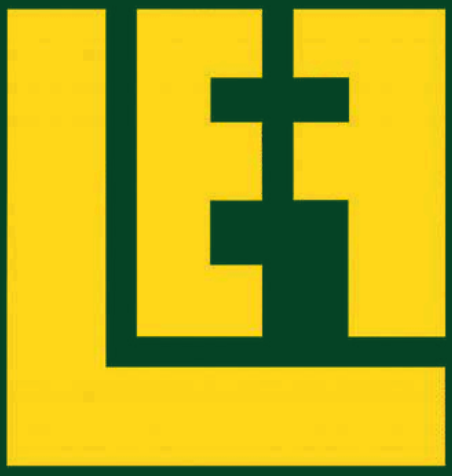

LVL ENERGY FUND PLC

Interim Financial Statements
30th June 2026

LVL ENERGY FUND PLC



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2. Statement of Financial Position
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Statement of Profit or Loss & Other Comprehensive Income

Period Ended 30th June 2026

	GROUP		COMPANY	
	30.06.2026	30.06.2025 Restated	30.06.2026	30.06.2025 Restated
	LKR 000	LKR 000	LKR 000	LKR 000
Revenue	107,804	117,412	-	-
Direct expenses	(48,782)	(58,262)	-	-
Gross Profit	**59,022**	**59,150**	**-**	**-**
Interest income	1,007	2,309	207	398
Other income	286	242	63	1
Operating expenses				
Administrative expenses	-	-	-	-
Sales and establishment expenses	(353)	-	-	-
Other operating expenses	(19,899)	(18,449)	(13,396)	(11,843)
Results from operating activities	**40,063**	**43,252**	**(13,126)**	**(11,444)**
Share of earnings from equity accounted investees	153,418	387,823	156,380	384,510
Finance cost	(83,264)	(70,445)	(60,878)	(50,292)
Profit/(loss) before income tax	**110,217**	**360,630**	**82,376**	**322,774**
Tax (expense) / Reversal	(7,883)	(4,533)	-	-
Profit/(loss) for the period	**102,334**	**356,097**	**82,376**	**322,774**
Profit/(loss) attributable to:				
Equity holders of the company	82,376	322,774	82,376	**322,774**
Non-controlling interest	19,958	33,323	-	-
Profit/(loss) for the period	**102,334**	**356,097**	**82,376**	**322,774**
Other comprehensive income, net of income tax				
Foreign operations - foreign currency translation difference	377,990	33,910	361,639	32,822
Share of other comprehensive income from equity accounted investees	44,379	30,745	41,245	28,644
Defined benefit plan actuarial gains/(losses) net of Tax				
Total other comprehensive income for the period, net of tax	**422,369**	**64,655**	**402,884**	**61,466**
Total comprehensive income for the period	**524,703**	**420,752**	**485,260**	**384,240**
Total comprehensive income attributable to:				
Equity holders of the company	485,260	384,240	485,260	**384,240**
Non-controlling interest	39,443	36,512	-	-
Total comprehensive income for the period	**524,703**	**420,752**	**485,260**	**384,240**
Basic earnings per share (Rs.)	**0.11**	**0.46**	**0.11**	**0.46**

