

INTERIM FINANCIAL STATEMENTS
For the Six Months Period Ended 30th September 2016

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)
INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED 30TH SEPTEMBER 2016

PAGE NO.	CONTENTS
1	STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - GROUP
2	STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME - COMPANY
3	STATEMENT OF FINANCIAL POSITION - GROUP & COMPANY
4	STATEMENT OF CHANGES IN EQUITY - GROUP & COMPANY
5	STATEMENT OF CASH FLOW - GROUP & COMPANY
6	NOTES TO THE INTERIM FINANCIAL STATEMENTS
7	INVESTOR INFORMATION
8	CORPORATE INFORMATION

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)

INTERIM FINANCIAL STATEMENTS

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group Three months ended Un-audited			Group Six months ended Un-audited			Year ended Audited
	30.09.2016	30.09.2015	Variance	30.09.2016	30.09.2015	Variance	31.03.2016
	Rs.	Rs.	%	Rs.	Rs.	%	Rs.
Revenue	31,382,864	38,121,813	-18%	92,351,825	62,098,148	49%	167,274,774
Cost of sales	(22,626,255)	(26,902,561)	-16%	(44,467,184)	(45,226,751)	-2%	(88,952,942)
Gross profit /(loss)	8,756,609	11,219,252	-22%	47,884,641	16,871,397	184%	78,321,832
Administration expenses	(7,586,554)	(4,553,351)	67%	(11,775,447)	(11,825,323)	0%	(22,505,881)
Profit /(loss) from operating activities	1,170,055	6,665,901	-82%	36,109,194	5,046,074	616%	55,815,951
Finance income	1,003,721	130,616		2,405,738	1,216,633	98%	2,425,149
Finance costs	(4,243,719)	(3,696,783)	15%	(8,154,439)	(5,969,115)	37%	(12,923,671)
Net finance income	(3,239,998)	(3,566,167)	-9%	(5,748,701)	(4,752,482)	21%	(10,498,522)
Profit /(loss) before tax	(2,069,943)	3,099,734	-167%	30,360,493	293,592	10241%	45,317,429
Income tax expense	(1,909,970)	487,445	-492%	(6,538,113)	(1,061,453)	516%	(31,648,557)
Profit / (loss) for the period	(3,979,913)	3,587,179	-211%	23,822,379	(767,861)	-3202%	13,668,872
Other comprehensive income							
Actuarial gain / (loss) on defined benefit plan	-	-		-	-		899,861
Tax on other comprehensive income	-	-		-	-		(107,983)
Other comprehensive income net of tax	-	-		-	-		791,878
Total comprehensive income for the period	(3,979,913)	3,587,179	-211%	23,822,379	(767,861)	-3202%	14,460,750
Earnings per share - Rs.	(0.04)	0.03		0.22	(0.01)		0.13

Figures in brackets indicate deductions.
The above figures are subject to audit.

Colombo
07th November 2016

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)

INTERIM FINANCIAL STATEMENTS

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Company Three months ended Un-audited			Company Six months ended Un-audited			Year ended Audited
	30.09.2016	30.09.2015	Variance	30.09.2016	30.09.2015	Variance	31.03.2016
	Rs.	Rs.	%	Rs.	Rs.	%	Rs.
Revenue	22,046,016	24,008,952	-8%	62,231,564	41,056,288	52%	119,705,433
Cost of sales	(11,727,867)	(14,922,911)	-21%	(23,119,604)	(28,111,430)	-18%	(51,127,813)
Gross profit /(loss)	10,318,149	9,086,041	14%	39,111,960	12,944,858	202%	68,577,620
Administration expenses	(7,301,295)	(5,772,635)	26%	(11,261,154)	(10,382,263)	8%	(20,057,617)
Profit /(loss)from operating activities	3,016,854	3,313,406	-9%	27,850,806	2,562,595	987%	48,520,003
Finance income	1,002,492	129,156		2,403,383	1,184,533	103%	2,390,853
Finance costs	-	-		-	-		(244)
Net finance income	1,002,492	129,156	676%	2,403,383	1,184,533	103%	2,390,609
CER - fall in value	-	(129,046)	-100%	-	-		-
Profit /(loss) before tax	4,019,346	3,442,562	17%	30,254,189	3,747,128	707%	50,910,612
Income tax expense	(655,985)	(866,523)	-24%	(4,042,043)	(1,052,465)	284%	(6,555,631)
Profit / (loss) for the period	3,363,361	2,576,039	31%	26,212,146	2,694,663	873%	44,354,981
Other comprehensive income							
Actuarial gain / (loss) on defined benefit plan	-	-		-	-		831,353
Tax on other comprehensive income	-	-		-	-		(99,762)
Other comprehensive income net of tax	-	-		-	-		731,591
Total comprehensive income for the period	3,363,361	2,576,039	31%	26,212,146	2,694,663	873%	45,086,572
Earnings per share - Rs.	0.03	0.02		0.24	0.02		0.41

