



PANASIAN POWER PLC

INTERIM FINANCIAL STATEMENTS

THIRD QUARTER 2017/2018

CHAIRMAN'S REVIEW

Panasian Power PLC has recorded consolidated net profit of Rs. 98 million for the quarter and Rs. 131 million for the nine months ended 31st December 2017. Padiyapelella Hydropower Limited contributed Rs. 76 million to the Group net profit for the nine months ended 31st December 2017.

Group revenue has increased by 116% compared to comparative period mainly with revenue of Rs. 121 million from Padiyapelella Hydropower Limited. Group's finance cost has increased by 38% resulting the long term loan obtained for the balance construction of Padiyapelella Hydropower Plant.

On the growth front, the progress of pre-development work of 5.4 Mw hydro projects and 5 Mw Solar Project is currently on track. (1.2 Mw Solar Projects are currently under construction)

Sgd

Dr Prathap Ramanujam

Chairman / Chief Executive Officer

31-Dec-17

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

STATEMENT OF FINANCIAL POSITION

ASSETS	Group			Company		
	Nine months ended 31 December		As at 31 March	Nine months ended 31 December		As at 31 March
	2017	2016	2017 Audited	2017	2016	2017 Audited
	Rs	Rs	Rs	Rs	Rs	Rs
Non - Current Assets						
Property, plant and equipment	1,541,316,600	501,017,561	1,581,806,819	262,912,019	212,749,929	269,748,655
Intangible assets	465,291,110	466,961,839	466,544,153	1,522,517	2,764,677	2,454,136
Investment in subsidiaries	5,312,850	-	-	1,147,490,544	1,142,177,694	1,142,177,694
Capital work in progress	-	859,821,082	-	-	-	-
	2,011,920,560	1,827,800,483	2,048,350,972	1,411,925,080	1,357,692,300	1,414,380,485
Current Assets						
Trade and other receivables	146,466,366	51,837,867	81,309,911	37,595,874	26,653,452	11,612,470
Due from related parties	-	-	-	434,371,772	428,106,217	440,165,442
Financial Assets	6,992,366	11,069,151	878,393	6,992,366	11,069,152	878,393
Cash and cash equivalents	6,068,415	7,741,299	5,167,799	560,757	1,677,385	414,386
	159,527,147	70,648,318	87,356,103	479,520,770	467,506,206	453,070,691
TOTAL ASSETS	2,171,447,707	1,898,448,800	2,135,707,075	1,891,445,850	1,825,198,506	1,867,451,176
EQUITY AND LIABILITIES						
Equity						
Stated capital	630,000,000	630,000,000	630,000,000	630,000,000	630,000,000	630,000,000
Revaluation reserves	231,264,824	88,024,541	243,960,597	113,494,335	59,079,041	113,494,335
Retained earnings	470,425,653	351,637,080	347,400,747	247,664,350	226,518,276	201,471,090
Equity attributable to equity holders of the parent	1,331,690,476	1,069,661,621	1,221,361,344	991,158,685	915,597,317	944,965,425
Non controlling interest	49,837,728	38,408,617	43,633,537	-	-	-
Total Equity	1,381,528,204	1,108,070,238	1,264,994,881	991,158,685	915,597,317	944,965,425
Non-Current Liabilities						
Retirement benefit obligations	4,070,079	3,502,078	5,018,452	3,578,647	3,194,597	4,527,020
Finance lease obligations	2,512,357	3,234,205	3,095,167	-	-	-
Interest bearing loans	595,715,447	703,566,566	669,864,314	593,241,908	700,000,000	666,605,000
Deferred tax liabilities	59,515,062	39,603,475	59,514,819	12,689,649	16,554,119	12,689,674
	661,812,945	749,906,325	737,492,752	609,510,204	719,748,716	683,821,694
Current Liabilities						
Accruals and other payables	23,704,968	11,002,844	32,200,198	6,705,517	2,581,796	7,603,667
Finance lease obligations	972,938	626,808	618,711	-	-	-
Interest bearing loans	100,549,848	25,854,928	66,444,644	99,828,000	-	40,598,978
Due to related parties	-	-	-	181,996,578	183,392,459	181,107,764
Income tax payable	1,420,958	(554,297)	1,603,172	789,020	336,263	789,020
Bank Over Draft	1,457,845	3,541,955	32,352,717	1,457,845	3,541,955	8,564,628
	128,106,558	40,472,238	133,219,442	290,776,960	189,852,473	238,664,057
Total Liabilities	789,919,502	790,378,563	870,712,194	900,287,164	909,601,189	922,485,751
TOTAL EQUITY AND LIABILITIES	2,171,447,707	1,898,448,801	2,135,707,075	1,891,445,850	1,825,198,506	1,867,451,176
Net asset per share	2.66	2.14	2.44	1.98	1.83	1.89

