LANKA VENTURES PLC

Interim Financial Statements

30th JUNE 2025

CONTENTS

Statement of Profit or Loss & Other Comprehensive Income

Quarter Ended 30th June 2025

	GROUP		COMPANY	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	LKR 000	LKR 000	LKR 000	LKR 000
Revenue	117,412	84,151	-	-
Direct expenses	(58,262)	(45,827)	-	-
Gross Profit	**59,150**	**38,324**	-	-
Interest income	3,266	5,754	957	1,187
Other income	284	70,945	14,239	17,426
Operating expenses				
Administrative expenses	(12,877)	(12,392)	(11,496)	(10,537)
Sales and establishment expenses	(614)	(876)	(419)	(876)
Other operating expenses	(4,400)	(4,887)	(1,605)	(1,856)
Results from operating activities	**44,809**	**96,868**	**1,676**	**5,345**
Share of earnings from equity accounted investees	387,823	321,032	190,960	173,116
Finance cost	(70,446)	(87,282)	(120)	(175)
Profit/(loss) before income tax	**362,186**	**330,618**	**192,516**	**178,285**
Tax (expense) / Reversal	(4,533)	1,370	-	-
Profit/(loss) for the period	**357,653**	**331,988**	**192,516**	**178,285**
Profit/(loss) attributable to:				
Equity holders of the company	192,516	178,285	192,516	**178,285**
Non-controlling interest	165,137	153,703	-	-
Profit/(loss) for the period	**357,653**	**331,988**	**192,516**	**178,285**
Other comprehensive income, net of income tax				
Foreign operations - foreign currency translation difference	33,910	(138,615)	18,770	(78,080)
Share of other comprehensive income from equity accounted investees	30,745	(310,737)	17,018	(171,999)
Defined benefit plan actuarial gains/(losses) net of Tax	-	-	-	-
Total other comprehensive income for the period, net of tax	**64,655**	**(449,352)**	**35,778**	**(250,079)**
Total comprehensive income for the period	**422,308**	**(117,364)**	**228,304**	**(71,794)**
Total comprehensive income attributable to:				
Equity holders of the company	228,304	(71,794)	228,304	(71,794)
Non-controlling interest	194,004	(45,570)	-	-
Total comprehensive income for the period	**422,308**	**(117,364)**	**228,304**	**(71,794)**
Basic earnings per share (Rs.)	**3.30**	**3.57**	**3.30**	**3.57**

Statement of Financial Position

As At 30th June 2025

	GROUP		COMPANY	
	30.06.2025	31.03.2025	30.06.2025	31.03.2025
	LKR 000	LKR 000	LKR 000	LKR 000
ASSETS				
Non current assets				
Property, plant and equipment	1,443,963	1,462,232	600	539
Right-of-use assets	5,283	6,672	2,903	4,245
Investment in equity accounted investees	6,341,495	5,889,018	3,284,210	3,057,463
Intangible assets	114,226	115,468	-	-
Financial assets measured at fair value through OCI	19,586	15,852	19,586	15,852
Deferred tax asset	31,413	31,413	-	-
Total non current assets	**7,955,966**	**7,520,655**	**3,307,299**	**3,078,099**
Current assets				
Loans and receivables	104,859	63,282	2,261	1,905
Amounts due from related parties	511	511	3,578	3,543
Other receivables	977,092	987,390	10,633	-
Income tax receivables	5,438	11,422	1,515	1,515
Cash and cash equivalents	232,866	226,418	61,389	72,666
Total current assets	**1,320,766**	**1,289,022**	**79,376**	**79,631**
Total Assets	**9,276,732**	**8,809,678**	**3,386,675**	**3,157,730**
EQUITY & LIABILITIES				
Equity				
Stated capital	850,584	850,584	850,584	850,584
Revaluation reserve	6,416	6,416	6,416	6,416
Translation reserve	852,391	833,621	852,392	833,622
Cashflow hedge reserve	(821,017)	(838,035)	(821,017)	(838,035)
Retained earnings	2,511,837	2,319,321	2,470,746	2,278,230
Total equity attributable to equity holders of the Company	**3,400,211**	**3,171,907**	**3,359,121**	**3,130,817**
Non controlling interest	2,678,503	2,485,641	-	-
Total equity	**6,078,714**	**5,657,548**	**3,359,121**	**3,130,817**
Liabilities				
Non current liabilities				
Defined benefit obligation	3,789	3,507	3,789	3,507
Deferred tax liability	159,580	159,580	-	-
Interest bearing borrowings	2,214,394	2,370,123	-	-
Lease liability	-	-	-	-
Total non current liabilities	**2,377,763**	**2,533,210**	**3,789**	**3,508**
Current liabilities				
Interest bearing borrowings	589,071	481,286	-	-
Amounts due to related parties	175,931			
Lease liability	3,042	4,487	3,042	4,487
Other payables	40,332	34,049	20,724	18,918
Income tax payables	11,880	17,538	-	-
Bank Overdraft	-	81,560	-	-
Total current liabilities	**820,256**	**618,919**	**23,766**	**23,405**
Total liabilities	**3,198,019**	**3,152,129**	**27,554**	**26,913**
Total equity and liabilities	**9,276,732**	**8,809,678**	**3,386,675**	**3,157,730**
Net assets per share (Rs.)	**58.30**	**54.38**	**57.59**	**53.68**

