



**PANASIAN POWER PLC**

**INTERIM FINANCIAL STATEMENTS**

**FOURTH QUARTER 2017/2018**

## **CHAIRMAN'S REVIEW**

Panasian Power PLC has recorded consolidated net profit of Rs. 61 million for the quarter and Rs. 191 million for the year ended 31st March 2018 respectively. Padiyapelella Hydropower Limited has contributed Rs. 98 million to the Group net profit for the year ended 31st March 2018.

Group revenue has increased by 139% compared to the previous period mainly due to the revenue of Rs. 196 million from Padiyapelella Hydropower Limited. Group's finance cost has increased by 24% resulting from the long term loan obtained for the balance construction of Padiyapelella Hydropower Plant.

During the period three rooftop solar power plants were completed with combined capacity of 1.2 Mw. The plants are located in Kolonna, Boralesgamuwa and Kohowala with capacities of 300Kw, 400Kw and 500 Kw respectively.

The Company has invested in Eco Green Solor Solutions (Pvt) Ltd, which has a LOI for 1 Mw Solar Power project in Beliaththa.

On the growth front, the progress of the pre-development work in the 5.4 Mw hydro projects and 5 Mw Solar Projects respectively currently on track.

Sgd

**Dr Prathap Ramanujam**

Chairman / Chief Executive Officer

24-May-18

**PANASIAN POWER PLC**  
**INTERIM FINANCIAL STATEMENTS - FOURTH QUARTER 2017/2018**  
**PROVISIONAL FINANCIAL STATEMENTS**

**STATEMENT OF FINANCIAL POSITION**

	Group		Company	
	As at 31 March		As at 31 March	
	2018	2017 Audited	2018	2017 Audited
	Rs	Rs	Rs	Rs
<b>ASSETS</b>				
<b>Non - Current Assets</b>				
Property, plant and equipment	1,534,176,338	1,581,806,819	260,676,472	269,748,655
Intangible assets	493,033,480	466,544,153	1,211,977	2,454,136
Investment in subsidiaries	2,115,170	-	1,172,492,844	1,142,177,694
Capital work in progress	20,422,422	-	-	-
	<b>2,049,747,410</b>	<b>2,048,350,972</b>	<b>1,434,381,293</b>	<b>1,414,380,485</b>
<b>Current Assets</b>				
Trade and other receivables	179,035,500	81,309,911	29,685,877	11,612,470
Due from related parties	-	-	413,972,545	440,165,442
Investment in Unit Trust	-	878,393	-	878,393
Dividend receivable	-	-	48,343,549	-
Cash and cash equivalents	85,216,095	5,167,799	503,960	414,386
	<b>264,251,595</b>	<b>87,356,103</b>	<b>492,505,931</b>	<b>453,070,691</b>
<b>TOTAL ASSETS</b>	<b>2,313,999,005</b>	<b>2,135,707,075</b>	<b>1,926,887,224</b>	<b>1,867,451,176</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Stated capital	630,000,000	630,000,000	630,000,000	630,000,000
Revaluation reserves	231,240,816	243,960,597	113,494,335	113,494,335
Retained earnings	488,084,482	347,400,747	268,889,517	201,471,090
Equity attributable to equity holders of the parent	<b>1,349,325,298</b>	<b>1,221,361,344</b>	<b>1,012,383,852</b>	<b>944,965,425</b>
Non controlling interest	88,513,536	43,633,537	-	-
<b>Total Equity</b>	<b>1,437,838,834</b>	<b>1,264,994,881</b>	<b>1,012,383,852</b>	<b>944,965,425</b>
<b>Non-Current Liabilities</b>				
Retirement benefit obligations	5,578,354	5,018,452	4,664,290	4,527,020
Finance lease obligation	2,411,055	3,095,167	-	-
Interest bearing loans	636,115,214	669,864,314	566,777,000	666,605,000
Deferred tax liabilities	59,515,062	59,514,819	12,689,649	12,689,674
	<b>703,619,685</b>	<b>737,492,752</b>	<b>584,130,939</b>	<b>683,821,694</b>
<b>Current Liabilities</b>				
Accruals and other payables	44,255,843	32,200,198	27,588,144	7,603,667
Finance lease obligation	651,412	618,711	-	-
Interest bearing loans	105,111,016	66,444,644	104,228,000	40,598,978
Due to related parties	-	-	184,324,099	181,107,764
Income tax payable	11,638,845	1,603,172	7,398,820	789,020
Dividend payable	4,050,000	-	-	-
Bank Overdraft	6,833,370	32,352,717	6,833,370	8,564,628
	<b>172,540,486</b>	<b>133,219,442</b>	<b>330,372,433</b>	<b>238,664,057</b>
<b>Total Liabilities</b>	<b>876,160,171</b>	<b>870,712,194</b>	<b>914,503,371</b>	<b>922,485,751</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,313,999,005</b>	<b>2,135,707,075</b>	<b>1,926,887,223</b>	<b>1,867,451,176</b>
<b>Net asset per share</b>	<b>2.70</b>	<b>2.44</b>	<b>2.02</b>	<b>1.89</b>