Figures in brackets indicate deductions.
The above figures are subject to audit.

Colombo
07th November 2016

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)

STATEMENT OF FINANCIAL POSITION
AS AT 30TH SEPTEMBER

	Group			Company		
	Un-audited		Audited	Un-audited		Audited
	30.09.2016	30.09.2015	31.03.2016	30.09.2016	30.09.2015	31.03.2016
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
ASSETS						
Non-current assets						
Property, plant and equipment	832,440,192	895,208,849	860,623,855	306,723,116	337,889,703	323,102,982
Leasehold properties	4,168,577	4,577,573	4,391,681	4,168,577	4,577,573	4,391,681
Capital work-in-progress	14,767,408	14,632,182	15,022,182	-	-	-
Intangible asset - computer software	-	2,910	-	-	-	-
Investments in subsidiaries	-	-	-	360,000,000	360,000,000	360,000,000
Total non current assets	851,376,177	914,421,514	880,037,718	670,891,693	702,467,276	687,494,663
Current assets						
Inventories	7,345,848	5,492,798	8,133,065	1,971,560	1,975,468	1,971,560
Trade and other receivables	34,275,149	31,648,795	20,332,138	24,033,187	20,422,378	16,978,347
Amounts due from related parties	6,066,215	-	-	71,740,603	57,933,600	53,655,207
Cash and cash equivalents	52,281,332	8,920,211	71,110,532	52,037,452	6,306,376	68,878,232
Total current assets	99,968,544	46,061,804	99,575,735	149,782,802	86,637,822	141,483,346
Total assets	951,344,721	960,483,318	979,613,453	820,674,495	789,105,098	828,978,009
EQUITY AND LIABILITIES						
Capital and reserve						
Stated capital	482,300,200	482,300,200	482,300,200	482,300,200	482,300,200	482,300,200
Revaluation reserve	229,900,053	229,900,053	229,900,053	229,900,053	229,900,053	229,900,053
Reserves	101,802	101,802	101,802	101,802	101,802	101,802
Retained earnings	17,317,345	10,992,788	26,221,399	66,135,667	30,258,046	72,649,955
Total equity	729,619,400	723,294,843	738,523,454	778,437,722	742,560,101	784,952,010
Non-current liabilities						
Deferred tax liability	57,667,333	32,254,061	56,215,704	30,080,378	32,254,061	31,124,160
Loans and borrowings	110,570,000	140,570,000	110,570,000	-	-	-
Retirement benefit obligations	2,980,340	3,973,857	3,414,374	2,538,126	3,774,703	3,062,160
Total non-current liabilities	171,217,673	176,797,918	170,200,078	32,618,504	36,028,764	34,186,320
Current liabilities						
Expense and other payables	31,259,390	42,659,648	34,786,275	6,962,385	8,177,855	6,258,814
Amounts due to related parties	56,368	1,207,618	66,399	56,368	1,207,618	66,399
Income tax payable	2,599,940	1,136,537	3,520,640	2,599,516	1,130,760	3,514,466
Current portion of interest bearing borrowi	15,133,961	15,386,754	31,390,000	-	-	-
Bank Overdraft	1,457,989	-	1,126,607	-	-	-
Total current liabilities	50,507,648	60,390,557	70,889,921	9,618,269	10,516,233	9,839,679
Total liabilities	221,725,321	237,188,475	241,089,999	42,236,773	46,544,997	44,025,999
Total equity and liabilities	951,344,721	960,483,318	979,613,453	820,674,495	789,105,098	828,978,009
Net assets per ordinary share (Rs.)	6.69	6.63	6.77	7.14	6.81	7.20

Figures in brackets indicate deductions.

