

**INTERIM FINANCIAL STATEMENTS  
YEAR ENDED 31ST MARCH 2019**

**LOTUS HYDRO POWER PLC**

# LOTUS HYDRO POWER PLC

## INTERIM FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2019

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## LOTUS HYDRO POWER PLC

## INTERIM FINANCIAL STATEMENTS

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group Three months ended Un-audited			Group Twelve months ended		
	31.03.2019	31.03.2018	Variance	Un-audited 31.03.2019	Audited 31.03.2018	Variance
	Rs.	Rs.	%	Rs.	Rs.	%
Revenue	5,458,422	10,322,417	-47%	257,458,111	192,691,446	34%
Cost of sales	(22,917,110)	(23,956,925)	-4%	(94,011,376)	(93,326,720)	1%
Gross profit / (loss)	(17,458,688)	(13,634,509)	28%	163,446,735	99,364,726	64%
Other income / (expense)	(6,599,782)	(31,336,420)	-79%	(2,299,782)	(27,891,667)	-92%
Administration expenses	(7,146,561)	(7,673,267)	-7%	(38,279,585)	(29,063,317)	32%
Profit / (loss) from operating activities	(31,205,031)	(52,644,196)	-41%	122,867,368	42,409,742	190%
Finance income	4,252,998	2,191,443	94%	6,837,660	2,353,307	191%
Finance costs	(1,940,041)	(2,893,963)	-33%	(9,353,988)	(15,494,515)	-40%
Net finance income / (expense)	2,312,957	(702,520)	-429%	(2,516,328)	(13,141,208)	-81%
Profit / (loss) before tax	(28,892,074)	(53,346,716)	-46%	120,351,040	29,268,534	311%
Income tax expense	2,003,802	(723,944)	-377%	(16,987,833)	(12,483,684)	36%
Profit / (loss) for the period	(26,888,272)	(54,070,660)	-50%	103,363,207	16,784,850	516%
<b>Other comprehensive income</b>						
Actuarial gain / (loss) on defined benefit plan	(202,553)	386,697	-152%	(202,553)	386,697	-152%
Revaluation loss on property, plant & equipment	-	(8,000,000)	-100%	-	-	-
Tax on other comprehensive income	28,357	(5,279,139)	-101%	28,357	(5,279,139)	-101%
Other comprehensive income net of tax	(174,196)	(12,892,442)	-99%	(174,196)	(4,892,442)	-96%
Total comprehensive income for the period	(27,062,467)	(66,963,102)	-60%	103,189,012	11,892,408	768%
Earnings per share - Rs.	(0.25)	(0.50)		0.95	0.15	

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

Colombo  
30th May 2018

## LOTUS HYDRO POWER PLC

## INTERIM FINANCIAL STATEMENTS

## STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Company Three months ended Un-audited			Company Twelve months ended		
	31.03.2019	31.03.2018	Variance	Un-audited 31.03.2019	Audited 31.03.2018	Variance
	Rs.	Rs.	%	Rs.	Rs.	%
Revenue	1,666,234	4,693,505	-64%	182,114,400	127,843,967	42%
Cost of sales	(12,950,917)	(13,281,910)	-2%	(49,721,494)	(49,693,058)	0%
Gross profit / (loss)	(11,284,683)	(8,588,405)	31%	132,392,906	78,150,909	69%
Other income / (expense)	(6,599,782)	(2,378,141)	178%	(2,299,782)	(27,891,667)	-92%
Administration expenses	(6,840,064)	(6,838,610)	0%	(33,972,110)	(26,986,516)	26%
Profit / (loss) from operating activities	(24,724,529)	(17,805,156)	39%	96,121,014	23,272,726	313%
Finance income	4,251,673	2,190,175	94%	6,832,375	2,348,244	191%
Finance costs	-	-	-	-	-	-
Net finance income	4,251,673	2,190,175	94%	6,832,375	2,348,244	191%
Profit / (loss) before tax	(20,472,856)	(15,614,981)	31%	102,953,389	25,620,970	302%
Income tax expense	954,132	793,955	20%	(17,919,979)	(6,139,728)	192%
Profit / (loss) for the period	(19,518,723)	(14,821,026)	32%	85,033,410	19,481,242	336%
<b>Other comprehensive income</b>						
Actuarial gain / (loss) on defined benefit plan	(213,792)	292,229	-173%	(213,792)	292,228	-173%
	-	(8,000,000)	-100%	-	-	-
Tax on other comprehensive income	29,931	(5,265,913)	-101%	29,931	(5,265,913)	-101%
Other comprehensive income net of tax	(183,861)	(12,973,684)	-99%	(183,861)	(4,973,685)	-96%
Total comprehensive income for the period	(19,702,584)	(27,794,710)	-29%	84,849,549	14,507,557	485%
Earnings per share - Rs.	(0.18)	(0.14)		0.78	0.18	

