

**EDL-GENERATION PUBLIC COMPANY**



**INTERIM FINANCIAL INFORMATION  
(UNAUDITED)**

**30 JUNE 2012**



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## AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors and Shareholders of EDL-Generation Public Company

We have reviewed the accompanying statement of interim financial position of EDL-Generation Public Company ("the Company") as at 30 June 2012 and the related statements of income, changes in shareholders' equity, and cash flows for the six-month period then ended. Management is responsible for the preparation and presentation of this interim financial information in accordance with the Company's accounting principles as described in Note 2 in the annual financial statements. Our responsibility is to express a conclusion on this 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 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 interim financial information is not prepared, in all material respects, in accordance with the Company's accounting principles as described in Note 2 in the annual financial statements.

For PricewaterhouseCoopers (Lao) Co., Ltd

By Paiboon Tunkoon  
Partner

Date: 10 August 2012

**EDL-Generation Public Company**  
**Statement of financial position**  
**As at 30 June 2012**

	Notes	Unaudited 30 June 2012 Million Kip	Audited 31 December 2011 Million Kip
<b>Assets</b>			
<b>Non-current assets</b>			
Pre-operating expenses, net	4	948	1,982
Advance payment for investment	5	541,989	434,923
Assets under concession, net	6	3,900,329	3,947,527
Other assets		5,666	-
<b>Total non-current assets</b>		<b>4,448,932</b>	<b>4,384,432</b>
<b>Current assets</b>			
Cash and cash equivalents		107,361	342,795
Short-term investment		100,000	100,000
Trade and other receivables	14	384,662	402,764
Spare parts and supplies, net		3,959	3,749
Other current assets	7	9,206	4,832
<b>Total current assets</b>		<b>605,188</b>	<b>854,140</b>
<b>Total assets</b>		<b>5,054,120</b>	<b>5,238,572</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Share capital	10	3,474,388	3,474,388
Share premium	10	15,577	15,577
Legal reserve		58,408	58,408
Retained earnings		287,159	371,091
<b>Total equity</b>		<b>3,835,532</b>	<b>3,919,464</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long - term borrowings, net	8	978,912	1,070,276
<b>Total non-current liabilities</b>		<b>978,912</b>	<b>1,070,276</b>
<b>Current liabilities</b>			
Accounts payable		453	874
Current portion of long-term borrowings	8	211,509	211,921
Accrued expenses		18,793	22,228
Accrued income tax		5,200	13,786
Other current liabilities	9	3,721	23
<b>Total current liabilities</b>		<b>239,676</b>	<b>248,832</b>
<b>Total liabilities</b>		<b>1,218,588</b>	<b>1,319,108</b>
<b>Total equity and liabilities</b>		<b>5,054,120</b>	<b>5,238,572</b>

**Total equity and liabilities**

Boun Oun SYVANHPHENG  
 Chief Executive Officer  
 10 August 2012

Bounsalong SOUTHIDARA  
 Chief Financial Officer  
 10 August 2012

The condensed notes to the interim financial information on pages 6 to 15 form are an integral part of these interim financial information.

**EDL-Generation Public Company**  
**Statement of Income**  
**For the six-month period ended 30 June 2012**

	Notes	Unaudited 30 June 2012 Million KIP	Unaudited 30 June 2011 Million KIP
Sales	14	336,920	308,175
Cost of sales		(89,077)	(76,740)
<b>Gross profit</b>		<b>247,843</b>	<b>231,435</b>
Other income		2,645	188
Foreign exchange loss, net		3,769	(731)
<b>Profit before expense</b>		<b>254,257</b>	<b>230,892</b>
Administrative expenses		(31,730)	(13,707)
<b>Operating profit before financial costs and corporate income tax</b>		<b>222,527</b>	<b>217,185</b>
Financial costs – interest expenses		(18,071)	(18,719)
<b>Profit before corporate income tax</b>		<b>204,456</b>	<b>198,466</b>
Income tax expenses	11	(10,437)	(9,955)
<b>Net profit for the period</b>		<b>194,019</b>	<b>188,511</b>

**Earnings per share**

Basic earnings per share for the period	12	223 Kip per share	220 Kip per share
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 Chief Executive Officer  
 10 August 2012