These Financial Statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

Mrs. D P Lokugalappathi
Manager Finance

The Board of directors is responsible for the preparation and presentation of these financial statements.

Approved and signed for and on behalf of the Board of directors of Lotus Hydro Power PLC.

Sgd
Mr. A.U.A.M.Athukorale
(Director)

Sgd
Mr Gowri Shankar
(Director)

Colombo
07th November 2016

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)

INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY

Group	Stated Capital Rs.	Revaluation Reserve Rs.	Revenue Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1st April ,2015 (Audited)	482,300,200	229,900,053	101,802	88,122,327	800,424,382
Total Comprehensive income for the period	-	-	-	(767,861)	(767,861)
Dividend paid	-	-	-	(76,361,678)	(76,361,678)
Balance as at 30th September , 2015 (Un Audited)	<u>482,300,200</u>	<u>229,900,053</u>	<u>101,802</u>	<u>10,992,788</u>	<u>723,294,843</u>
Balance as at 31st March 2016 (Audited)	482,300,200	229,900,053	101,802	26,221,399	738,523,454
Total comprehensive income for the period	-	-	-	23,822,379	23,822,379
Dividend paid	-	-	-	(32,726,434)	(32,726,434)
Balance as at 30th September ,2016 (Un Audited)	<u>482,300,200</u>	<u>229,900,053</u>	<u>101,802</u>	<u>17,317,345</u>	<u>729,619,400</u>

Company

	Stated Capital Rs.	Revaluation Reserve Rs.	Revenue Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1st April ,2015 (Audited)	482,300,200	229,900,053	101,802	103,925,061	816,227,116
Total Comprehensive income for the period	-	-	-	2,694,663	2,694,663
Dividend paid	-	-	-	(76,361,678)	(76,361,678)
Balance as at 30th September , 2015 (Un Audited)	<u>482,300,200</u>	<u>229,900,053</u>	<u>101,802</u>	<u>30,258,046</u>	<u>742,560,101</u>
Balance as at 31st March 2016 (Audited)	482,300,200	229,900,053	101,802	72,649,955	784,952,010
Total comprehensive income for the period	-	-	-	26,212,146	26,212,146
Dividend paid	-	-	-	(32,726,434)	(32,726,434)
Balance as at 30th September ,2016 (Un Audited)	<u>482,300,200</u>	<u>229,900,053</u>	<u>101,802</u>	<u>66,135,667</u>	<u>778,437,722</u>

Figures in brackets indicate deductions.

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)

