VALLIBEL POWER ERATHNA PLC

INTERIM FINANCIAL STATEMENTS

First Quarter

for the three months ended 30th June 2026

Consolidated Statement of Financial Position

As at	Group		Company	
	30.06.2026 Rs.	31.03.2026 Rs. (Audited)	30.06.2026 Rs.	31.03.2026 Rs. (Audited)
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	3,505,611,596	3,523,574,334	2,424,888,034	2,432,511,899
Capital Work-in Progress	11,811,355	8,870,789	11,811,355	8,870,789
Right-to-use of Assets	27,213,279	27,248,779	958,476	993,976
Investment in Subsidiary	-	-	821,619,980	821,619,980
Intangible Assets	9,693,046	12,353,369	3,700,125	3,771,282
Other non-current asset	4,500,000	4,500,000	-	-
Deferred Tax Asset	219,995,098	250,874,880	219,995,098	250,874,880
	3,778,824,374	3,827,422,151	3,482,973,068	3,518,642,806
Current Assets				
Inventories	41,877,180	39,385,730	12,764,448	9,368,223
Trade & Other Receivables	602,637,014	273,598,032	275,975,571	183,264,429
Amounts Due from Related Parties	420,183	1,154,154	745,077	4,416,616
Cash and cash equivalents	1,061,471,701	1,032,449,885	148,167,172	128,318,889
	1,706,406,077	1,346,587,801	437,652,268	325,368,157
Total Assets	**5,485,230,451**	**5,174,009,952**	**3,920,625,336**	**3,844,010,963**
EQUITY AND LIABILITIES				
Equity Attributable to Equity Holders of the Parent				
Stated Capital	1,174,365,278	1,174,365,278	1,174,365,278	1,174,365,278
Accumulated Profit	2,340,290,957	2,067,550,971	1,216,385,964	1,135,662,751
Capital and reserves attributable to owners of Vallibel Power Erathna PLC	3,514,656,235	3,241,916,249	2,390,751,242	2,310,028,029
Non - Controlling Interest	285,093,614	256,581,427	-	-
Total Equity	3,799,749,849	3,498,497,676	2,390,751,242	2,310,028,029
Non-Current Liabilities				
Retirement Benefit Obligations	80,491,703	96,917,808	51,395,854	68,678,732
Deferred Tax Liability	31,832,061	32,315,679	-	-
Interest Bearing Borrowings	1,176,000,000	1,157,445,626	1,176,000,000	1,157,445,626
Lease Liability	34,970,371	34,929,065	1,386,524	1,345,218
	1,323,294,135	1,321,608,178	1,228,782,378	1,227,469,576
Current Liabilities				
Accruals and other payables	57,227,351	121,337,303	46,416,302	108,940,530
Interest Bearing Borrowings	196,000,000	138,893,475	196,000,000	138,893,475
Lease Liability	2,222,213	2,226,152	145,530	149,469
Amount Due to Related Parties	58,529,884	58,529,884	58,529,884	58,529,884
Current tax liabilities	48,207,018	32,917,284	-	-
	362,186,467	353,904,098	301,091,717	306,513,358
Total Equity and Liabilities	**5,485,230,451**	**5,174,009,952**	**3,920,625,336**	**3,844,010,963**
Net Asset Per Share	**4.70**	**4.34**	**3.20**	**3.09**

These Financial Statements are in compliance with the requirements of the Companies Act, No. 7 of 2007.

Sgd.

Sajithra Thanoj
Accountant

Sgd.

Russell De Zilva
Jt.CEO

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.

Harsha Amarasekera
Chairman

Sgd.

Devika Weerasinghe
Director

August 11, 2026 / Colombo

Consolidated Statement of Profit or Loss

For the three months ended 30th June	Group			Company		
	Three Months			Three Months		
	2026	2025	Change	2026	2025	Change
	Rs.	Rs.	%	Rs.	Rs.	%
Revenue from contracts with customers	535,382,758	424,139,185	26	229,847,350	121,681,548	89
Direct Costs	(80,893,571)	(46,829,497)	73	(47,452,947)	(16,241,242)	192
Gross Profit	454,489,187	377,309,688	20	182,394,403	105,440,306	73
Other Income	-	-	-	-	-	-
Administration Expenses	(59,982,035)	(49,887,853)	20	(35,299,015)	(25,687,606)	37
Other Operating Expenses	(435,933)	(802,418)	(46)	(337,333)	(496,233)	(32)
Finance Cost	(36,376,394)	(1,006,514)	>999	(36,376,394)	(40,948)	>999
Finance Income	16,768,664	10,172,113	65	1,221,335	5,612,353	(78)
Profit Before Tax	374,463,489	335,785,017	12	111,602,995	84,827,871	32
Income Tax Expenses	(73,211,315)	(67,778,000)	8	(30,879,782)	(29,156,106)	6
Net Profit For the Period	301,252,174	268,007,017	12	80,723,213	55,671,765	45
Attributable to:						
Owners of Vallibel Power Erathna PLC	272,739,987	240,543,625	13	80,723,213	55,671,765	45
Non Controlling Interest	28,512,187	27,463,392	4	-	-	-
	301,252,174	268,007,017	12	80,723,213	55,671,765	45
Basic Earnings Per Share	0.36	0.32		0.11	0.07	