Above figures are provisional and subject to audit

These financial statements are in compliance with the requirements of the Companies Act. No 7 of 2007

Sgd  
**Sameera Gunawardena**  
Accountant

The Board of Directors is responsible for the preparation and presentation of these Financial Statements

Signed for and on behalf of the Board by,

Sgd  
**Dr Prathap Ramanujam**  
Chairman / Chief Executive Officer  
**24-May-18**

Sgd  
**Mr D Pushparajah**  
Director

**PANASIAN POWER PLC**  
**INTERIM FINANCIAL STATEMENTS - FOURTH QUARTER 2017/2018**  
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**STATEMENT OF COMPREHENSIVE INCOME**

	Three months ended 31 March				Year ended 31 March			
	Group		Company		Group		Company	
	2018	2017 Audited	2018	2017 Audited	2018	2017 Audited	2018	2017 Audited
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Revenue	173,990,622	58,868,759	17,388,716	3,707,838	489,396,541	204,567,345	172,080,099	125,395,386
Cost of electricity Generated	(55,024,532)	(13,087,570)	(5,812,933)	(4,669,858)	(120,450,098)	(41,664,219)	(20,761,006)	(19,612,767)
Gross profit	118,966,089	45,781,189	11,575,784	(962,020)	368,946,442	162,903,126	151,319,094	105,782,619
Administrative expenses	(20,444,512)	(12,854,717)	(9,711,497)	(6,699,622)	(63,989,572)	(55,408,595)	(33,765,443)	(27,975,447)
Other operating income	195,474	-	48,343,549	-	195,474	1,869,565	50,405,098	1,869,565
Operating profit	98,717,052	32,926,472	50,207,835	(7,661,642)	305,152,345	109,364,096	167,958,748	79,676,737
Finance cost	(22,057,084)	(23,645,599)	(22,433,052)	(23,344,101)	(97,623,577)	(78,553,984)	(93,990,705)	(79,772,727)
Profit before taxation	76,659,968	9,280,873	27,774,783	(31,005,743)	207,528,768	30,810,112	73,968,043	(95,990)
Income tax expense	(15,679,352)	-	(6,609,800)	-	(15,908,414)	(9,665,480)	(6,609,800)	4,474,137
Profit for the period	60,980,616	9,280,873	21,164,983	(31,005,743)	191,620,354	21,144,632	67,358,243	4,378,147
<b>Other comprehensive income for the Year</b>	-	-	-	-	-	-	-	-
- Actuarial gain/(loss) on defined benefit obligation	(105,763)	(394,248)	(125,710)	(332,386)	(143,310)	(394,248)	60,184	(332,386)
- Deferred tax effect on actuarial gain or loss	10,576	39,425	12,571	33,238	-	59,854	-	52,457
Revaluation of Property, Plant and equipment						174,206,960		54,344,657
Deffered tax effect on revaluation						(16,510,917)		(3,729,363)
Total comprehensive income for the period	60,885,429	8,926,050	21,051,844	(31,304,891)	191,477,044	178,506,281	67,418,427	54,713,512
Profit Attributable to:								
Owners of the parent	46,560,597	7,352,303	21,051,844	(31,304,891)	177,256,146	21,819,566	67,418,427	54,713,512
Non-controlling interest	14,420,019	1,928,570	-	-	14,364,208	(674,934)	-	-
	60,980,616	9,280,873	21,051,844	(31,304,891)	191,620,354	21,144,632	67,418,427	54,713,512
EPS	0.09	0.01	0.04	-0.06	0.35	0.04	0.13	0.11

Above figures are provisional and subject to audit

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**STATEMENT OF CHANGES IN EQUITY**