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

Colombo  
30th May 2018

## LOTUS HYDRO POWER PLC

STATEMENT OF FINANCIAL POSITION  
AS AT 31ST MARCH

	Group		Company	
	Un-audited	Audited	Un-audited	Audited
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
	Rs.	Rs.	Rs.	Rs.
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	648,408,162	710,257,296	232,326,503	257,323,572
Leasehold properties	3,053,057	3,499,265	3,053,057	3,499,265
Capital work-in-progress	11,469,921	13,410,121	-	-
Intangible asset - computer software	-	-	-	-
Investments in subsidiaries	-	-	319,005,312	328,299,920
<b>Total non current assets</b>	<b>662,931,140</b>	<b>727,166,682</b>	<b>554,384,872</b>	<b>589,122,757</b>
<b>Current assets</b>				
Inventories	12,453,875	12,499,272	6,261,867	6,260,457
Trade and other receivables	46,664,192	16,713,810	40,773,840	9,236,629
Amounts due from related parties	41,063,319	26,767,182	126,133,361	123,750,650
Cash and cash equivalents	104,044,027	12,824,900	103,543,128	12,571,889
<b>Total current assets</b>	<b>204,225,413</b>	<b>68,805,164</b>	<b>276,712,196</b>	<b>151,819,625</b>
<b>Total assets</b>	<b>867,156,553</b>	<b>795,971,846</b>	<b>831,097,068</b>	<b>740,942,382</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Capital and reserve</b>				
Stated capital	482,300,200	482,300,200	482,300,200	482,300,200
Revaluation reserve	103,784,614	224,675,052	103,784,614	224,675,052
Reserves	101,802	101,802	101,802	101,802
Retained earnings	145,368,856	(78,710,593)	197,435,201	(8,304,786)
<b>Total equity</b>	<b>731,555,472</b>	<b>628,366,461</b>	<b>783,621,817</b>	<b>698,772,268</b>
<b>Non-current liabilities</b>				
Deferred tax liability	64,377,975	67,357,837	29,129,217	31,177,028
Loans and borrowings	20,570,000	50,570,000	-	-
Retirement benefit obligations	3,260,039	3,431,478	2,460,568	2,849,841
<b>Total non-current liabilities</b>	<b>88,208,014</b>	<b>121,359,315</b>	<b>31,589,785</b>	<b>34,026,869</b>
<b>Current liabilities</b>				
Expense and other payables	4,383,318	8,932,202	2,943,644	3,626,292
Income tax payable	12,941,413	4,517,865	12,941,822	4,516,953
Current portion of interest bearing borrowings	30,000,000	30,000,000	-	-
Bank Overdraft	68,336	2,796,003	-	-
<b>Total current liabilities</b>	<b>47,393,067</b>	<b>46,246,070</b>	<b>15,885,466</b>	<b>8,143,245</b>
<b>Total liabilities</b>	<b>135,601,081</b>	<b>167,605,385</b>	<b>47,475,251</b>	<b>42,170,114</b>
<b>Total equity and liabilities</b>	<b>867,156,553</b>	<b>795,971,846</b>	<b>831,097,068</b>	<b>740,942,382</b>
<b>Net assets per ordinary share (Rs.)</b>	<b>6.71</b>	<b>5.76</b>	<b>7.18</b>	<b>6.41</b>

Figures in brackets indicate deductions.