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 10 August 2012

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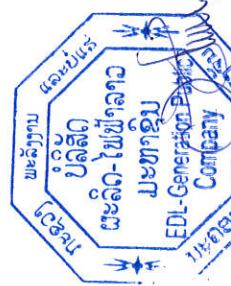
**EDL-Generation Public Company**  
**Statement of changes in equity**  
**For the six-month period ended 30 June 2012**

Note	Share capital Million KIP	Share premium Million KIP	Legal reserve Million KIP	Retained earnings Million KIP	Total Million KIP
As at 1 January 2012 - Audited	3,474,388	15,577	58,408	371,091	3,919,464
Net profit for the period	-	-	-	194,019	194,019
Dividend paid	-	-	-	(277,951)	(277,951)
<b>As at 30 June 2012 - Unaudited</b>	<b>3,474,388</b>	<b>15,577</b>	<b>58,408</b>	<b>287,159</b>	<b>3,835,532</b>

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Note	Share capital Million KIP	Share premium Million KIP	Legal reserve Million KIP	Retained earnings Million KIP	Total Million KIP
As at 1 January 2011 - Audited	2,605,792	-	2,051	18,461	2,626,304
Net profit for the period	-	-	-	188,511	188,511
Share issued	868,596	15,577	-	-	884,173
<b>As at 30 June 2011 - Unaudited</b>	<b>3,474,388</b>	<b>15,577</b>	<b>2,051</b>	<b>206,972</b>	<b>3,698,988</b>

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**Boun Oum SYVANHIPHENG**  
 Chief Executive Officer  
 10 August 2012

**Bounsalong SOUTHIDARA**  
 Chief Financial Officer  
 10 August 2012

EDL-Generation Public Company  
Statement of cash flow  
For the six-month period ended 30 June 2012

	Notes	Unaudited 30 June 2012 Million Kip	Unaudited 30 June 2011 Million Kip
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit before income tax		204,456	198,466
<b>Adjustments for:</b>			
Amortisation	4	1,034	1,069
Depreciation	6	77,271	63,213
Foreign exchange rate (gain) losses , net		(3,769)	731
<b>Cash flow from operating activities before working capital changes</b>		<b>278,992</b>	<b>263,479</b>
Decrease in trade and other receivables		18,102	28,481
Increase in pre-operating expenses		-	(1,704)
Increase in other current assets		(678)	(574)
Increase in other assets		(5,666)	-
Increase in spare parts and supplies		(210)	(126)
Decrease in account payables		(420)	(18,865)
Decrease in accrued expenses		(3,435)	(299)
Increase in other current liabilities		2	-
<b>Cash generated from operations</b>		<b>286,687</b>	<b>270,392</b>
Income tax paid		(19,023)	(6,202)
<b>Net cash provided by operating activities</b>		<b>267,664</b>	<b>264,190</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchases of property, plant and equipment	6	(30,073)	(92,464)
Advance payment for investment	5	(107,066)	-
Short-term loan to parent company	14	-	(250,000)
<b>Net cash used in investing activities</b>		<b>(137,139)</b>	<b>(342,464)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds from issue of ordinary shares		-	884,173
Cash received in advance from issue of ordinary shares		-	(884,172)
Payment on long-term borrowings	9	(88,008)	(114,776)
Dividends paid to shareholders	13	(277,951)	-
<b>Net cash used from financing activities</b>		<b>(365,959)</b>	<b>(114,775)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(235,434)</b>	<b>(193,049)</b>
Opening balance of cash and cash equivalents		342,795	884,782
<b>Closing balance of cash and cash equivalents</b>		<b>107,361</b>	<b>691,733</b>

**Non Cash Items:**

Share offering cost	7	3,696	-
Accrued expenses - share offering cost	9	3,696	-



Boun Oum SYVAMPHENG  
Chief Executive Officer  
10 August 2012

Bounsalong SOUTHIDARA  
Chief Financial Officer  
10 August 2012

The condensed notes to the interim financial information on pages 6 to 15 form are an integral part of these interim financial information.

**EDL-Generation Public Company**  
**Unaudited condensed notes to the interim financial information**  
**For the six-month period ended 30 June 2012**

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**1. General information**

EDL- Generation Public Company (the “Company” or “EDL GEN”) is a public company which is listed on the Lao Securities Exchange (“LSX”) and is incorporated and domiciled in the Lao Peoples’ Democratic Republic (“Lao PDR”). The Company was incorporated and registered with Ministry of Industry and Commerce on 15 December 2010 (“Incorporation Date”).