Group	Stated Capital				Total
	Ordinary Shares Rs.	Revaluation Reserves Rs.	Retained Earnings Rs.	Non-Controlling Interest	
<b>Balance as at 01 April 2016</b>	630,000,000	91,824,541	400,581,181	39,082,878	1,161,488,600
Non Controlling Interest	-	-	-	-	-
Transactions with the owners recorded directly in equity					
- Dividends paid	-	-	(75,000,000)	-	(75,000,000)
Total comprehensive income for the period					
- Profit for the period	-	-	21,819,566	(674,934)	21,144,632
- Other comprehensive income	-	152,136,056	-	5,225,593.00	157,361,649
<b>Balance as at 31st March 2017</b>	<b>630,000,000</b>	<b>243,960,597</b>	<b>347,400,747</b>	<b>43,633,537</b>	<b>1,264,994,881</b>
<b>Balance as at 01 April 2017</b>	630,000,000	243,960,597	347,400,747	43,633,537	1,264,994,881
Revaluation gain/ loss	-	(12,719,781)	-	(1,413,310)	(14,133,091)
Transactions with the owners recorded directly in equity					
- Dividends paid	-	-	-	(4,500,000)	(4,500,000)
Total comprehensive income for the period					
- Profit for the period	-	-	177,256,146	14,364,208	191,620,354
- Other comprehensive income	-	-	(125,660)	(17,650)	(143,310)
Change in Ownership Interest	-	-	(36,446,750)	36,446,750	-
<b>Balance as at 31st March 2018</b>	<b>630,000,000</b>	<b>231,240,816</b>	<b>488,084,482</b>	<b>88,513,536</b>	<b>1,437,838,834</b>

Company	Stated Capital			Total
	Ordinary Shares Rs.	Revaluation Reserves Rs.	Retained Earnings Rs.	
<b>Balance as at 01 April 2016</b>	630,000,000	62,879,041	272,372,872	965,251,913
Transactions with the owners recorded directly in equity				
- Dividends paid	-	-	(75,000,000)	(75,000,000)
Total comprehensive income for the period				
- Profit for the period	-	-	4,378,147	4,378,147
- Other comprehensive income	-	50,615,294	(279,929)	50,335,365
<b>Balance as at 31st March 2017</b>	<b>630,000,000</b>	<b>113,494,335</b>	<b>201,471,090</b>	<b>944,965,425</b>
<b>Balance as at 01 April 2017</b>	630,000,000	113,494,335	201,471,090	944,965,425
Transactions with the owners recorded directly in equity				
- Dividends paid	-	-	-	-
Total comprehensive income for the period				
- Profit for the period	-	-	67,358,243	67,358,243
- Other comprehensive income	-	-	60,184	60,184
<b>Balance as at 31st March 2018</b>	<b>630,000,000</b>	<b>113,494,335</b>	<b>268,889,517</b>	<b>1,012,383,852</b>

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**STATEMENT OF CASHFLOW**

**For the year ended 31 March**

	Group		Company	
	2018	2017 Audited	2018	2017 Audited
	Rs	Rs	Rs	Rs
<b>Cash flows from operating activities</b>				
Profit before taxation	207,528,768	30,810,112	73,968,043	(95,990)
Adjustments for:				
Depreciation on property, plant and equipment	50,669,498	23,029,467	10,091,744	8,038,720
Amortization of intangible asset	1,670,727	1,670,732	1,242,159	1,242,161
Provision for retiring gratuity	1,364,965	1,122,126	1,145,827	1,000,037
Dividend income	-	-	(50,405,098)	-
Provision for doubtful Debtors	-	1,119,592	-	859,075
Gain on Sale of Property and Equipment	-	(1,869,565)	-	(1,869,565)
Creditors written back	(195,474)	-	-	-
Interest income	(271,237)	(3,292,413)	(227,857)	(1,062,130)
Interest expense	98,573,715	81,846,397	94,218,562	80,834,857
<b>Cash flow from operating activities before working capital changes</b>	<b>359,340,963</b>	<b>134,436,448</b>	<b>130,033,381</b>	<b>88,947,165</b>
(Increase) / Decrease in receivables	(97,725,589)	(27,278,049)	(18,073,407)	(913,370)
(Increase) / Decrease in related company receivables	-	-	26,192,897	(109,595,711)
Increase / (Decrease) in related company payables	-	-	3,216,335	5,225,731
Increase / (Decrease) in payables	(6,544,355)	26,462,987	1,384,477	60,851,591
<b>Cash flow generated from (used in)/ operating activities</b>	<b>255,071,019</b>	<b>133,621,386</b>	<b>142,753,684</b>	<b>44,515,406</b>
Interest paid	(96,512,192)	(74,642,419)	(92,157,039)	(73,630,879)
Income tax	(961,364)	(4,363,345)	-	(306,058)
Retiring gratuity paid	(948,373)	-	(948,373)	-
<b>Net cash flow from operating activities</b>	<b>156,649,090</b>	<b>54,615,622</b>	<b>49,648,272</b>	<b>(29,421,531)</b>
<b>Cash flows used investing activities</b>				
Purchase of property, plant and equipment and Investment in capital work in progress	(39,181,220)	(204,401,799)	(1,019,562)	(2,332,005)
Investment in intangible assets	-	-	-	-
Net withdrawal from/(Investment )in unit trust	878,393	64,827,455	878,393	19,338,791
Proceeds from sale of fixed assets	-	1,869,565	-	1,869,565
Investment in subsidiaries	(11,715,150)	-	(11,715,150)	-
Interest received	271,237	3,292,413	227,857	1,062,130
<b>Net cash flows (used in)/ generated from investing activities</b>	<b>(49,746,740)</b>	<b>(134,412,366)</b>	<b>(11,628,461)</b>	<b>19,938,481</b>
<b>Cash flows from financing activities</b>				
Proceeds from term loan	67,000,000	725,000,000	-	700,000,000
Repayment of term loan	(62,082,728)	(635,775,178)	(36,198,978)	(635,000,000)
Dividend paid	-	(75,000,000)	-	(75,000,000)
Tax on dividend paid by subsidiaries	(5,600,567)	-	-	-
Payment of finance lease obligation	(651,411)	(787,984)	-	-
<b>Net cash flows from financing activities</b>	<b>(1,334,706)</b>	<b>13,436,838</b>	<b>(36,198,978)</b>	<b>(10,000,000)</b>
Net increase in cash and cash equivalents	105,567,643	(66,359,906)	1,820,832	(19,483,050)
Cash and cash equivalents at the beginning of the year	(27,184,918)	39,174,988	(8,150,242)	11,332,808
<b>Cash and cash equivalents at the end of the period</b>	<b>78,382,725</b>	<b>(27,184,918)</b>	<b>(6,329,410)</b>	<b>(8,150,242)</b>
<b>Analysis of cash and cash equivalents</b>				
Cash in hand and cash at bank	<b>78,382,725</b>	<b>(27,184,918)</b>	<b>(6,329,410)</b>	<b>(8,150,242)</b>