INTERIM FINANCIAL STATEMENTS
STATEMENT OF CASH FLOW

	Group			Company		
	Un Audited		Audited	Un Audited		Audited
	30.09.2016	30.09.2015	31.03.2016	30.09.2016	30.09.2015	31.03.16
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Cash flows from operating activities						
Net profit/(loss) before CER adjustment and taxation	30,360,493	293,592	45,317,429	30,254,189	3,747,128	50,910,612
Adjustments for:						
Depreciation	30,905,949	29,794,876	58,825,333	16,617,116	18,302,717	33,089,438
Amortization of intangible assets	-	22,613	25,523	-	9,941	9,941
Amortization of leasehold assets	223,104	260,316	446,208	223,104	260,316	446,208
Provision for defined benefit plan costs - gratuity	330,000	395,000	803,651	240,000	305,000	649,744
Interest income	(2,405,738)	(1,216,633)	(2,425,149)	(2,403,384)	(1,184,533)	(2,390,853)
Interest expenses	8,154,439	5,968,515	12,923,671	-	-	244
	37,207,754	35,224,687	70,599,237	14,676,836	17,693,441	31,804,722
Operating profit/(loss) before working capital changes	67,568,247	35,518,279	115,916,666	44,931,025	21,440,569	82,715,334
(Increase) / decrease in inventories	787,217	-	(2,640,267)	-	-	3,908
(Increase) / decrease in trade and other receivables	(13,943,011)	4,070,825	15,387,482	(7,054,840)	6,230,217	9,674,248
(Increase) / decrease in amounts due from related parties	(6,066,215)	-	-	(18,085,396)	(13,176,749)	(9,056,017)
(Increase) / decrease in amounts due to related parties	(10,031)	(105,717)	(1,246,936)	(10,031)	(105,717)	(1,246,936)
Increase / (decrease) in trade and other payables	(3,526,885)	21,980,824	14,107,451	703,571	5,840,364	3,921,323
	(22,758,925)	25,945,932	25,607,730	(24,446,696)	(1,211,885)	3,296,526
Cash generated from / (used) in operations	44,809,322	61,464,211	141,524,396	20,484,329	20,228,684	86,011,860
Interest paid	(8,154,439)	(5,968,515)	(12,923,671)	-	-	(244)
Income tax paid	(5,982,610)	(9,814,123)	(14,110,049)	(5,976,201)	(9,808,779)	(14,104,705)
Gratuity paid	(764,034)	(80,227)	(148,500)	(764,034)	(80,227)	(148,500)
	(14,901,083)	(15,862,865)	(27,182,220)	(6,740,235)	(9,889,006)	(14,253,449)
Net cash flow from / (used) in operating activities	29,908,239	45,601,346	114,342,176	13,744,094	10,339,678	71,758,411
Cash flow from investing activities						
Purchase of property, plant and equipment	(2,722,288)	(3,202,588)	(3,987,979)	(237,250)	(3,202,588)	(3,637,108)
Profit on sale of fixed assets	-	-	434,520	-	-	434,520
Interest received	2,381,167	1,098,519	2,253,620	2,378,810	1,069,630	2,222,753
Capital work-in-progress	1,705,386	-	-	-	-	-
Expenses incurred on capital work-in-progress	(1,450,612)	(31,325,657)	(25,810,249)	-	-	-
Net cash from / (used) in investing activities	(86,347)	(33,429,726)	(27,110,088)	2,141,560	(2,132,958)	(979,835)
Cash flow from financing activities						
Repayment of long term borrowings	(16,256,039)	(11,833,246)	(25,830,000)	-	-	-
Dividend paid	(32,726,434)	(76,361,678)	(76,361,678)	(32,726,434)	(76,361,678)	(76,361,678)
Net cash from/(Used) in financing activities	(48,982,473)	(88,194,924)	(102,191,678)	(32,726,434)	(76,361,678)	(76,361,678)
Net decrease in cash and cash equivalents	(19,160,582)	(76,023,304)	(14,959,590)	(16,840,780)	(68,154,958)	(5,583,102)
Cash and cash equivalents at the beginning of the period	69,983,925	84,943,515	84,943,515	68,878,232	74,461,334	74,461,334
Cash and cash equivalents at the end of the period	50,823,343	8,920,211	69,983,925	52,037,452	6,306,376	68,878,232

Figures in brackets indicate deductions.

Colombo
07th November 2016

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)

NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS FOR THE SIX MONTH ENDED 30TH SEPTEMBER 2016.

1 ACCOUNTING POLICIES

The provisional interim financial statements of the Company/Group are unaudited and have been prepared on the basis of the same accounting policies and methods applied for the year ended 31st March 2016 and are in compliance with the Sri Lanka Accounting Standard 34-Interim Financial Reporting. Provision of the Companies Act No. 7 of 2007 have been considered in preparing the interim financial statements of the Company/Group.

2 Accounting policies and methods of computation as stated in the Annual Report for 2015 / 2016 are followed in the preparation of these provisional financial statements.

3 COMPARATIVE INFORMATION

The previous period figures and phrases have been re - arranged where necessary to conform to the current period's presentation and classifications.

4 STATED CAPITAL

4.1 NO. OF SHARES REPRESENTING THE STATED CAPITAL

The stated capital amounting to Rs. 482,300,200/- is represented by 109,088,112 Nos. of ordinary shares as at 30th September 2016.

5 CONTINGENT LIABILITIES

There has been no significant change in the nature of the contingent liabilities other than those disclosed in the audited financial statements for the year ended 31st March 2016.

6 EVENTS AFTER THE FINANCIAL POSITION DATE

No circumstances have arisen since the date of financial position which would require adjustments or disclosure in the provisional financial statements.

7 FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements are presented in Sri Lankan rupees, which is the Company's functional currency. Financial information presented in Sri Lankan rupees has been rounded to the nearest rupee unless indicated otherwise.

8 APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The provisional financial statements of the Group and the Company for the second quarter ended 30th September 2016 were authorized for issue by the Board of directors on 07th November 2016.