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.) A G R Dissanayake
Director

Colombo. Aug 12th, 2025

Statement of Changes in Equity

Period Ended 30th June 2025

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 2024	**631,638**	**6,416**	**(690,571)**	**1,137,142**	**1,951,562**	**3,036,187**	**2,399,218**	**5,435,406**
Profit/(loss) for the period	-	-	-	-	178,285	178,285	153,703	331,988
Foreign operations - foreign currency translation difference	-	-	(78,080)	-	-	(78,080)	(60,536)	(138,615)
Share of other comprehensive income from equity accounted investees	-	-	-	(171,999)	-	(171,999)	(138,738)	(310,737)
Defined benefit plan actuarial gains /(losses)	-	-	-	-			-	
Total comprehensive income for the period	**-**	**-**	**(78,080)**	**(171,999)**	**178,285**	**(71,794)**	**(45,570)**	**(117,364)**
Transactions with equity holders recognized directly in equit								
Shares issued during the period	218,946					218,946		218,946
Change in ownership without change in control in subsidiary	-	-	-		44,468	44,468	201,846	246,314
Dividend paid	-	-	-	-	-	-	-	-
Balance as at 30th June 2024	**850,584**	**6,416**	**(768,651)**	**965,143**	**2,174,315**	**3,227,806**	**2,555,494**	**5,783,301**
Balance as at 01st April 2025	**850,584**	**6,416**	**833,621**	**(838,035)**	**2,319,321**	**3,171,906**	**2,485,641**	**5,657,548**
Profit/(loss) for the period	-	-	-	-	192,516	192,516	165,137	357,653
Foreign operations - foreign currency translation difference	-	-	18,770	-	-	18,770	15,140	33,910
Share of other comprehensive income from equity accounted investees	-	-	-	17,018	-	17,018	13,727	30,745
Defined benefit plan actuarial gains /(losses)	-	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**18,770**	**17,018**	**192,516**	**228,304**	**194,004**	**422,308**
Transactions with equity holders recognized directly in equity								
Shares issued during the period		-	-	-	-		-	
Change in ownership without change in control in subsidiary	-	-	-	-				
Dividend paid	-	-	-	-	-	-	(1,142)	(1,142)
Balance as at 30th June 2025	**850,584**	**6,416**	**852,391**	**(821,017)**	**2,511,837**	**3,400,210**	**2,678,503**	**6,078,714**

Statement of Changes in Equity

Period Ended 30th June 2025

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 2024	**631,638**	**6,416**	**1,137,144**	**(690,571)**	**1,954,939**	**3,039,567**
Profit/(loss) for the period	-	-	-	-	178,285	178,285
Foreign operations - foreign currency translation difference	-	-	(78,080)	-	-	(78,080)
Share of other comprehensive income from equity accounted investees	-	-	-	(171,999)	-	(171,999)
Defined benefit plan actuarial gains /(losses)	-	-	-	-		
Total comprehensive income for the period	**-**	**-**	**(78,080)**	**(171,999)**	**178,285**	**(71,794)**
Transactions with equity holders recognized directly in equit						
Shares issued during the period	218,946	-	-	-	-	218,946
Dividend paid	-	-	-	-	-	-
Balance as at 30th June 2024	**1,069,529**	**6,416**	**1,059,064**	**(862,570)**	**2,133,224**	**3,405,664**
Balance as at 01st April 2025	**850,584**	**6,416**	**833,622**	**(838,035)**	**2,278,230**	**3,130,817**
Profit/(loss) for the period	-	-	-	-	192,516	192,516
Foreign operations - foreign currency translation difference	-	-	18,770	-	-	18,770
Share of other comprehensive income from equity accounted investees	-	-	-	17,018	-	17,018
Defined benefit plan actuarial gains /(losses)	-	-	-	-		
Total comprehensive income for the period	**-**	**-**	**18,770**	**17,018**	**192,516**	**228,304**
Transactions with equity holders recognized directly in equity						
Shares issued during the period	-	-	-	-	-	-
Change in ownership without change in control in subsidiary	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
Balance as at 30th June 2025	**850,584**	**6,416**	**852,392**	**(821,017)**	**2,470,746**	**3,359,121**