*Above figures are provisional and subject to audit*

# PANASIAN POWER PLC

## INTERIM FINANCIAL STATEMENTS - FOURTH QUARTER 2017/2018 PROVISIONAL FINANCIAL STATEMENTS

### EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

- 1 The Interim Financial Statements of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standards that came into effect from 01 January 2012 (SLFRS/LKAS). There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the financial year 2017/18. These Interim Financial Statements have been prepared in compliance with the requirements of Sri Lanka Accounting Standard 34 "Interim Financial Reporting". The presentation and classification of the financial statement of the previous period have been adjusted where relevant for better presentation and to be comparable with period end reporting.
- 2 The Interim Financial Statements for the period ended 31 March 2018 includes "the Company" referring to Panasian Power PLC and "the Group" comprises the Company and its fully owned subsidiaries Manelwala Hydropower (Pvt) Limited, Panasian Investments (Pvt) Limited, Lower Kothmale Oya Power Two (Pvt) Limited, Eco Green Solar Solutions (Pvt) Ltd, sub subsidiary Pap Solar One (Pvt) Ltd., Padiyapelella Hydropower Limited with 83% stake and Powergen One (Pvt) Ltd. a Joint Venture
- 3 The Consolidated Financial Statements were authorised for issue by the Board of Directors on 24 May 2018
- 4 The increase in finance cost during the period is due the loan taken from Sampath Bank for Rs 700,000,000 for the acquisition and construction of balance work of Padiyapelella Hydropower Limited
- 5 The group had no significant contingent liabilities outstanding as at the Balance Sheet date.
- 6 No Circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statements.
- 7 The number of shares representing the stated capital is 500,000,000 ordinary shares amounting to Rs 630,000,000
- 8 Shares of the Company were listed on the Colombo Stock Exchange on 07 January 2011

9 Market value per share as at 31 March

	2018 Rs	2017 Rs
Highest	3.10	3.50
Lowest	2.60	2.90
Closing	2.70	3.20

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**EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS (Contd)**

10 The Public Share Holding Percentage as at 31 March 2018 was 40.63%

<b>Indirect Holding</b>		
Jinadasa Brothers (Pvt) Ltd	533,868	
<b>Directors shareholding</b>	296,314,550	
<b>Holding of 10% or more</b>	Nil	
<b>Spouses and children under 18 of Directors</b>	Nil	
Total	296,848,418	59.37%
Public holding	203,151,582	<b>40.63%</b>
<b>Stated Capital</b>	<b>500,000,000</b>	<b>100%</b>