The Company’s registered office address is:

7<sup>th</sup> Floor, EDL Headquarter Building,  
Lao-Thai Friendship Road, Thongkang Village, Sisattanak District,  
Vientiane Capital, P.O.Box 2392, Lao PDR

The Company was listed on the LSX on 11 January 2011 and its first day of trading shares was the same day.

This interim financial information was authorised for issue by the Board of Directors on 10 August 2012.

This interim financial information has been reviewed, not audited.

**2. Basis of preparation**

The interim financial information was prepared in accordance with the Company’s accounting policies as described in more detail in the annual financial statements for the year ended 31 December 2011. The primary financial information (i.e. statement of financial position, statement of income, changes in equity and cash flows) are prepared in the full format. The notes to the financial information are prepared in a condensed format.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2011.

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.

**3. New significant agreement during the 6-month period ended 30 June 2012**

*Memorandum of Understanding (MOU) for share transfer*

As at 20 February 2012, the Company and EDL signed an MOU for the transfer of the equity shareholdings in Nam Ngum 5 Power Company Limited (“NNG5”).

**EDL-Generation Public Company**  
**Unaudited condensed notes to the interim financial information**  
**For the six-month period ended 30 June 2012**

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**3. New significant agreement during the 6-month period ended 30 June 2012**  
(continued)

Both parties intend to finalise the transfer of EDL's interests in NNG5 no later than 31 December 2012. The Company is required to pay i) an advance payment of USD 2,000,000 ii) the remaining balance of the total consideration, additional advance, or any adjustment to be made or paid in accordance with the Share Transfer Agreement.

During the six-month period ended 30 June 2012, the Company paid for necessary costs related to the above MOU amounting to USD 4,000,000 or equivalent to Kip 32,066 million (Note 5).

***Contract with financial advisor and other professional financial service firms relating to the issue of shares for Rights Offering (RO) and Public Offering (PO)***

In 2012, the Company entered into certain contracts with a financial advisor and other professional financial services firms to prepare and advise on the process for the sale of shares on the Lao Securities Exchange of Lao PDR. The professionals will provide necessary services until the rights offering to the existing shareholders and new public share issue are completed and the new Company's share listing on the Lao Securities Exchange. As part of these agreements, the Company estimates the total fee of USD 5.80 million or equivalent to Kip 46,451 million. However, these fees may differ from such estimated amount since it depends on the success of the transactions.

**4. Pre-operating expenses, net**

	<u>Million Kip</u>
Opening net book amount as at 1 January 2012 - Audited	1,982
Amortisations	<u>(1,034)</u>
Closing net book value as at 30 June 2012 - Unaudited	<u>948</u>

**5. Advance payment for investments**

	<u>Million Kip</u>
Opening net book amount as at 1 January 2012 - Audited	434,923
Additions	<u>107,066</u>
Closing net book value as at 30 June 2012 - Unaudited	<u>541,989</u>

During the six-month period ended 30 June 2012, the Company paid an additional advance to EDL for the cost incurred and associated with the investment in NNG5 of Kip 32,066 million (Note 3) and for investment in the 4 Independent Power Project for which it signed an MOU on 8 July 2011 of Kip 75,000 million; in total Kip 107,066 million.



**EDL-Generation Public Company**  
**Unaudited condensed notes to the interim financial information**  
**For the six-month period ended 30 June 2012**

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**6. Assets under concession, net**

	<u>Million Kip</u>
Opening net book amount as at 1 January 2012 - Audited	3,947,527
Additions	30,073
Depreciation charge	<u>(77,271)</u>
Closing net book value as at 30 June 2012 - Unaudited	<u><u>3,900,329</u></u>

Additions during the six-month period ended 30 June 2012 mainly consisted of the new equipment for Nam Ngum and construction of Nam Song Dam of Kip 27,534 million and new office equipment of Kip 1,636 million.

**7. Other current assets**

Other current assets mainly consist of costs relating to the share offering for the issue of new shares of Kip 3,696 million (Note 10 and 15), for which the Company had an obligation as at 30 June 2012 (31 December 2011: nil). These costs are mainly for the financial advisor and underwriting fee, lawyer's fee and audit fee.