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

Sgd  
Mrs. D P Lokugalappaththi  
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. Athukorala  
(Director)

Sgd  
Mr. Gowri Shankar  
(Director)

Colombo  
30th May 2018

## LOTUS 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 ,2017 (Audited)	482,300,200	229,900,053	101,802	(57,647,163)	654,654,892
Total Comprehensive income for the period	-	-	-	16,784,850	16,784,850
Other comprehensive income	-	(5,225,001)	-	332,559	(4,892,442)
Dividend paid	-	-	-	(38,180,839)	(38,180,839)
Balance as at 31st March, 2018 (Audited)	<u>482,300,200</u>	<u>224,675,052</u>	<u>101,802</u>	<u>(78,710,593)</u>	<u>628,366,461</u>
Total comprehensive income for the period	-	-	-	103,363,207	103,363,207
Other comprehensive income	-	-	-	(174,196)	(174,196)
<b>Transactions with owners, recorded directly in equity</b>					
Transfer of depreciation charger	-	(120,890,438)	-	120,890,438	-
Balance as at at 31st March, 2019 (Un Audited)	<u>482,300,200</u>	<u>103,784,614</u>	<u>101,802</u>	<u>145,368,856</u>	<u>731,555,472</u>

Company	Stated Capital Rs.	Revaluation Reserve Rs.	Revenue Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 1st April ,2017 (Audited)	482,300,200	229,900,053	101,802	10,143,495	722,445,550
Total Comprehensive income for the period	-	-	-	19,481,242	19,481,242
Other comprehensive income	-	(5,225,001)	-	251,316	(4,973,685)
Dividend paid	-	-	-	(38,180,839)	(38,180,839)
Balance as at 31st March 2018(Audited)	<u>482,300,200</u>	<u>224,675,052</u>	<u>101,802</u>	<u>(8,304,786)</u>	<u>698,772,268</u>
Total comprehensive income for the period	-	-	-	85,033,410	85,033,410
Other comprehensive income	-	-	-	(183,861)	(183,861)
<b>Transactions with owners, recorded directly in equity</b>					
Transfer of depreciation charger	-	(120,890,438)	-	120,890,438	-
Balance as at at 31st March, 2019 (Un Audited)	<u>482,300,200</u>	<u>103,784,614</u>	<u>101,802</u>	<u>197,435,201</u>	<u>783,621,817</u>

Figures in brackets indicate deductions.