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
7-Feb-18

Sgd
Mr D Pushparajah
Director

PANASIAN POWER PLC
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STATEMENT OF COMPREHENSIVE INCOME

	Three months ended 31 December				Nine months ended 31 December			
	Group		Company		Group		Company	
	2017	2016	2017	2016	2017	2016	2017	2016
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Revenue	161,916,921	44,599,401	56,909,996	37,043,914	315,405,919	145,698,555	154,691,383	121,687,548
Cost of electricity Generated	(21,673,457)	(10,073,740)	(5,506,031)	(5,530,731)	(65,425,566)	(27,678,153)	(14,948,073)	(14,942,909)
Gross profit	140,243,465	34,525,661	51,403,964	31,513,183	249,980,353	118,020,402	139,743,310	106,744,639
Administrative expenses	(15,480,789)	(12,108,910)	(8,331,417)	(7,929,798)	(43,545,060)	(36,048,226)	(24,053,946)	(20,799,107)
Other operating income	-	-	-	2,150,000	-	2,150,000	2,061,549	2,150,000
Operating profit	124,762,676	22,416,752	43,072,547	25,733,384	206,435,293	84,122,177	117,750,913	88,095,531
Finance cost	(26,940,472)	(20,773,507)	(26,462,720)	(20,476,806)	(75,566,493)	(54,908,386)	(71,557,653)	(56,428,626)
Profit before taxation	97,822,204	1,643,245	16,609,828	5,256,578	130,868,801	29,213,791	46,193,260	31,666,905
Income tax expense	-	(3,832,153)	-	(2,521,501)	(229,062)	(3,832,153)	-	(2,521,501)
(Loss) / Profit for the period	97,822,204	(2,188,909)	16,609,828	2,735,078	130,639,739	25,381,637	46,193,260	29,145,405
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Total comprehensive (expense) / income for the period	97,822,204	(2,188,909)	16,609,828	2,735,078	130,639,739	25,381,637	46,193,260	29,145,405
Attributable to:								
Owners of the parent	91,865,030	(2,053,953)	16,609,828	2,735,078	123,024,906	26,055,898	46,193,260	29,145,405
Non-controlling interest	5,957,174	(134,955)	-	-	7,614,832	(674,260)	-	-
	97,822,204	(2,188,909)	16,609,828	2,735,078	130,639,738	25,381,637	46,193,260	29,145,405
EPS	0.20	(0.00)	0.03	0.01	0.26	0.05	0.09	0.06

Above figures are provisional and subject to audit

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STATEMENT OF CHANGES IN EQUITY