These fees will be off-set with the share premium when the Company successfully lists it shares on the Lao Securities Exchange.

**8. Long-term borrowings, net**

The Company entered into the Debt Repayment Agreement ("the Agreement") with the EDL on 15 December 2010. EDL is a borrower pursuant to several unsecured borrowing agreements with the Government of Lao PDR ("GOL") in which the original funds were provided from various lenders and made through the GOL. In addition to the asset transfer, the Company has agreed with EDL that the Company will make payments on the outstanding debts to EDL and EDL will make such payments to the GOL, for the GOL's further repayments to the lenders pursuant to the original borrowing agreements.

	<b>Unaudited 30 June 2012 Million KIP</b>	<b>Audited 31 December 2011 Million KIP</b>
Current	211,509	211,921
Non-current	<u>978,912</u>	<u>1,070,276</u>
	<u><b>1,190,421</b></u>	<u><b>1,282,197</b></u>

**EDL-Generation Public Company**  
**Unaudited condensed notes to the interim financial information**  
**For the six-month period ended 30 June 2012**

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**8. Long-term borrowings, net (continued)**

The movements in the borrowings can be analysed as follows:

	<u>Million Kip</u>
As at 1 January 2012 - Audited	1,282,197
Repayment of borrowings	(88,008)
Loss on exchange rate	(3,768)
As at 30 June 2012 - Unaudited	<u><u>1,190,421</u></u>

Borrowings mainly represent unsecured borrowings denominated in US dollars and Japanese Yen which are due over 1 - 10 years. Borrowings generally carry interest rates at 2.0 % to 6.5% per annum (31 December 2011: 2.0% to 7.3% per annum).

The carrying amounts of the Company's borrowings are denominated in the following:

	<u>Unaudited</u> <u>30 June</u> <u>2012</u>	<u>Audited</u> <u>31 December</u> <u>2011</u>
US dollars (million)	126	135
Yen (million)	1,729	1,831

The aging analysis of these borrowings is as follows:

	<u>Unaudited</u> <u>30 June</u> <u>2012</u> <u>Million Kip</u>	<u>Audited</u> <u>31 December</u> <u>2011</u> <u>Million Kip</u>
Less than one year	211,509	211,921
One year but not over 5 years	545,661	570,260
Over 5 years	433,250	500,016
	<u><u>1,190,421</u></u>	<u><u>1,282,197</u></u>

**EDL-Generation Public Company**  
**Unaudited condensed notes to the interim financial information**  
**For the six-month period ended 30 June 2012**

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**9. Other current liabilities**

Other current liabilities mainly consists of accrued costs for the share offering for the issue of new shares of Kip 3,696 million (31 December 2011: nil) (Note 10 and 15), mainly for financial advisor and underwriting fee, lawyer's fee and audit fee.

**10. Share capital and share premium**

	<b>Number of Shares</b>	<b>Share (Million Kip)</b>	<b>Share premium (Million Kip)</b>	<b>Total (Million Kip)</b>
	<u>(Shares)</u>	<u>(Million Kip)</u>	<u>(Million Kip)</u>	<u>(Million Kip)</u>
Opening amount as at 1 January 2012 - Audited	868,597,050	3,474,388	15,577	3,489,965
Issue of shares	-	-	-	-
Closing amount as at 30 June 2012 – Unaudited	<u>868,597,050</u>	<u>3,474,388</u>	<u>15,577</u>	<u>3,489,965</u>

	<b>Number of Shares</b>	<b>Share (Million Kip)</b>	<b>Share premium (Million Kip)</b>	<b>Total (Million Kip)</b>
	<u>(Shares)</u>	<u>(Million Kip)</u>	<u>(Million Kip)</u>	<u>(Million Kip)</u>
Opening amount as at 1 January 2011 - Audited	651,448,050	2,605,792	-	2,605,792
Issue of shares	<u>217,149,000</u>	<u>868,596</u>	<u>15,577</u>	<u>884,173</u>
Closing amount as at 30 June 2011 – Unaudited	<u>868,597,050</u>	<u>3,474,388</u>	<u>15,577</u>	<u>3,489,965</u>

*For the six-month period ended 30 June 2012*

On 3 October 2011, the Extraordinary General Shareholders' Meeting No. 1/2011 passed a resolution to increase the share capital from 868,597,050 ordinary shares with a par value of Kip 4,000 per share to 1,226,216,765 ordinary shares with a par value of Kip 4,000 per share for Public Offering and Rights Offering (Note 15). The Company registered the increased share capital with the Ministry of Industry and Commerce on 24 July 2012.

