98 GWh and actual generation was 2.267,79 GWh, equivalent to 99,95% of the plan and 95,50% compared to the same period of previous year.

In the first six-month period of 2022, the Total power generation's plan of EDL-Gen was 3.382,35 GWh, the actual generation was 3.737.66 GWh, equivalent to 110,50% of the plan and 107,21% compared to the same period of previous year as the table shown below:

- **Table 1:** The power generation of the first six-month period of 2022

No.	Description	The first six-month period of 2022			The first six-month period of 2021	
		Actual (GWh)	Plan (GWh)	(%)	Actual (GWh)	(%)
1	EDL-Gen wholly owned hydropower plants	1.469,87	1.113,37	132,02%	1.111,53	132,24%
2	Independent Power Producer (IPPs)	2.267,79	2.268,98	99,95%	2.374,76	95,50%
Total		3.737,66	3.382,35	110,50%	3.486,29	107,21%

5.2 Revenue

The total revenue for the first six-month period of 2022 was 1.229.638 Million Kip, compared to the same period of previous year, it increased by 160.226 million kip or equivalent to 14.98% the main reasons was increases in revenue from sale and share of profit from investment in associates and joint ventures. (Table 2)

5.3 Expenses

The total expenses for the first six-month period of 2022 amounted to 1.329.347 Million Kip, compared to the same period of previous year, it increased by 589.133 million kip or equivalent to 79,59% The main reason was increases from the finance costs and loss from exchange rate. (Table 2)

5.4 Net Profit

For the business performance of the first six-month period of 2022, EDL-Gen faced a net loss of 99.709 million Kip. If the impact from foreign exchange loss is excluded, EDL-Gen's performance would be a net profit of 356.115 million kip. (Table 2)

- **Table 2:** Revenue, expenses and Net Profit/Loss of the first six-month period of 2022

No.	Description	The first six-month period of 2022 (Million Kip)	The first six-month period of 2021 (Million Kip)	Change (Million Kip)	Change (%)
I	Revenue	1.229.638	1.069.412	160.226	14,98
1	Revenue from sale	670.120	575.867	94.253	16,37
2	Other income	50.766	12.734	38.032	298,66
3	Foreign exchange gain		59.592	(59.592)	(100,00)
4	Share of profit from investment in associates and joint ventures	508.752	421.219	87.533	20,78
II	Expenses	1.329.347	740.214	589.133	79,59
1	Cost of sale	309.739	288.092	21.647	7,51

2	Operating cost	77.338	72.065	5.273	7,32
3	Financial cost	486.446	380.057	106.389	27,99
4	Foreign exchange loss	455.824	0	455.824	100,00
III	Net Profit/(Loss) (I-II)	(99.709)	329.198	(428.907)	(130,29)

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), Royalty Fee and Value Added Tax (VAT). In the first six-month period of 2022, EDL-Gen contributed 3.996 Million Kip to the government as detailed below:

No.	Description	Amount (Million Kip)
1	Personal Income Taxes (Salary and meeting allowances)	2.598
2	Royalty Fee	1.335
3	VAT	63
Total		3.996

Acting Managing Director:

(Signature) Vanhseng VANNAVONG