EDL-Generation Public Company

The third quarter Report

30 SEP 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.

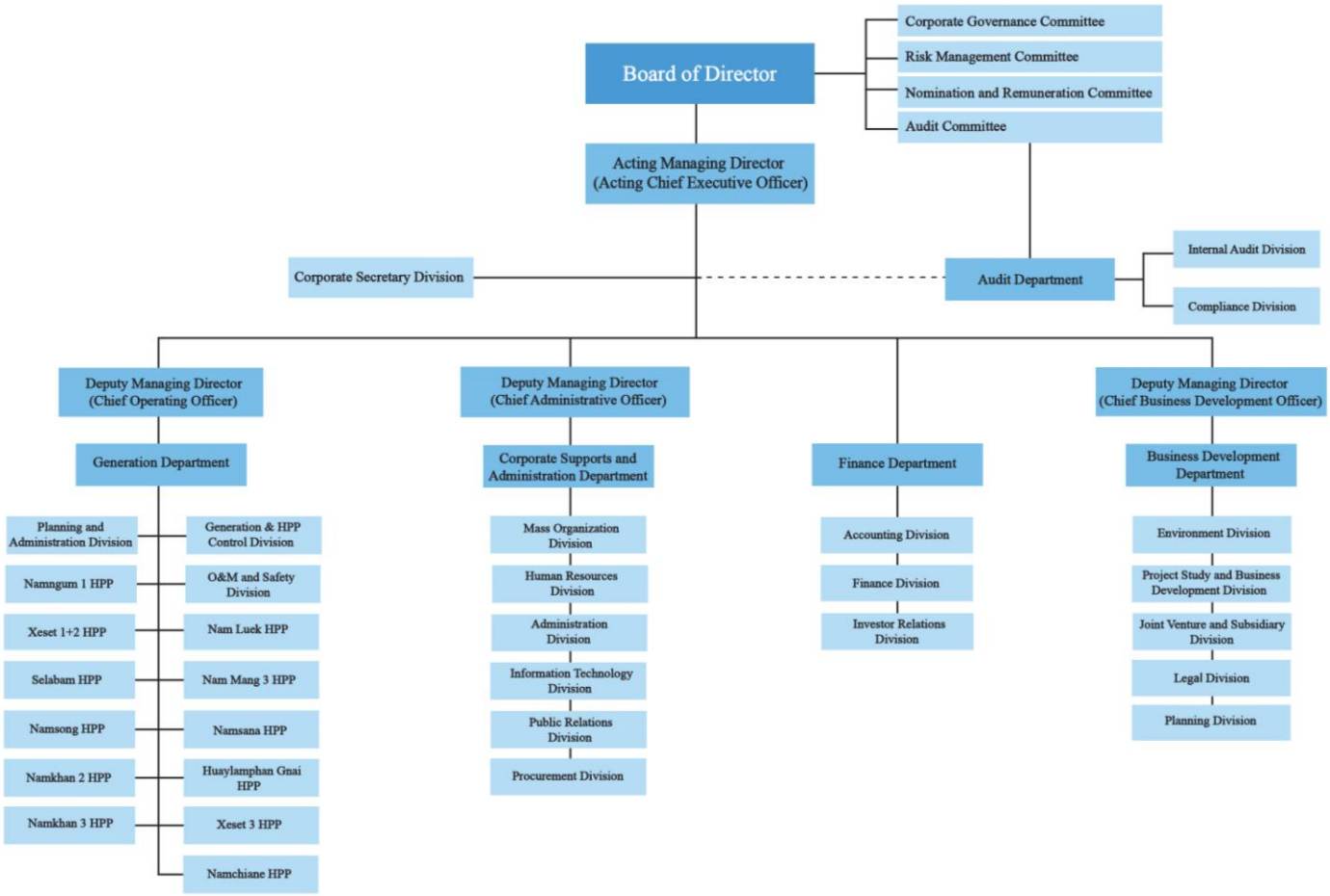
3. To provide operation and maintenance services to power generation projects in Lao PDR.