Statement of Financial Position

As At 30th June 2026

	GROUP		COMPANY	
	30.06.2026	31.03.2026	30.06.2026	31.03.2026
	LKR 000	LKR 000	LKR 000	LKR 000
ASSETS				
Non current assets				
Property, plant and equipment	1,388,704	1,409,106	-	-
Right-of-use assets	2,192	2,239	-	-
Investment in equity accounted investees	7,071,965	6,498,823	8,562,730	8,006,115
Intangible assets	109,298	110,532	-	-
Total non current assets	**8,572,159**	**8,020,700**	**8,562,730**	**8,006,115**
Current assets				
Loans and receivables	126,004	67,143	293	264
Amounts due from related parties	511	511	17,490	17,490
Other receivables	1,056,168	1,056,709	-	-
Income tax receivables	11,750	12,237	5,235	5,236
Cash and cash equivalents	67,553	106,590	8,764	32,622
Total current assets	**1,261,986**	**1,243,190**	**31,782**	**55,612**
Total Assets	**9,834,145**	**9,263,890**	**8,594,512**	**8,061,727**
EQUITY & LIABILITIES				
Equity				
Stated capital	3,879,440	3,372,295	3,879,440	3,372,295
Revaluation reserve	9,101	9,101	9,101	9,101
Translation reserve	1,982,652	1,621,013	1,982,651	1,621,012
Cashflow hedge reserve	(1,083,814)	(1,125,059)	(1,083,814)	(1,125,059)
Retained earnings	2,068,716	1,986,340	2,094,644	2,012,268
Total equity attributable to equity holders of the Company	**6,856,095**	**5,863,690**	**6,882,022**	**5,889,617**
Non controlling interest	347,656	308,213	-	-
Total equity	**7,203,751**	**6,171,903**	**6,882,022**	**5,889,617**
Liabilities				
Non current liabilities				
Interest bearing borrowings	1,918,677	956,778	1,242,516	269,140
Deferred tax liability	138,418	138,418	-	-
Total non current liabilities	**2,057,095**	**1,095,196**	**1,242,516**	**269,140**
Current liabilities				
Interest bearing borrowings	397,329	1,587,390	320,291	1,516,775
Amounts due to related parties	143,569	383,726	146,569	383,726
Other payables	19,672	14,922	3,114	2,469
Income tax payables	12,729	10,753	-	-
Bank overdraft	-	-	-	-
Total current liabilities	**573,299**	**1,996,791**	**469,974**	**1,902,970**
Total liabilities	**2,630,394**	**3,091,987**	**1,712,490**	**2,172,110**
Total equity and liabilities	**9,834,145**	**9,263,890**	**8,594,512**	**8,061,727**
Net assets per share (Rs.)	**8.95**	**8.39**	**8.98**	**8.43**

I certify that the above financial statements comply with the requirements of the Companies Act No. 07 of 2007.

(Sgd.) Jayantha Pradeep
Finance Manager

The Board of Directors is responsible for the preparation and presentation of these financial statements.
Signed for and on behalf of the Board.

(Sgd.) W P K Jayawardana
Director

(Sgd.) M R Abeywardena
Director

Colombo. Aug 13th, 2026

Statement of Changes in Equity

Period Ended 30th June 2026

GROUP	Equity attributable to equity holders of the Company						Non controlling interest	Total equity
	Stated capital	Revaluation reserve	Translation reserve	Cashflow hedge reserve	Retained earnings	Total		
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Balance as at 01st April 2025	**3,372,295**	**9,101**	**1,375,927**	**(1,274,935)**	**1,754,966**	**5,237,354**	**346,843**	**5,584,197**
Profit/(loss) for the period	-	-	-	-	322,774	322,774	33,323	356,097
Foreign operations - foreign currency translation difference	-	-	32,822	-	-	32,822	1,088	33,910
Share of other comprehensive income from equity accounted investees	-	-	-	28,644	-	28,644	2,101	30,745
Total comprehensive income for the period	**-**	**-**	**32,822**	**28,644**	**322,774**	**384,240**	**36,512**	**420,752**
Transactions with equity holders recognized directly in equity								
Shares issued during the period	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	(1,142)	(1,142)
Balance as at 30th June 2025	**3,372,295**	**9,101**	**1,408,749**	**(1,246,291)**	**2,077,740**	**5,621,594**	**382,213**	**6,003,807**
Balance as at 01st April 2026	**3,372,295**	**9,101**	**1,621,013**	**(1,125,059)**	**1,986,340**	**5,863,690**	**308,213**	**6,171,903**
Profit/(loss) for the period	**-**	-	-	-	82,376	82,376	19,958	102,334
Foreign operations - foreign currency translation difference	**-**	-	361,639	-	-	361,639	16,351	377,990
Share of other comprehensive income from equity accounted investees	**-**	-	-	41,245	-	41,245	3,134	44,379
Total comprehensive income for the period	**-**	**-**	**361,639**	**41,245**	**82,376**	**485,260**	**39,443**	**524,703**
Transactions with equity holders recognized directly in equity								
Shares issued during the period	507,145	-	-	-	-	507,145	-	507,145
Dividend paid / Payable	**-**	-	-	-	-	-	-	-
Balance as at 30th June 2026	**3,879,440**	**9,101**	**1,982,652**	**(1,083,814)**	**2,068,716**	**6,856,095**	**347,656**	**7,203,751**