Consolidated Statement of Comprehensive Income

For the three months ended 30th June	Group			Company		
	Three Months			Three Months		
	2026	2025	Change	2026	2025	Change
	Rs.	Rs.	%	Rs.	Rs.	%
Net Profit for the Period	301,252,174	268,007,017	12	80,723,213	55,671,765	45
Total Other Comprehensive Income /(Loss)	-	-	-	-	-	-
Total Comprehensive Income for the period, net of Tax	301,252,174	268,007,017	12	80,723,213	55,671,765	45
Attributable to:						
Owners of Vallibel Power Erathna PLC	272,739,987	240,543,625	13	80,723,213	55,671,765	45
Non Controlling Interest	28,512,187	27,463,392	4	-	-	-
	301,252,174	268,007,017	12	80,723,213	55,671,765	45

Consolidated Statement of Cash Flows

For the three months ended 30th June	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Cash Flows from/(Used in) Operating Activities				
Net Profit Before Income Tax Expense	374,463,489	335,785,017	111,602,995	84,827,871
Adjustments for				
Amortization of Intangible Assets	2,660,323	2,660,323	71,156	71,156
Amortization of Right of Use Assets	35,499	890,394	35,499	35,499
Depreciation	41,094,802	19,219,340	29,726,925	7,849,738
Provision for Retirement Benefit Obligations	1,856,775	1,802,940	1,000,000	1,000,000
Finance Income	(16,768,664)	(10,172,113)	(1,221,335)	(5,612,353)
Finance Cost	36,376,394	1,006,514	36,376,394	40,948
Operating Profit Before Working Capital Changes	439,718,618	351,192,415	177,591,634	88,212,860
(Increase)/ Decrease in Inventories	(2,491,450)	(2,680,303)	(3,396,225)	(450,804)
(Increase)/ Decrease in Trade and Other Receivables	(331,967,732)	(287,972,229)	(92,718,866)	(84,794,976)
(Increase)/ Decrease in Amounts Due from Related Parties	733,971	738,172	3,671,539	963,394
Increase / (Decrease) in Trade and Other Payables	(64,109,952)	(89,456,150)	(62,524,228)	2,814,812
Cash Generated from /(used in) Operating Activities	41,883,455	(28,178,095)	22,623,854	6,745,286
Finance Cost Paid	(36,339,026)	(90,048)	(36,339,026)	-
Finance Income Received	19,728,377	13,197,445	1,260,020	7,689,960
Retirement Benefit Obligations Paid	(18,282,878)	-	(18,282,878)	-
Taxes Paid	(27,556,378)	(77,340,013)	(30,961)	(21,283,746)
Net Cash from / (used in) Operating Activities	(20,566,451)	(92,410,711)	(30,768,992)	(6,848,500)
Cash Flows From / (Used in) Investing Activities				
Acquisitions of Property, Plant & Equipments	(26,072,631)	(753,614,139)	(25,043,624)	(753,499,799)
Net Cash Flow from / (Used In) Investing Activities	(26,072,631)	(753,614,139)	(25,043,624)	(753,499,799)
Cash Flows from /(Used in) Financing Activities				
Proceeds from Interest Bearing Borrowings	75,660,899	418,121,242	75,660,899	418,121,242.41
Principal Elements of Lease Payments	-	(348,702)	-	-
Net Cash Flows From / (Used In) Financing Activities	75,660,899	417,772,540	75,660,899	418,121,242
Net Increase / (Decrease) In Cash & Cash Equivalents	29,021,817	(428,252,310)	19,848,283	(342,227,057)
Cash and Cash Equivalents at the Beginning of the Period (Note A)	1,032,449,884	931,760,488	128,318,888	542,980,238
Cash and Cash Equivalents at the End of the Period (Note B)	1,061,471,701	503,508,178	148,167,172	200,753,181
Note A				
Cash and Cash Equivalents at the Beginning of the Period				
Cash in Hand & at Bank	39,946,741	77,631,269	11,725,896	74,245,309
Investments in short-term deposits (Matuiry period < 3 months)	992,503,143	854,129,219	116,592,992	468,734,929
	1,032,449,884	931,760,488	128,318,888	542,980,238
Note B				
Cash and Cash Equivalents at the End of the Period				
Cash in Hand & at Bank	116,211,744	74,996,529	98,167,172	25,753,180
Investments in short-term deposits (Matuiry period < 3 months)	945,259,957	428,511,649	50,000,000	175,000,000
	1,061,471,701	503,508,178	148,167,172	200,753,181