2. Organization Structure

2.1 Organization Chart

As of September 30, 2022 The organization chart of EDL-Gen consists of the board of directors with 11 members, 3 of which are independent directors; 4 members of executive management team, 5 departments, 20 divisions, and 13 hydropower plants. EDL-GEN and its subsidiaries have 797 staff, members of whom 133 are female.

Organization Chart of EDL-Generation Public Company



Board of Directors



Dr. Bounleua SINXAYVORAVONG
Chairman

* 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.



Mr. Chanthaboun SOUKALOUN
Vice 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. Vanhseng VANNAVONG
Director

* 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

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



Mr. Somphith KEOVICHITH
Director

* 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



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 third quarter of 2022, the Bord of Director held one meeting as follows:

Session 1:

- To consider Semi-annual report 30 june 2022.
- To consider Financial Statement Report for the first six months of the year end 30 June 2022.
- To consider dividend payment of the first six months of 2022.

Session 2:

- To Review Issuance of loan shares abroad to repay the loan shares due in 2022.

1. Audit Committee (AC)

In the third quarter report 2022, Audit Committee (AC) held 1 meetings as follows:

- Review Financial Statements of the third Quarter of 2022 to recommended to the Financial Statements and Submitted Reports to the Secretariat of the Board of Directors for approval in the meeting before disclosure the information on the Lao Securities Exchange.
- Reported the Internal Audit finding of the EDL-Gen hydropower plants and Subsidiary.
- Reported the Audit finding of the State Audit Organization.
- Considered to improve the Audit Committee Secretariat.
- Considered the internal Audit Manual.
- Reviewed the evaluated form of Internal Audit performance.

2. Risk Management Committee (RMC)

In the third quarter of 2022, RMC held an extraordinary meeting on 30 September 2022 in order to discuss on the Risk of a bond violation and solutions.

3. Nomination and Remuneration Committee (NRC)

In the third quarter of 2022, Nomination and Remuneration Committee held one meeting, to disscuss about revisal new organization structure, Proposal the appointment of Leading Personel, Contribution to retirement the Board of directors and Dividend payment to Shareholders.

3.3 Committees under Managing Directors

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

In the third quarter of 2022, the PESC held a meeting on procurement matters, divided into 3 sections as follows:

1. Work contracts in	**02** projects.
2. Goods supply contracts in	**08** projects.
3. Service contracts in	**06** project.

2. Honor Policy and Discipline Committee (HPDC).

In the third quarter report 2022, The HPDC held 2 meetings, and researched and considered to improve the business operations within EDL-Gen as follows:

- Regulations on technical and non-technical specialists (2nd revision).
- Regulations on treasury management (3rd revision).
- Employee Contracts Regulations (4th revision).
- IT policy (1st revision).

4. The Environmental and Social Activities.

4.1 Environmental Conservation

- On 06/09/2022at NamKhan 2-3 HPP, EDL-Generation Public Company has completed the compensation payment for the affected housholds from the additional impact on their fruit trees/industrial plants within 10 villages, including 341 families, for the total amount of 5,8 billions LAK.
- Completed the demarcation of the concession land of NamKhan 2 HPP with the total budget of 155 millions LAK.

- Provided the amount of 6,550,000 LAK to the local authority of Khoun district, Xiengkuang province; to be used for the site inspection on the environmental and social practices of NamChiane HPP.
- EDL-Gen has monitored the water level, examine the water qualities and reservior's surface clearance, meanwhile surveying surrounded area of its HPPs, obversed its environment and contributed in the abundance of the biodiversity monthly/quaterly/annually.