Statement of Changes in Equity

Period Ended 30th June 2026

COMPANY	Stated capital	Revaluation reserve	Translation reserve	Cashflow hedge reserve	Retained earnings	Total equity
	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000	LKR 000
Balance as at 01st April 2025	**3,372,295**	**9,101**	**1,375,927**	**(1,274,935)**	**1,760,891**	**5,243,279**
Profit/(loss) for the period	-	-	-	-	322,774	322,774
Foreign operations - foreign currency translation difference	-	-	32,822	-	-	32,822
Share of other comprehensive income from equity accounted investees	-	-	-	28,644	-	28,644
Total comprehensive income for the period	**-**	**-**	**32,822**	**28,644**	**322,774**	**384,240**
Transactions with equity holders recognized directly in equit						
Shares issued during the period	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Balance as at 30th June 2025	**3,372,295**	**9,101**	**1,408,749**	**(1,246,291)**	**2,083,665**	**5,627,519**
Balance as at 01st April 2026	**3,372,295**	**9,101**	**1,621,012**	**(1,125,059)**	**2,012,268**	**5,889,617**
Profit/(loss) for the period	-	-	-	-	82,376	82,376
Foreign operations - foreign currency translation difference	-	-	361,639	-	-	361,639
Share of other comprehensive income from equity accounted investees	-	-	-	41,245	-	41,245
Total comprehensive income for the period						
Transactions with equity holders recognized directly in equity						
Shares issued during the period	507,145	-	-	-	-	507,145
Dividend paid / Payable	-	-	-	-	-	-
Balance as at 30th June 2026	**3,879,440**	**9,101**	**1,982,651**	**(1,083,814)**	**2,094,644**	**6,882,022**

Statement of Cash Flows

Period Ended 30th June 2026

	GROUP		COMPANY	
	30.06.2026	30.06.2025	30.06.2026	30.06.2025 Restated
	LKR 000	LKR 000	LKR 000	LKR 000
Cash flows from operating activities				
Profit/(loss) before income tax	**110,217**	**360,630**	**82,376**	**322,774**
Adjustments for:				
Depreciation	20,402	20,032	-	-
Amortization of intangible assets	1,281	1,289	-	-
Share of profit from equity accounted investees	(153,418)	(387,823)	(156,380)	(384,510)
Interest income on investments	(1,007)	(2,309)	(207)	(398)
Other income	(286)	(242)	(63)	(1)
Interest expense	70,068	66,575	47,735	46,617
Operating cash flow before working capital changes	**47,257**	**58,152**	**(26,539)**	**(15,518)**
(Increase)/decrease in Loans and receivables	(58,861)	(42,434)	(29)	(58)
(Increase)/decrease Other receivables	541	-		-
(Increase)/decrease in Amounts due from related parties	-	1,213	-	2,799
Increase/(decrease) in Amounts due to related parties	21,842	11,572	24,842	11,572
Increase/(decrease) in Other payables	4,745	4,507	654	502
Cash generated from operating activities	**15,524**	**33,010**	**(1,072)**	**(703)**
Taxes paid	(5,417)	(3,628)	-	-
Interest paid	(380,573)	(50,151)	(362,992)	(30,193)
Net cash from operating activities	**(370,466)**	**(20,769)**	**(364,064)**	**(30,896)**
Cash flows from investing activities				
Interest received	1,293	2,552	270	399
Dividend received	2,646	10,290	2,646	10,290
Additions to intangible assets	-	-	-	-
Additions to property, plant & equipment	-	(1,701)	-	-
Net cash from investing activities	**3,939**	**11,141**	**2,916**	**10,689**
Cash flows from financing activities				
Cash proceeds of interest bearing borrowings	2,000,000	-	2,000,000	-
Cash repayments of interest bearing borrowings	(1,917,655)	(64,367)	(1,907,855)	(43,889)
Shares issued	507,145		507,145	
Related parties borrowing / (Repayment)	(262,000)	175,000	(262,000)	175,000
Dividend paid to minority share holders by subsidiary	-	(1,721)	-	-
Net cash from financing activities	**327,490**	**108,912**	**337,290**	**131,111**
Net increase/(decrease) in cash and cash equivalents	**(39,037)**	**99,284**	**(23,858)**	**110,904**
Cash and cash equivalents at the beginning of the period	**106,590**	**72,192**	**32,622**	**(67,075)**
Cash and cash equivalents at the end of the period	**67,553**	**171,476**	**8,764**	**43,829**