Consolidated Statement of Changes in Equity

Group

	Stated Capital Rs.	Accumulated Profit Rs.	Non Controlling Interest Rs.	Total Equity Rs.
Balance as at 01st April 2025	1,174,365,278	1,252,560,268	178,619,814	2,605,545,360
Net Profit for the Period	-	240,543,625	27,463,392	268,007,017
Balance as at 30th June 2025	1,174,365,278	1,493,103,893	206,083,206	2,873,552,377
Balance as at 01st April 2026	**1,174,365,278**	**2,067,550,969**	**256,581,427**	**3,498,497,676**
Net Profit for the Period	-	272,739,987	28,512,187	301,252,174
Balance as at 30th June 2026	**1,174,365,278**	**2,340,290,957**	**285,093,614**	**3,799,749,849**

Company

	Stated Capital Rs.	Accumulated Profit Rs.	Total Equity Rs.
Balance as at 01st April 2025	1,174,365,278	842,895,543	2,017,260,821
Net Profit for the Period	-	55,671,765	55,671,765
Balance as at 30th June 2025	1,174,365,278	898,567,309	2,072,932,586
Balance as at 01st April 2026	**1,174,365,278**	**1,135,662,751**	**2,310,028,029**
Net Profit for the Period	-	80,723,213	80,723,213
Balance as at 30th June 2026	**1,174,365,278**	**1,216,385,964**	**2,390,751,242**

Notes to the Interim Financial Statements

1. The above figures are provisional & subject to audit unless otherwise stated.

2. The interim financial statements of the Group and the Company for the three months ended 30th June 2026 were authorised for issue by the Board of Directors on 11th August 2026.

3. The financial statements for the period ended 30th June 2026, includes "the Company" referring to Vallibel Power Erathna PLC as the Holding Company and "the Subsidiary" referring to Country Energy (Private) Limited whose accounts have been consolidated therein.

4. The Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual report for the year ended 31st March 2026 and comply with the Sri Lanka Accounting Standards (SLFRS/LKAS). These Interim Financial Statements should be read in conjunction with the annual financial statements for the year ended 31st March 2026. They also provide the information required by the Colombo Stock Exchange and LKAS 34.

5. The number of shares representing the stated capital is 747,109,731.

6. **Contingent Liability**

As at 30th June 2026, the Group has contingent liabilities arising from bank guarantees totaling Rs. 651,700,000/-, issued in favour of Sri Lanka Customs in relation to the Bonding Warehouse facility obtained for the importation of goods for the Dolahena I & II Ground-Mounted Solar PV Projects.

7. **Operating Segment Information**

For the three months ended 30th June 2026

		Dolahena Estate GMSP	Erathna MHP	Denawaka Ganga MHP	Kiriwaneliya MHP	Group Adjustments	Group
Power Generation	MWh *(Units in Thousand)*	4,653	13,328	7,726	4,254	-	29,961
Revenue	Rs.'000	118,553	111,294	198,226	107,308	-	535,382
Gross Profit	Rs.'000	90,913	91,481	178,062	96,254	(2,222)	454,489
Profit After Tax	Rs.'000	14,037	66,687	144,113	78,638	(2,222)	301,252
Total Assets	Rs.'000	2,185,481	1,735,143	1,539,088	936,006	(910,488)	5,485,230
Total Liabilities	Rs.'000	1,442,228	87,645	113,315	136,295	(94,003)	1,685,480

7. Operating Segment Information (Contd/-)

For the three months ended 30th June 2025

		Dolahena Estate GMSP	Erathna MHP	Denawaka Ganga MHP	Kiriwaneliya MHP	Group Adjustments	Group
Power Generation	MWh *(Units in Thousand)*	Nil	15,004	7,710	4,040	-	26,754
Revenue	Rs.'000	Nil	121,681	198,883	103,574	-	424,139
Gross Profit	Rs.'000	Nil	105,440	181,432	92,659	(2,222)	377,309
Profit After Tax	Rs.'000	Nil	55,671	142,421	72,135	(2,222)	268,007
Total Assets	Rs.'000	Nil	2,775,287	1,134,144	723,792	(904,522)	3,728,702
Total Liabilities	Rs.'000	Nil	702,355	112,365	137,356	(96,927)	855,149