Group	Stated Capital				Total Rs.
	Ordinary Shares Rs.	Revaluation Reserves Rs.	Retained Earnings Rs.	Non-Controlling Interest	
Balance as at 01 April 2016	630,000,000	88,024,541	400,581,182	39,082,877	1,157,688,600
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	-	-	26,055,898	(674,260)	25,381,637
- Other comprehensive income	-	-	-	-	-
Balance as at 31 December 2016	630,000,000	88,024,541	351,637,080	38,408,617	1,108,070,237
Balance as at 01 April 2017	630,000,000	243,960,597	347,400,747	43,633,537	1,264,994,881
Non Controlling Interest	-	-	-	-	-
Transactions with the owners recorded directly in equity					
- Dividends paid	-	-	-	-	-
Total comprehensive income for the period					
- Profit for the period	-	-	123,024,906	7,614,832	130,639,738
- Other comprehensive income	-	(12,695,774)	-	(1,410,642)	(14,106,415)
Balance as at 31 December 2017	630,000,000	231,264,824	470,425,653	49,837,728	1,381,528,204

Company	Stated Capital			Total Rs.
	Ordinary Shares Rs.	Revaluation Reserves Rs.	Retained Earnings Rs.	
Balance as at 01 April 2016	630,000,000	59,079,041	272,372,871	961,451,912
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	-	-	29,145,405	29,145,405
- Other comprehensive income	-	-	-	-
Balance as at 31 December 2016	630,000,000	59,079,041	226,518,276	915,597,317
Balance as at 01 April 2017	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	-	-	46,193,260	46,193,260
- Other comprehensive income	-	-	-	-
Balance as at 31 December 2017	630,000,000	113,494,335	247,664,350	991,158,685

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STATEMENT OF CASHFLOW

For the nine months ended 31 December,

	Group		Company	
	2017	2016	2017	2016
	Rs	Rs	Rs	Rs
Cash flows from operating activities				
Profit before taxation	130,868,801	29,213,791	46,193,260	31,666,905
Adjustments for:				
Depreciation on property, plant and equipment	41,660,999	14,319,961	7,554,306	6,018,720
Amortization of intangible asset	1,253,045	1,253,045	931,619	931,619
Dividend income	-	-	(2,061,549)	(2,150,000)
Interest income	(114,602)	(3,152,639)	(114,430)	(922,431)
Profit on disposal of Fixed Assets	-	(2,150,000)	-	(2,150,000)
Interest expense	75,681,095	58,061,025	71,672,083	57,351,057
Cash flow from operating activities before working capital changes	249,349,338	97,545,183	124,175,290	90,745,871
(Increase) / Decrease in receivables	(65,156,455)	3,529,167	(25,983,404)	(15,002,320)
(Increase) / Decrease in related company receivables	-	-	5,793,670	(97,536,486)
Increase / (Decrease) in related company payables	-	(568,281)	888,814	62,568,005
Increase / (Decrease) in payables	(8,495,230)	5,833,916	(898,150)	772,141
Cash flow from operating activities	175,697,653	106,339,985	103,976,220	41,547,212
Interest paid	(75,681,095)	(58,061,025)	(71,672,083)	(57,351,057)
Gratuity Paid	(948,373)	-	(948,398)	-
Income tax	(411,035)	(4,363,346)	-	(306,060)
Net cash flow from / (used in) operating activities	98,657,150	43,915,614	31,355,739	(16,109,905)
Cash flows (used in) / from investing activities				
Purchase of property, plant and equipment and Investment in capital work in progress	(15,277,196)	(157,232,941)	(717,670)	(1,457,936)
Proceed from sale of property, plant and equipment	-	2,150,000	-	2,150,000
Investment in subsidiaries	(5,312,850)	-	(5,312,850)	-
Dividend received	-	-	2,061,549	2,150,000
Interest received	114,602	3,152,639	114,430	922,431
Net cash flows (used in) / from investing activities	(20,475,444)	(151,930,302)	(3,854,542)	3,764,495
Cash flows from financing activities				
Proceeds from long term loans	-	90,000,000	-	65,000,000
Proceeds from finance lease obligations	-	4,095,000	-	-
Dividend paid	-	(75,000,000)	-	(75,000,000)
Repayment of term loan	(40,043,663)	(458,664)	(14,134,070)	-
Payment of finance lease obligation	(228,583)	(233,987)	-	-
Net cash flows from financing activities	(40,272,245)	18,402,349	(14,134,070)	(10,000,000)
Net (increase) in cash and cash equivalents	37,909,461	(89,612,339)	13,367,127	(22,345,410)
Cash and cash equivalents at the beginning of the year	(26,306,525)	104,880,835	(7,271,849)	31,549,992
Cash and cash equivalents at the end of the period	11,602,936	15,268,496	6,095,278	9,204,582
Analysis of cash and cash equivalents				
Cash in hand and cash at bank	11,602,936	15,268,496	6,095,279	9,204,582