Notes to the Interim Financial Statements

Period Ended 30th June 2026

01.CORPORATE INFORMATION

LVL Energy Fund PLC is a public limited liability company listed on the Colombo Stock Exchange incorporated and domiciled in Sri Lanka. The registered office is situated at 2nd Floor, "Sayuru Sevana", No. 46/12, Navam Mawatha, Colombo 02, Sri Lanka

02.BASIS OF PREPARATION OF INTERIM FINANCIAL STATEMENTS

02.1 The interim condensed consolidated financial statements for the quarter ended 30th June 2026, which have not been audited, have been prepared in accordance with LKAS 34 / Interim Financial Reporting. These financial statements do not include all the information and disclosures required for the annual financial statements and have been prepared based on the accounting policies set out in the audited financial statements for the year ended 31st March 2026. The provisions of the Companies Act No. 7 of 2007 and the revised Listing Rules of the Colombo Stock Exchange have also been considered in the preparation of the interim financial statements of the Company and the Group.

02.2 There are no new standards or interpretations that were adopted after 31 March 2026.

02.3 There are no significant changes in the nature of the contingent liabilities disclosed in the Audited Financial Statements for the year ended 31st March 2026.

02.4 Events after the Reporting Date : There were no material events occurring after the reporting date that require adjustments to, or disclosure in, the financial statements.

02.5 Where necessary, comparative figures have been re-classified to conform with the current period's presentation.

03.DIVIDEND FROM BANGLADESH ASSOCIATES

There was a delay in the receipt of dividends from the Group's associate companies in Bangladesh due to the prevailing conditions and operational challenges faced by those companies. However, the management of the associate companies is taking the necessary steps to resolve these issues and expedite the dividend remittance process. In the meantime, LVL Energy Fund PLC has implemented proactive measures to manage its cash flow, including the restructuring of its bank facilities and the successful completion of a rights issue in May 2026.

Furthermore, considering the time value of money arising from the delay in the receipt of these dividends, management has recognized a provision of LKR 99 million against the dividend receivable balance in accordance with the applicable SLFRS/IFRS requirements. The impact of this provision is expected to be reversed upon receipt of the related dividends by the Group.

04.INVESTMENTS IN ASSOCIATES IN BANGLADESH

Two of the Group's investee companies in Bangladesh, Lakdhanavi Bangla Power Limited and Feni Lanka Power Limited, have USD-denominated borrowings and Power Purchase Agreements (PPAs) with the Bangladesh Power Development Board (BPDB) that include USD-denominated revenue components. The companies have obtained the necessary approval from the relevant authorities to convert local currency receipts into USD, enabling them to fully meet their USD-denominated loan repayment obligations.

In accordance with IFRS 9 / Financial Instruments, the investee companies have designated these arrangements as cash flow hedges in their financial statements. The USD borrowings have been identified as the hedging instruments, and the revenue streams under the PPAs have been designated as the hedged items. Both the hedging instruments and hedged items meet the recognition criteria set out in IFRS 9, and hedge effectiveness has been assessed at 100%. Consequently, hedge accounting principles have been appropriately applied by the respective companies.

Since these companies are associates, the Group has applied the equity method of accounting as per LKAS 28 / Investments in Associates and Joint Ventures. Accordingly, the Group has recognized its share of profit or loss, other comprehensive income, and net assets relating to these investments in its consolidated financial statements.

05.SHARE OF PROFITS FROM BANGLADESH ASSOCIATES

Associate companies in Bangladesh have recognized interest income on delayed payments receivable from the Bangladesh Power Development Board (BPDB) in their respective financial statements for the financial year 2025/26. The Group's proportionate share of such delayed interest income amounted to LKR 213.8 Mn.

The Group has recognized its share of profits from these Bangladesh associate companies excluding the delayed interest income. Accordingly, such delayed interest income will be recognized in the Group financial statements on a cash-received basis.