## LOTUS HYDRO POWER PLC

INTERIM FINANCIAL STATEMENTS  
STATEMENT OF CASH FLOW

	Group		Company	
	Un Audited 31.03.2019 Rs.	Audited 31.03.2018 Rs.	Un Audited 31.03.2019 Rs.	Audited 31.03.2018 Rs.
<b>Cash flows from operating activities</b>				
Net profit/(loss) before CER adjustment and taxation	120,351,040	29,268,534	102,953,389	25,620,970
Adjustments for:				
Depreciation	61,101,778	61,880,662	33,993,777	33,312,895
Amortization of leasehold assets	446,208	446,208	446,208	446,208
Impairment of property plant and equipment	9,294,608	31,700,080	-	-
Impairment of investment in subsidiary	-	-	9,294,608	31,700,080
Provision for defined benefit plan costs - gratuity	1,081,069	893,447	851,996	688,314
Interest income	(6,837,660)	(2,299,282)	(6,832,375)	(2,294,219)
Interest expenses	9,353,988	15,494,515	-	-
	<b>74,439,991</b>	<b>108,115,630</b>	<b>37,754,214</b>	<b>63,853,278</b>
<b>Operating profit/(loss) before working capital changes</b>	<b>194,791,031</b>	<b>137,384,164</b>	<b>140,707,603</b>	<b>89,474,248</b>
(Increase) / decrease in inventories	45,397	(4,353,469)	(1,410)	(3,909,197)
(Increase) / decrease in trade and other receivables	(29,950,382)	6,071,985	(31,537,211)	7,798,610
(Increase) / decrease in amounts due from related parties	(14,296,138)	103,432	(2,382,711)	(6,853,264)
(Increase) / decrease in amounts due to related parties	-	-	-	-
Increase / (decrease) in trade and other payables	(4,548,883)	(1,080,966)	(682,649)	111,516
	<b>(48,750,006)</b>	<b>740,982</b>	<b>(34,603,981)</b>	<b>(2,852,335)</b>
<b>Cash generated from / (used) in operations</b>	<b>146,041,025</b>	<b>138,125,146</b>	<b>106,103,622</b>	<b>86,621,913</b>
Interest paid	(9,353,988)	(15,494,515)	-	-
Income tax paid	(11,515,527)	(6,301,107)	(11,512,989)	(6,299,737)
Gratuity paid	(1,455,061)	(82,350)	(1,455,061)	(82,350)
	<b>(22,324,576)</b>	<b>(21,877,972)</b>	<b>(12,968,050)</b>	<b>(6,382,087)</b>
<b>Net cash flow from / (used) in operating activities</b>	<b>123,716,449</b>	<b>116,247,174</b>	<b>93,135,572</b>	<b>80,239,826</b>
<b>Cash flow from investing activities</b>				
Acquisition of property, plant and equipment	(9,316,126)	(3,853,073)	(8,996,708)	(414,814)
Interest received	6,837,396	254,740	6,832,375	249,672
Capital work-in-progress	1,940,200	-	-	-
Adjustment of PPE	768,875	-	-	-
Funds transferred to related parties	-	(44,822,381)	-	(59,575,506)
Investment in capital work in progress and settlement of contractors	-	(9,675,950)	-	(1,408,050)
<b>Net cash from / (used) in investing activities</b>	<b>230,345</b>	<b>(58,096,664)</b>	<b>(2,164,333)</b>	<b>(61,148,698)</b>
<b>Cash flow from financing activities</b>				
Repayment long-term borrowings	(30,000,000)	(32,500,000)	-	-
Dividend paid	-	(12,870,312)	-	(12,870,312)
<b>Net cash from / (Used) in financing activities</b>	<b>(30,000,000)</b>	<b>(45,370,312)</b>	<b>-</b>	<b>(12,870,312)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>93,946,794</b>	<b>12,780,198</b>	<b>90,971,239</b>	<b>6,220,816</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>10,028,897</b>	<b>(2,751,301)</b>	<b>12,571,889</b>	<b>6,351,073</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>103,975,691</b>	<b>10,028,897</b>	<b>103,543,128</b>	<b>12,571,889</b>

Figures in brackets indicate deductions.

Colombo  
30th May 2018

## LOTUS HYDRO POWER PLC

### NOTES TO THE PROVISIONAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019.

#### 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 2018 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 2017 /2018 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 31st March 2019.

#### 5 CONTINGENT LIABILITIES

There has been no significant change in the nature of the contingent liabilities other than those disclosed in the financial statements for the year ended 31st March 2018.

#### 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 Fourth quarter ended 31st March 2019 were authorized for issue by the Board of directors on 30th May 2019.

#### 9 NO. OF ORDINARY SHARES HELD BY THE DIRECTORS

Name of Director	As at 31st March 2019 Nos.
Mr. U. H. Palihakkara	-
Dr. T. Senthilverl      Individual	-
Seylan Bank PLC/T.Senthilverl	1,453,587
Sampath Bank PLC/Dr.T.Senthilverl	15,000,000
Mr. A. I. Fernando	-
Mr. G. D. Seaton	-
Mr. Gowri Shankar	-
Mr. A. U. A. M. Authokorala	-

#### 10 CERTIFIED EMISSION REDUCTION (CER) UNITS

Certified Emission Reduction (CER) Units have been valued at net realizable value (NRV) of USD 1. The company /Group has commenced the related activities for the validation and verification.