On 15 and 29 June 2012, the Securities and Exchange Commission Office ("SECO") approved the Company to issue new shares for the Rights Offering and Public Offering respectively.



**EDL-Generation Public Company**  
**Unaudited condensed notes to the interim financial information**  
**For the six-month period ended 30 June 2012**

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**10. Share capital and share premium (continued)**

Under the EDL-GEN's notification No. 571 dated 18 June 2012; the Company approved the following actions as part of its rights offering to the existing shareholders and new share issue transactions:

1. Share capital increase for rights offering to existing shareholders (Rights Offering) – the rights subscription date or record date is 22 June 2012 with 217,149,263 allotted shares at 4:1 (4 existing shares to 1 new share) at the subscription price of 4,300 Kip per share and at the par value of 4,000 Kip per share. The subscription period is from 26 June to 6 July 2012;
2. Share capital increase to the public (Public Offering) – total number of allotted shares is 140,470,452 including the increase in shares from the rights offering to the existing shareholders. The subscription price is 4,800 Kip per share at the par value of 4,000 kip per share. The subscription period is from 4 to 11 July 2012.

*For the six-month period ended 30 June 2011*

On 15 December 2010, the Securities and Exchange Commission Office approved the issue of Company's shares of 217,149,000 with a par value of KIP 4,000 per share for trading on the LSX, under code LA-3-00002-000-5, using the trading name of "EDL-GEN".

The Company offered 217,149,000 shares with a par value of Kip 4,000 per share, totalling Kip 868,596 million under an Initial Public Offering ("IPO") with a sales price of Kip 4,000 and Kip 4,300 for employee and investors inside and outside Lao PDR respectively.

The Company's shares were first traded on the LSX on 11 January 2011.

**11. Income tax expenses**

The Company has an obligation to pay Corporate Income Tax of either Tax on Profit at the rate of 5% (which is the reduced rate as applicable for listed companies on the LSX) on taxable profit or Minimum Tax at 0.25% of turnover or revenue, whichever is higher.

The Company records corporate income tax on an accrual basis. The Company does not recognise corporate income tax payable or receivable in future periods in respect of temporary differences. Income tax expense is recognised based on the operating result for the period and tax rate.

**EDL-Generation Public Company**  
**Unaudited condensed notes to the interim financial information**  
**For the six-month period ended 30 June 2012**

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**12. Basic earnings per share**

Basic earnings per share as at 30 June 2012 are calculated by dividing the net profit for the period attributable to shareholders by the number of ordinary shares during the period.

	<b>Unaudited 30 June 2012</b>	<b>Unaudited 30 June 2012</b>
Net profit attributable to ordinary shareholders (Million Kip)	194,019	188,511
Number of ordinary shares issued (Million shares)	869	856
Basic earnings per share (Kip/share)	223	220

**13. Dividend**

At the Annual General Shareholders meeting No. 1/2012 held on 2 April 2012, the shareholders approved a dividend in respect of net profit for the six-month period from 1 July to 31 December 2011 of Kip 320 per share (30 June 2011: nil) amounting to a total of Kip 277,951 million (30 June 2011: nil). This dividend were paid in April and June 2012.

**14. Related party transactions**

Significant related party transactions during the period can be summarised as follows.

**a) Sales of goods**

<b>For the six-month periods</b>	<b>Unaudited 30 June 2012 Million Kip</b>	<b>Unaudited 30 June 2011 Million Kip</b>
Sales of electricity to EDL	<u>336,920</u>	<u>308,175</u>

Sales of electricity to EDL are based on agreed terms and conditions in the Power Purchase Agreement (“PPA”) – dated 9 December 2011.