Statement of Cash Flows

Period Ended 30th June 2025

	GROUP		COMPANY	
	30.06.2025	30.06.2024	30.06.2025	30.06.2024
	LKR 000	LKR 000	LKR 000	LKR 000
Cash flows from operating activities				
Profit/(loss) before income tax	**362,186**	**330,618**	**192,516**	**178,285**
Adjustments for:				
Amortization of Staff Cost	5	37	5	37
Depreciation	20,117	20,302	85	85
Amortization of ROUA	1,342	1,342	1,342	1,342
Share of Profit of Equity Accounted Investees (Net of Income Tax)	(387,823)	(321,032)	(190,960)	(173,116)
Interest Income on Staff Loan	(13)	(97)	(13)	(97)
Provision for Defined Benefit Obligation	281	300	281	300
Interest Income on Investments	(3,266)	(5,754)	(957)	(1,187)
Interest Expense	66,575	86,742	-	-
Interest Expense on Lease	449	148	449	148
Amortization of Intangible Assets	1,289	1,289	-	-
Operating cash flow before working capital changes	**61,142**	**113,896**	**2,748**	**5,797**
(Increase)/decrease in Loans and receivables	(41,578)	4,867	(356)	(776)
(Increase)/decrease in Amounts due from related parties	175,931	(1,093)	(35)	182
(Increase)/decrease in Other receivables	-	-	(10,633)	(668)
Increase/(decrease) in Other payables	6,288	3,647	1,803	1,461
Cash generated from operating activities	**201,783**	**121,317**	**(6,473)**	**5,997**
Gratuity paid	-	-	-	-
Taxes paid	(3,628)	(317)	-	-
Interest paid	(50,600)	(83,570)	(449)	(148)
Net cash from operating activities	**147,555**	**37,429**	**(6,922)**	**5,848**
Cash flows from investing activities				
Dividend received	10,290	34,000	-	-
Investment in Financial Assets	(3,735)	(2,000)	(3,735)	(2,000)
Interest received	3,279	5,851	970	1,284
Investment in equity accounted investees	-	-	-	-
Investment in Subsidiary	-	-	-	(219,508)
Additions to property, plant & equipment	(1,848)	(1,300)	(147)	-
Net cash from investing activities	**7,986**	**36,551**	**(2,911)**	**(220,224)**
Cash flows from financing activities				
Dividend paid	(1,721)	-	-	-
Lease rental paid	(1,445)	(1,655)	(1,445)	(1,655)
Proceeds from Right Issue	-	465,260	-	218,946
Cash proceeds of interest bearing borrowings	-	-	-	-
Cash repayments of interest bearing borrowings	(64,367)	(183,397)	-	-
Net cash from financing activities	**(67,532)**	**280,207**	**(1,444)**	**217,290**
Net increase/(decrease) in cash and cash equivalents	**88,008**	**354,187**	**(11,277)**	**2,914**
Cash and cash equivalents at the beginning of the period	**144,858**	**222,364**	**72,666**	**64,948**
Cash and cash equivalents at the end of the period	**232,866**	**576,551**	**61,389**	**67,862**

01.CORPORATE INFORMATION

Lanka Ventures 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 2025, 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 2025. 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 2025.

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 2025.

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 receiving dividends from associate companies in Bangladesh due to the prevailing country situation and banking restrictions on remitting dividends. However, the management of the associate companies has taken steps to expedite the remittance process. In the meantime, LVL Energy Fund PLC has taken proactive measures to manage its cash flow, including the restructuring of bank loans and the successful conclusion of a rights issue in June 2024.