Above figures are provisional and subject to audit

PANASIAN POWER PLC

INTERIM FINANCIAL STATEMENTS - THIRD 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 2016/17. 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 December 2017 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) Ltd, sub subsidiary Pap Solar One (Pvt) Ltd., Padiyapelella Hydropower Limited with 90% stake and Powergen One (Pvt) Ltd. a Joint Venture.
- 3 The Consolidated Financial Statements were authorised for issue by the Board of Directors on 07 February 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 Panasian Power PLC has acquired Lower Kothmale Oya Power Two (Pvt) Limited which having provisional approval for 2 Mw generation capacity for Rs. 10 million and Medakumbura Mini Hydropower Project having provisional approval for 1Mw generation capacity for Rs. 10 Million on 31 July 2017.

10		2017	2016
		Rs	Rs
	Highest	2.90	3.20
	Lowest	2.60	3.00
	Closing	2.70	3.00

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EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS (Contd)

11 The Public Share Holding Percentage as at 31 December 2017 was 40.74%

Subsidiary Companies or Associate Companies	Nil	
Indirect Holding	Nil	
Directors' holding	296,314,550	
Holding of 10% or more	Nil	
Spouses and children under 18 of Directors	Nil	
Total	296,314,550	59.26%
Public holding	203,685,450	40.74%
Stated Capital	500,000,000	100%

The number of shareholders representing the public holding was 5,868

12 Directors' shareholding as at 31 December 2017 was as follows:

Directors' holding	Number of shares
Mr.P.L.D.Jinadasa	145,000,000
Seylan Bank PLC / Dr. Thirugnanasambandar Senthilvel	138,005,799
Sampath Bank PLC/ Dr. T. Senthilvel	10,250,000
Dr.P.Ramanujam	2,350,000
Dr. T.Senthilvel	633,751
Mr. S.Senthinandhanan	75,000
	296,314,550

13 Twenty major shareholders of the Company as at 31 December 2017

Name	No of Shares	%
Mr Jinadasa Panadura Liyanage Dilanka	145,000,000	29.00
Seylan Bank PLC / Dr.Thirugnanasambandar Senthilvel	138,005,799	27.60
Resus Energy PLC	30,627,231	6.13
Ayenka Holdings Private Limited	29,098,000	5.82
Commercial Bank Of Ceylon Plc/A.K. Pathirage	11,000,000	2.20
Sampath Bank PLC / Dr.Thirugnanasambandar Senthilvel	10,250,000	2.05
Mr. Subasinghe Prabash	6,430,720	1.29
Renuka Capital PLC	5,720,746	1.14
Miss . Dodanwela Dilshani	3,354,567	0.67
Softlogic 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
Seylan Bank PLC/Jayantha Dewage	2,426,000	0.49
Cocoshell Activated Carbon 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 Sithampalam	1,430,234	0.29
Mr. Vignarajah Kangasu Chelvadurai	1,401,900	0.28
Mr Karunaratne Kahandha Nahanthe Mudiyansele	1,204,309	0.24
	402,783,295	80.57

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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

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. Senthilveri Senthil Nandhanan
Dr. Thirugnanasambandar Senthilveri

Audit Committee

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

Remuneration Committee

Mr Deepal Sooriyaarachchi (Chairman)
Mr Andrew Deshan Pushparajah
Mr Panadura Liyanage Dilanka Jinadasa
Mr. Senthilveri 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