06.RIGHTS ISSUE

The Company successfully raised LKR 507,145,455 through a Rights Issue. A total of 67,619,394 ordinary voting shares were issued to existing shareholders at a ratio of three (03) new shares for every thirty-one (31) existing ordinary voting shares held, at an issue price of LKR 7.50 per share.

The objective of the Rights Issue and the details of the intended utilization of funds are outlined below.

No	Objectives as the per Circular	Amount Allocated as per Circular	Proposed Date of Utilization as per Circular	Amount Allocated from Proceeds	Percentage of Total Proceeds	Amount Utilized	Amount Utilized %	Clarification if not fully utilized including where the funds are invested
		LKR		LKR	%	LKR	%	
01	Settlement of loan obtained on 04 Nov 2025 & 22 Aug 2025 from Lanka Ventures PLC	262,000,000	Immediately upon receipt of rights proceeds	262,000,000	52%	262,000,000	100%	Not Applicable
02	Capital due on the term loan obtained on 25 Sep 2017 from DFCC Bank	54,666,673	Immediately upon receipt of rights proceeds	54,666,673	11%	54,666,673	100%	Not Applicable
03	Capital due on the term loan obtained on 25 Sep 2017 from DFCC Bank	28,571,428	Immediately upon receipt of rights proceeds	28,571,428	6%	28,571,428	100%	Not Applicable
04	Capital due on the term loan obtained on 25 Sep 2017 from DFCC Bank	27,777,778	Immediately upon receipt of rights proceeds	27,777,778	5%	27,777,778	100%	Not Applicable
05	Capital and interest due on the term loan obtained on 08 May 2019 from NDB Bank	134,129,576	Immediately upon receipt of rights proceeds	134,129,576	26%	134,129,576	100%	Not Applicable

07.PREFERENCE SHARE AGREEMENT

The accounting implications arising from the Preference Share Agreement entered into by Lanka Energy International (Private) Limited (“LEI”), a subsidiary of the Company, in 2019 have been incorporated into the financial statements as an equity instrument by allocating the economic benefits of the preference shares to NCI for the year ended 31 March 2026. Accordingly, the resulting impact will be accounted for as a prior-year adjustment, and the comparative financial information will be restated and disclosed in the notes to the audited financial statements for the year ended 31 March 2026. To align with this restatement, the comparative figures presented in these interim financial statements have been adjusted.

08.SHARE PRICE

For the quarter ended	30-06-2026 (LKR)	30-06-2025 (LKR)
Highest price	9.40	8.80
Lowest price	7.20	5.40
Last traded price	7.60	8.10

09.STATED CAPITAL

Stated capital is represented by the number of shares in issue as given below.

As At	30-06-2026	30-06-2025
Numbers of Ordinary Shares	766,353,136	698,733,742

10.TOP TWENTY MAJOR SHAREHOLDERS AS AT 30TH JUNE 2026

No	Shareholder Name	No. of Shares	%
01	LANKA VENTURES PLC	394,391,044	51.46
02	DIALOG FINANCE PLC/FORS INVESTMENT (PRIVATE) LIMITED	5,128,878	0.67
03	EMPLOYEES TRUST FUND BOARD	5,038,026	0.66
04	MR. A.U. DE SILVA	4,600,001	0.6
05	MR. M.S. ZARAJUDEEN	4,387,096	0.57
06	JN LANKA HOLDINGS COMPANY (PVT) LTD	3,741,935	0.49
07	MR. P.L.P. DE SILVA	3,700,798	0.48
08	PEOPLE 'S LEASING AND FINANCE PLC/L.P.HAPANGAMA	3,455,262	0.45
09	DR. G.N. INDIKA	3,041,000	0.4
10	DEUTSCHE BANK AG-NATIONAL EQUITY FUND	2,974,843	0.39
11	MR. S.B.H. WANDURAGALA	2,781,909	0.36
12	MR. G.T. MAPALANA	2,750,000	0.36
13	PEOPLE' S LEASING AND FINANCE PLC/M.K.DE LIVERA&M.D.DE LIVERA	2,687,095	0.35
14	SAMPATH BANK PLC/MR. GERARD SHAMIL NIRANJAN PEIRIS & MRS. INDRANI ROSHANI PEIRIS	2,623,534	0.34
15	SEYLAN BANK PLC/MOHAMED MUSHTAQ FUAD	2,500,000	0.33
16	SENKADAGALA FINANCE PLC	2,483,680	0.32
17	MR. D.D. GUNARATNE	2,422,580	0.32
18	RANAVAV HOLDINGS (PVT) LTD	2,400,000	0.31
19	MR. G. WICKREMASINGHE	2,300,000	0.3
20	LOLC FINANCE PLC/SELYN EXPORTERS PVT LTD	2,267,300	0.3
	SUB TOTAL	**455,674,981**	**59.46**
	OTHER SHAREHOLDERS	310,678,155	40.54
	TOTAL NUMBERS OF SHARES	**766,353,136**	**100.00**