04.INVESTMENTS IN ASSOCIATES IN BANGLADESH

Two of our investee companies in Bangladesh, namely Lakdhanavi Bangla Power Limited and Feni Lanka Power Limited, have USD-denominated borrowings and USD revenue components under their respective Power Purchase Agreements (PPAs) with the Bangladesh Power Development Board. Both companies generate sufficient USD cash inflows to fully cover their USD loan repayments.

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 USD 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.RIGHTS ISSUE / JUNE 2024

The Company successfully raised a total of LKR 218,945,712 through a Rights Issue in June 2024. A total of 8,324,932 ordinary voting shares were issued to existing ordinary shareholders on the basis of one (1) new ordinary voting share for every six (6) ordinary voting shares held. The new shares were issued at a consideration of Rs. 26.30 per share.

Objective of the Rights Issue:
The primary purpose of the funds raised was to enable the Company to subscribe to the Rights Issue of its subsidiary, LVL Energy Fund PLC.The funds raised through the Rights Issue were fully utilized for this purpose.

06.SHARE PRICE

For the quarter ended	30-06-2025 (LKR)	30-06-2024 (LKR)
Highest price	55.40	31.40
Lowest price	35.60	27.00
Last traded price	49.50	28.00

07.STATED CAPITAL

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

As At	30-06-2025	30-06-2024
Numbers of Ordinary Shares	58,324,932	58,324,932

08.TOP TWENTY MAJOR SHAREHOLDERS AS AT 30TH JUNE 2025

No	Shareholder Name	No. of Shares	%
01	HNB Investment Bank (Pvt) Ltd	46,425,125	79.60%
02	Peoples Leasing & Finance PLC /L. P. Hapangama	959,374	1.64%
03	Hatton National Bank PLC-Senfin Growth Fund	943,223	1.62%
04	Hallsville Frontier Equities Ltd.	517,176	0.89%
05	Dialog Finance PLC/Fors Investment (Private) Limited	442,820	0.76%
06	Peoples Leasing & Finance PLC / Dr. H. S. D. Soysa & Mrs. G. Soysa	367,946	0.63%
07	Union Investments (Private) Limited	326,316	0.56%
08	E. W. Balasuriya & Co. (Pvt) Limited Acc No 01	296,700	0.51%
09	Peoples Leasing & Finance PLC / L. H. L. M. P. Haradasa	283,929	0.49%
10	Mr. A.M. Weerasinghe	200,000	0.34%
11	Mr. M.N.T. Mendis	176,000	0.30%
12	Mr. G. D. M. Ranasinghe	160,000	0.27%
13	Mr.. D.A. Cabraal	155,000	0.27%
14	Mr. A. Sithampalam	140,000	0.24%
15	Mr.H.A.Cabraal	130,000	0.22%
16	MR. T. Govinthadas	128,987	0.22%
17	Peoples Leasing & Finance PLC / Mr. J. M. S. Brito & Mrs. B. S. Brito	125,000	0.21%
18	Mr. M.N.S. Mendis	121,862	0.21%
19	Est.of Lat K.C. Vignarajah	120,765	0.21%
20	MR. U.D. Wickremesooriya	115,000	0.20%
	Sub Total	**52,135,223**	**89.39%**
	Other Shareholders	6,189,709	10.61%
	Total Numbers of Shares	**58,324,932**	**100.00 %**

08.1 The percentage of shares held by the public as at 30th June 2025 was 20.40%.
The number of shareholders representing the public holding was 1,451

08.2 The float adjusted market capitalization as at 30th June 2025 was LKR 588,965,163

08.3 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.

09.SHAREHOLDING OF DIRECTORS AND CEO AS AT 30TH JUNE 2025

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

Name	Designation	No. of Shares
Mr. P. G. D. B. Pallewatte	Chairman	Nil
Mr. M. R. Abeywardena	Director	Nil
Mr. J. D. N. Kekulawala	Director	Nil
Mr. A. G. R. Dissanayake	Director	Nil
Mr. W. P. K. Jayawardana	Director	Nil
Mr. I.G.J. Palitha	Chief Executive Officer	Nil

Corporate Information

NAME OF COMPANY
Lanka Ventures 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
PQ 95

DATE OF INCORPORATION
21 February 1992

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

DIRECTOR
Mr. P. G. D. B. Pallewatte
Mr. M. R. Abeywardena
Mr. J. D. N. Kekulawala
Mr. A. G. R. Dissanayake
Mr. K. Jayawardana

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
LVL Energy Fund PLC
LVS Energy (Private) Limited
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
ENV Engineering Enterprises Lanka (Private) Limited

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

LANKA VENTURES PLC