#### 11 INCOME TAX AND DEFERRED TAX

Income tax has been calculated at 12% and deferred tax calculations has been adjusted to 14% considering the prevailing tax law.

12 The Company has accounted arrears payment of Rs. 25,822,836 receivable from Ceylon Electricity Board for the period of January 2018 to December 2018 due to increase in avoided cost based tariff. This was settled in the month of May 2019.



## LOTUS HYDRO POWER PLC

### INVESTOR INFORMATION

As at  
31st March 2019

Market performance - ordinary shares

Closing price per share (Rs.)	5.20
Highest price per share during the quarter (Rs.)	6.10
Lowest price per share during the quarter (Rs.)	4.40

Twenty largest shareholders	As at 31st March 2019	
	Nos.	% Held
1. Lotus Renewable Energy Private Limited	80,350,881	73.66
2. Sampath Bank PLC/ Dr.T.Senthilverl	15,000,000	13.75
3. Seylan Bank Plc/Dr.Thirugnanasambandar Senthilverl	1,453,587	1.33
4. Mr.D.D Gunaratne	850,057	0.78
5. Mechant Bank of Sri Lanka & Finance PLC/Mr.S.Gobinath	800,000	0.73
6. Mr. P.P.Subasinghe	689,122	0.63
7. Mr. S.Senthimaaran	469,200	0.43
7. Mr. S. N. Senthilverl	469,200	0.43
9. Mr.P.P. Thevarajah	463,423	0.42
10. Peter Valley Estates Co Ltd	235,900	0.22
11. Mrs. M.P.R. Silva	194,312	0.18
12. Bank Of Ceylon No. 1 Account	173,194	0.16
13. Mr. K.M.S.M.Razeek	166,000	0.15
14. Mr.G.K. Kulatilleke	152,300	0.14
15. R.V.D. Piyathilake	150,304	0.14
16. Sierra Construction Limited	137,600	0.13
17. Mrs.F.F. Musthapha	137,000	0.13
18. Mr.K.M.M. Karunaratne	129,195	0.12
19. Mr. M.M.A. Ameen	105,031	0.10
20. Merchant Bank of Sri Lanka PLC / J.A.S. Priyantha	100,000	0.09
20. Mrs. B.R.N. Priyadarshani	100,000	0.09
20. People's Leasing & Finance PLC/Dr. H.S.D. Soysa / Mrs. G. Soysa	100,000	0.09
20. Mr. A.P.L. Fernando	100,000	0.09
Others	102,526,306	93.98
	6,561,806	6.02
	109,088,112	100.00

As at  
31st March 2019

Number of shares held by the public	12,283,644
Number of public shareholders	2,221
The percentage of shares held by the public (%)	11.26%
 Exiting float adjusted market capitalization (Rs.)	 63,874,949

## LOTUS HYDRO POWER PLC

### CORPORATE INFORMATION

#### NAME OF COMPANY

LOTUS HYDRO POWER PLC

#### LEGAL FORM

A Public Limited Liability Company incorporated in Sri Lanka on 24th April 2000 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

2nd Floor, No. 168, Negombo Road, Paliyagoda, Sri Lanka.

#### BUSINESS OFFICE

2nd Floor, No. 168, Negombo Road, Paliyagoda, Sri Lanka.

Tel No.: +941 1511 7780/81/82

Fax No.: +94 11 59 23 338

#### COMPANY SECRETARIES

S S P Corporate Services (Pvt) Ltd

No. 101, Inner Flower Road, Colombo 03.

#### AUDITORS

KPMG, Chartered Accountants,

32 A, Sir Mohamed Macan Markar Mawatha , Colombo 03.

#### BANKERS

Seylan Bank PLC

Sampath Bank

Hatton National Bank PLC

National Development Bank PLC