10.1 The percentage of shares held by the public as at 30th June 2026 was 48.54%.
The number of shareholders representing the public holding was 8,290

10.2 The float adjusted market capitalization as at 30th June 2026 was LKR 2,997,371,934.40

10.3 The Float adjusted market capitalization of the Company falls under Option 5 of Rule 7.13.1 (i) (a) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.

11.SHAREHOLDING OF DIRECTORS AND CEO AS AT 30TH JUNE 2026

The shareholding of the Directors and the CEO is set out below:

Name	Designation	No. of Shares
Mr. W. P. K. Jayawardana	Chairman / Independent Non-Executive Director	Nil
Mr. M. S. Wijemanne	Non-Executive Director	Nil
Mr. M. R. Abeywardena	Non-Executive Director	Nil
Ms. I. Brohier	Independent Non-Executive Director	Nil
Mr. N.B. Weerasekera	Independent Non-Executive Director	Nil
Mr. I.G.J. Palitha	Chief Executive Officer	Nil

Corporate Information

NAME OF COMPANY
LVL ENERGY FUND PLC

LEGAL FORM
A Public Limited Liability Company incorporated in Sri Lanka under the Companies Ordinance No. 51 of 1938, (Registered under the Companies Act No. 07 of 2007) and listed on the Colombo Stock Exchange.

REGISTRATION NUMBER
PV1966PB/PQ

DATE OF INCORPORATION
26 June 2006

REGISTERED OFFICE
2nd Floor, "Sayuru Sevana", No. 46/12, Navam Mawatha, Colombo 02, Sri Lanka
Tel : +94 112439201 Fax : +94 112439203
E-Mail : lvl@sltnet.lk

DIRECTORS
Mr. W. P. K. Jayawardana (INED)
Mr. M. R. Abeywardena (NED)
Ms. I. Brohier (INED)
Mr. M. S. Wijemanne (NED)
Mr. N.B. Weerasekera (INED)
(INED : Independent Non-Executive Director)
(NED : Non-Executive Director)

SECRETARIES
Corporate Services (Private) Limited
No. 216, De Saram Place, Colombo 10, Sri Lanka

AUDITORS
KPMG
No. 32A, Sir Mohamed Macan Markar Mawatha, Colombo 03, Sri Lanka

LAWYERS
F J & G De Saram
No 216 de Saram Place, Colombo 10, Sri Lanka.

SUBSIDIARY COMPANIES
Lanka Energy International (Private) Limited
Unit Energy Lanka (Private) Limited
Sapthakanya Hydro Electric Company (Private) Limited
Campion Hydro (Private) Limited
Pupulaketiya Hydro Power (Private) Limited
Solar Energy Investments (Private) Limited
Solar Energy Investments Pallekele (Private) Limited
SEI Mathugama (Private) Limited
SEI Maho (Private) Limited

ASSOCIATE COMPANIES
Hayleys Hydro Energy (Private) Limited
Neluwa Cascade Hydro Power (Private) Limited
Pawan Danavi (Private) Limited
Nala Dhanavi (Private) Limited
Raj Lanka Power Company Limited
Lakdhanavi Bangla Power Limited
Feni Lanka Power Limited
Nividhu (Private) Limited
Nividhu Assupiniella (Private) Limited
Bambarapana Hydro Power (Private) Limited
LTL Energy (Private) Limited
Makari Gad Hydro Power ((Private) Limited
Parambe Hydro (Private) Limited

BANKERS
Hatton National Bank PLC
DFCC Bank PLC
National Development Bank PLC
Sampath Bank PLC
Commercial Bank of Ceylon PLC



LVL ENERGY FUND PLC