9 NO. OF ORDINARY SHARES HELD BY THE DIRECTORS

Name of Director	As at 30th September 2016 Nos.
Mr. G. D. Seaton	-
Mr. A. U. A. M. Athukorala	-
Mr. K. Gowri Shankar	-
Dr. T. Senthilverl Individual	473,404
Seylan Bank PLC/T.Senthilverl	811,051
Sampath Bank PLC/Dr.T.Senthilverl	15,000,000
Mr. U. H. Paliakkara	-
Mr. A. I. Fernando	-

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)

INVESTOR INFORMATION

As at
30.09.2016

Market performance - ordinary shares

Closing price per share (Rs.)	7.10
Highest price per share during the quarter (Rs.)	7.40
Lowest price per share during the quarter (Rs.)	5.60

Twenty largest shareholders	As at 30.09.2016	
	Nos.	% Held
1. Lotus Renewable Energy Private Limited	78,690,212	72.13
2. Sampath Bank PLC/ Dr.T.Senthilvel	15,000,000	13.75
3.Mandatory Offer By Lotus Renewable Energy (Private) Limited To Acquire All The Issued Shares Of Browns Hydro Power PLC	1,660,669	1.52
4. Seylan Bank PLC/Dr.Thirugnanasambandar Senthilvel	811,051	0.74
5.Pan Asia Banking Corporation PLC/Mr.S.Gobinath	800,000	0.73
6. Mr.D.D Gunaratne	696,576	0.64
7. Dr. T. Senthilvel	473,404	0.43
8. Mr. S. Senthinandhanan	469,200	0.43
8. Mr. S.Senthi Maaran	469,200	0.43
10. Mr.P.P. Thevarajah	463,423	0.42
11.Mr. P.P.Subasinghe	256,051	0.23
12. Peter Valley Estates Co Ltd	235,900	0.22
13. Mr. K.K.Karunamoorthy	220,000	0.20
14. Bank Of Ceylon No. 1 Account	173,194	0.16
15. Mr. K.M.S.M.Razeek	166,000	0.15
16. Mr.G.K. Kulatilleke	152,300	0.14
17. Sierra Construction (Pvt) Limited	137,600	0.13
18. Mrs.F.F. Musthapha	137,000	0.13
19.Mr.W.S.K.M. Abeysekera	106,980	0.10
20. Mr.K.M.M. Karunaratne	101,489	0.09
	101,220,249	92.79
Others	7,867,863	7.21
	109,088,112	100.00

As at
30.09.2016

Number of shares held by the public	12,452,776
Number of public shareholders	2,377
The percentage of shares held by the public (%)	11.42%

LOTUS HYDRO POWER PLC
(FORMERLY KNOWN AS BROWNS HYDRO POWER PLC)

CORPORATE INFORMATION

NAME OF COMPANY

LOTUS HYDRO POWER PLC (FORMERLY KNOWN AS Browns Hydro Power PLC)

LEGAL FORM

A Public Limited Liability Company incorporated in Sri Lanka on 24th April 2000 and re-registered under the Companies Act No.07 of 2007 and is a BOI approved Company quoted on Colombo Stock Exchange.

COMPANY REGISTRATION NO.

PV 7385 PB/PQ

DIRECTORS

Mr. Gary Seaton	- Chairman/Executive Director
Mr. Menaka Athukorala	- Executive Director
Mr. Gowri Shankar	- Non-Executive Director
Dr. Thirugnanasambandar Senthilvel	- Non-Executive Director
Mr. Uditha Palihakkara	- Independent Non-Executive Director
Mr. Indrajith Fernando	- Independent Non-Executive Director

REGISTERED OFFICE

No.17, 18th Lane, Colombo 03, Sri Lanka

BUSINESS OFFICE

No.17, 18th Lane, Colombo 03, Sri Lanka
Tel No.: +941 1511 7780/81/82
Fax No.: +941 1257 3250

COMPANY SECRETARIES

S.F.L.Services (Pvt.) Ltd.
No. 481, T.B.Jayah Mawatha, Colombo 10.

AUDITORS

KPMG, Chartered Accountants,
32 A, Sir Mohamed Macan Markar Mawatha , Colombo 03.

BANKERS

Seylan Bank PLC
Hatton National Bank PLC
National Development Bank PLC