**EDL-Generation Public Company**  
**Unaudited condensed notes to the interim financial information**  
**For the six-month period ended 30 June 2012**

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**14. Related party transactions (continued)**

**b) Dividend paid**

<b>For the six-month periods</b>	<b>Unaudited 30 June 2012 Million Kip</b>	<b>Unaudited 30 June 2011 Million Kip</b>
Dividend to EDL	208,463	-

**c) Outstanding balances from related party transactions**

	<b>Unaudited 30 June 2012 Million KIP</b>	<b>Audited 31 December 2011 Million KIP</b>
Advance payment for investment (Note 5)	541,989	434,923
Accounts receivable-others	110,511	110,534
Trade account receivable – EDL (i)	274,151	292,230
Long-term borrowings (Note 8)	1,190,421	1,282,197

i) Trade account receivables can be analysed as follows.

	<b>Unaudited 30 June 2012 Million KIP</b>	<b>Audited 31 December 2011 Million KIP</b>
Not overdue	173,741	292,230
Overdue less than 3 months	100,410	-
Overdue 3 - 6 months	-	-
Overdue 6 - 12 months	-	-
Overdue over 12 months	-	-
	<u>274,51</u>	<u>292,230</u>
<u>Less</u> Allowance for doubtful receivables	-	-
Trade account receivables, net	<u><b>274,151</b></u>	<u><b>292,230</b></u>



**15. Commitments and significant transactions**

*Capital commitment*

At 30 June 2012, the Company had outstanding capital commitments related to the ongoing installation of generation equipment of Kip 64,239 million for which the balance is due for payment over 1 to 3 years.

At 31 December 2011, the Company had outstanding capital commitments related to the ongoing installation of generation equipment of Kip 61,805 million for which the balance is due for payment over 1 to 2 years.

*Professional fee in relation to the Rights Offering and Public Offering*

As at 30 June 2012, the Company had certain remaining obligations from the contracts signed with its financial advisor and other professional financial service firms as part of its rights offering to the existing shareholders and issue of new shares as discussed in Note 3.

As at 30 June 2012, the Company recorded related accruals in other current liabilities under Note 9 of USD 461,885 equivalent to Kip 3,696 million (Note 7). The remaining estimated fees of USD 4.1 million, equivalent to Kip 32,641 million, are to be charged to the Company upon the completion of the transactions at the time the shares are successfully listed on the Lao Securities Exchange. However, the remaining fees may differ from such estimated amount since it depends on the success of the transactions.

Subsequently, the new shares for both rights offering to existing shareholders and new share issue were listed on the Lao Securities Exchange on 31 July 2012. Accordingly, the Company paid the some remaining fees to its financial advisor and other professional service firms of Kip 50,816 million in July 2012. These fees will be presented as a deduction from share premiums.

**16. Events occurring after the reporting date**

*Sale of electricity to EDL*

As at 19 October 2011, EDL issued a letter to the Company disputing to pay for some invoices charged from Nam Mang3 and Nam Leuk for the period from December 2010 to March 2011 totalling Kip 36,122 million because of the variances arising from related sale meters. The Company is still investigating related differences as claimed by EDL and has not yet finalised the process. However, management believe that it can defend the matter and thus this will not cause any significant effects to what the Company has recorded or recognised in its book. Therefore related adjustments have not been made to the financial statements for the year ended 31 December 2011.

At the meeting held on 11 July 2012, management of both parties finalised the dispute in which EDL accepted the invoices charged and paid to the Company. Thus the Company is not required to return the amounts collected to EDL.

**16. Events occurring after the reporting date** (continued)

***Share transfer agreement***

As at 5 July 2012, the Company and EDL signed a Share Transfer Agreement for the transfer of the equity shareholdings in the following Independent Power Projects (IPP).

- Theun Hinnoun Power Company Limited
- Houay Ho Power Company Limited
- Nam Lik 1-2 Power Company Limited
- Nam Ngum 2 Power Company Limited

Under these agreements, upon satisfaction of the condition set forth in the Termination and Release Agreement and Second Amendment and Release Agreement, shares in those IPPs held by EDL will transfer to the Company.

***Dividend payment announcement***

At the Board of Directors' meeting no.2/2012 held on 10 August 2012, the Board of Directors approved an interim dividend payment from the net profit of the six-month period from 1 January to 30 June 2012 and retained earnings brought forward as at 1 January 2012 at Kip 170 per share (30 June 2011: Kip 177.97 per share) totalling Kip 208,456 million(30 June 2011: Kip 154,581 million, announced in August 2011). This dividend will be paid to the shareholders whose names shown in the shareholders' registration on 22 August 2012, on 31 August 2012.