4.2 Social Contribution

- 09-12/08/2022, EDL-Gen has organized the awareness raising activity at local schools nearby Xeset 3 HPP, in order to promote the knowledge and better understandingon hydro power production as well as the importance of water resource – forest concervation; using the total of 29 millions LAK.
- Following up and continually following up the maintenance and repairing the telecommunications system within NNG1 and NamSong HPP victinities.
- Approved the budget of 126millions LAK for the maintenance, repairing and improvement of the agricultural learning center including the seedling nursery at NamMang 3 HPP.
- 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 third quarter report 2022 can be summarized as follows:

5.1 Generation

In the third quarter report 2022, the power generation's plan of wholly-owned hydropower plants of EDL-Gen was 989,52 GWh, the actual generation was 827,11 GWh, equivalent to 92,67% of the plan and 121,77% compared to the same period of previous year. However, the generation plan from 18 Projects that EDL-Gen shareholding in Independent Power Producer (IPPs) was 1.469,38 GWh and actual generation was 1.549,05 GWh, equivalent to 105,42%of the plan and 104,93% compared to the same period of previous year.

In the third quarter period of 2022, the total power generation's plan of EDL-Gen was 2.458,90 GWh, the actual generation was 2.376,16 GWh, equivalent to 96,64% of the plan and 110,24 % compared to the same period of previous year as the table shown below:

- **Table 1:** The power generation of **The third quarter report** of 2022

No.	Description	The third quarter report of 2022			The third quarter report of 2021	
		Actual (GWh)	Plan (GWh)	(%)	Actual (GWh)	(%)
1	EDL-Gen wholly owned hydropower plants	827,11	989,52	92,67%	679,23	121,77%
2	Independent Power Producer (IPPs)	1.549,05	1.469,38	105,42%	1.476,30	104,93%
Total		**2.376,16**	**2.458,90**	**96,64%**	**2.155,53**	**110,24%**

5.2 Revenue

The total revenue for the third quarter report of 2022 was 5.001.487 Million Kip, compared to the same period of previous year, it increased by 4.285.147 million kip or equivalent to 598,20% the main reasons was increases in revenue from Other income and share of profit from investment in associates and joint ventures. (Table 2)

5.3 Expenses

The total expenses for the third quarter report of 2022 amounted to 2.560.795 Million Kip, compared to the same period of previous year, it increased by 1.813.762 million kip or equivalent to 242,80% The main reason was increases from the finance costs and loss from foreign exchange. (Table 2)

5.4 Net Profit

For the business performance of the third quarter report of 2022, EDL-Gen faced a net profit of **2.440.692** million Kip. Compared to the same period of previous year, it increased by **2.471.385** million kip. (Table 2)

- Table 2: Revenue, expenses and Net Profit/Loss of the third quarter report of 2022

No.	Description	The third quarter report of 2022 (Million Kip)	The third quarter report of 2021 (Million Kip)	Change (Million Kip)	Change (%)
I	**Revenue**	**5.001.487**	**716.340**	**4.285.147**	**598,20%**
1	Revenue from sale	372.441	341.990	30.451	8,90%
2	Other income	3.999.348	6.860	3.992.488	58199,53%
3	Foreign exchange gain				
4	Share of profit from investment in associates and joint ventures	629.698	367.490	262.208	71,35%
II	**Expenses**	**2.560.795**	**747.033**	**1.813.762**	**242,80%**
1	Cost of sale	151.095	150.625	470	0,31%
2	Operating cost	47.184	34.558	12.626	36,54%
3	finance costs	261.638	226.540	35.098	15,49%
4	Foreign exchange loss	2.100.878	335.310	1.765.568	526,55%
III	**Net Profit/(Loss) (I-II)**	**2.440.692**	**(30.693)**	**2.471.385**	**8051,59%**

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 Royalty Fee, Personal Income Tax (Salary and Meeting Allowances) and Value Added Tax (VAT). In the third quarter report of 2022, EDL-Gen contributed 3.826 Million Kip to the government as detailed below:

No.	Description	Amount (Million Kip)
1	Royalty Fee	2.407
2	Personal Income Taxes (Salary and meeting allowances)	1.349
3	VAT	70
Total		**3.826**

Acting Managing Director: (Signature) Vanhseng VANNAVONG