The number of shareholders representing the public holding was 5,784

11 Directors' shareholding as at 31 March 2018 was as follows:

<b>Name of the Director</b>	<b>Number of shares</b>
Dr P Ramanujam	2,350,000
Mr.P.L.D.Jinadasa	145,000,000
Mr.S.Senthinandhanan	75,000
Dr.T.Senthilverl	633,751
Seylan Bank PLC/Dr.Thirunanasambandar	138,005,799
Sampath Bank PLC/Dr.T.Senthilverl	10,250,000
Total	<b>296,314,550</b>

12 Twenty major shareholders of the Company as at 31 March 2018

<b>Name</b>	<b>No of Shares</b>	<b>%</b>
Mr.Jinadasa Panadura Liyanage Dilanka	145,000,000	29.00
Seylan Bank PLC/Dr.Thirunanasambandar	138,005,799	27.60
Ayenka Holding (Pvt) Ltd	36,194,000	7.24
Resus En Energy PLC	30,627,231	6.13
Commercial Bank of Ceylon PLC/A.K pathirage	11,000,000	2.20
Sampath Bank PLC/Dr.T.Senthilverl	10,250,000	2.05
California Link (Pvt) Ltd	5,826,746	1.17
Miss.Dodanwela Dilshani	4,366,667	0.87
Softologic Life Insurance PLC-A/C 02 (Life Fund)	3,090,000	0.62
Mr.Weeraratne Pattiyapawulage Don Raj Rohitha	2,800,000	0.56
Mr.Beruwalage Herbert	2,764,200	0.55
Mrs.Silva Manawaduge Prasadie Rashmini	2,473,208	0.49
Seylan Bank PLC/Jayantha Dewage	2,426,000	0.49
Cocoshell Activated Cargon Company Limited	2,400,089	0.48
Dr.Ramanujam Prathap	2,350,000	0.47
Mr.Nazeer Mohamed Hussain Mohamed	1,803,000	0.36
Mr.Osman Mohamed Shahid	1,626,500	0.33
Mr.Abishek Sithanpalam	1,430,234	0.29
Mr.Vignarajam	1,402,400	0.28
Mr.Karunaratne Kahandha Mudiyanseelage	1,224,309	0.24
	<b>407,060,383</b>	<b>81.42</b>



# PANASIAN POWER PLC

INTERIM FINANCIAL STATEMENTS - FOURTH QUARTER 2017/2018  
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## Corporate Information

### Name of the Company

Panasian Power PLC

### Legal Form

A Public Quoted Company with limited liability incorporated under the Provision of the Companies Act No 07 of 2007. The Company has been registered under Section 17(2) of the BOI Law No 4 of 1978 on 26 November 2008.

### Date of incorporation

22 April, 2002

### Company Registration Number

PV 9959 PB/PQ

### Accounting Year End

31, March

### Registered Office and Head Office

No. 03, Elibank Road, Colombo 05

### Subsidiary Companies

Manelwala Hydropower (Pvt) Limited  
Panasian Investments (Pvt) Limited  
Padiyapelella Hydropower Limited  
Lower Kothmale Oya Power Two (Pvt) Limited  
PAP Solar One (Pvt) Limited  
Eco Green Solar Solutions (Pvt) Limited

### Nature of business

Generate and supply hydro power to the National Grid

### Directors

Dr Prathap Ramanujam  
Mr Deepal Sooriyaarachchi  
Mr Panadura Liyanage Dilanka Jinadasa  
Mr Poddiwala Kankanamge Pathmanatha  
Mr Andrew Deshan Pushparajah  
Mr. Senthilverl Senthil Nandhanan  
Dr. Thirugnanasambandar Senthilverl

### Audit Committee

Mr Andrew Deshan Pushparajah (Chairman)  
Mr Deepal Sooriyaarachchi  
Mr. Senthilverl Senthil Nandhanan

### Remuneration Committee

Mr Deepal Sooriyaarachchi (Chairman)  
Mr Andrew Deshan Pushparajah  
Mr Panadura Liyanage Dilanka Jinadasa  
Mr. Senthilverl Senthil Nandhanan

**Related Party Review Committee**

Mr Andrew Deshan Pushparajah (Chairman)  
Mr Deepal Sooriyaarachchi  
Dr Prathap Ramanujam

**Secretaries and Registrars**

S S P Corporate Services (Pvt) Limited  
No 101, Inner Flower Road  
Colombo 3  
Tel: +94112573894

**Auditors**

Ms KPMG  
Chartered Accountants  
32A, Sir Mohamed Macan Marker Mawatha  
Colombo 3  
Tel: +94112426301

**Bankers**

Sampath Bank PLC  
National Development Bank PLC

**NOTES**

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