8. The age analysis of Trade Receivables which is due from Ceylon Electricity Board as at 30th June 2026

	Company		Group	
As at	**30.06.2026**	**31.03.2026** *(Audited)*	**30.06.2026**	**31.03.2026** *(Audited)*
	Rs.	**Rs.**	**Rs.**	**Rs.**
Below 30 days	91,190,858	53,601,747	231,613,742	101,613,911
30 – 60 days	81,118,166	38,876,234	204,404,053	63,097,724
60 – 180 days	55,167,264	49,565,455	96,993,902	49,565,455
Over 180 days	-	-	-	-
Total	**227,476,288**	**142,043,436**	**533,011,697**	**214,277,089**

9. Related Party Transactions with the Company

For the Period Ended	30-06-2026 Rs.	30-06-2025 Rs.
9.1. **Key Management Personal (KMP)**		
Directors Remuneration	(1,640,625)	(1,692,708)
Key Management Compensation	(6,687,220)	(4,491,757)
Post-Employment Benefit Paid	(18,282,878)	Nil
Close Family Members of KMP	Nil	Nil
9.2 **Country Energy (Pvt) Ltd - Subsidiary**		
Net operating expenses incurred on behalf of the Subsidiary	(13,005,412)	(14,048,171)
Reimbursement of operating expenses by the Subsidiary	15,942,980	14,273,394

9. Related Party Transactions with the company (Contd/-)

9.3 Other Related companies

9.3.1 **Alternate Power Systems (Pvt) Ltd (APSL)**

For the Period Ended	30-06-2026 Rs.	30-06-2025 Rs.
Net operating expenses incurred on behalf of APSL	(960,708)	(8,392,871)
Reimbursement of operating expenses by APSL	1,694,679	9,131,044
9.3.2 **Vallibel Finance PLC**		
Investments in Fixed Deposit	Nil	(2,528,493)
Withdrawal of Fixed Deposit	36,592,993	119,263,416
FD Interest Recieved	Nil	522,125
9.3.3 **Hayleys PLC**		
Payment for rent and services	(883,287)	(1,021,808)
9.3.4 **Singer Sri Lanka PLC**		
Purchase of goods	(1,045,000)	Nil

10. Events After the Reporting Date

The company received a net dividend (after tax) income of Rs.430,010,739/- from its subsidiary on 13th July 2026. Except for the above, no other circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements.

11. Share Information

11.1. The public shareholding percentage as at 30th June 2026 was 40.517%, comprising of 8,560 shareholders.

11.2. The Float Adjusted Market Capitalization as at 30th June 2026 is Rs.4,661,682,348/-. The Company complies with option 4 of the Listing Rules 7.13.1 (i) (a).

11.3. Market price per share

For the period ended	30-06-2026 Rs.	30-06-2025 Rs.
Market Price – Highest	16.40	14.20
Market Price – Lowest	14.00	11.60
Market Price – Last Traded	15.40	13.80

11.4. Directors' shareholding as at 30th June 2026

Director	No. of Shares
Mr. Harsha Amarasekera	30
Mr. Prabodha Sumanasekera	150,000
Mr. Haresh Somashantha	15,000
Ms. Dinusha Bhaskaran	Nil
Ms. Devika Weerasinghe	Nil
Mr. Dinesh Mendis	Nil
Mr. Gamini Gunaratne	Nil

11.5 Major Shareholders as at 30th June 2026

	Shareholder	No. of Shares	Percentage (%)
1.	Vallibel Power Limited	299,425,830	40.078
2.	Mr. K.D.D. Perera	144,812,225	19.383
3.	Sri Lanka Insurance Corporation Ltd-Life Fund	25,922,543	3.470
4.	Mr K.D.H. Perera	18,750,000	2.510
5.	Mr K.D.A. Perera	18,750,000	2.510
6.	Mr. P.P. Subasinghe	16,313,737	2.184
7.	Mackenzie Capital Ltd	15,710,000	2.103
8.	Sri Lanka Insurance Corporation Ltd-General Fund	12,081,306	1.617
9.	Perera and Sons Bakers Pvt Limited	10,000,000	1.338
10.	Ms K.D.C. Samanthi	9,375,000	1.255
11.	DFCC Bank PLC A/C 1	9,325,256	1.248
12.	N P Capital Ltd	9,000,000	1.205
13.	Employees Trust Fund Board	7,482,091	1.001
14.	Mr. S.M. Jayasooriya	5,553,854	0.743
15.	Mr. M.F. Hashim	5,359,000	0.717
16.	Sampath Bank PLC/Dr.Mayuramana Dewolage	4,060,856	0.544
17.	Dr. S.P. Jayawardena	3,503,945	0.469
18.	Mr. D.D. Gunaratne	3,400,000	0.455
19.	Mr. B.C. Tay	3,000,000	0.402
20.	Mr.D.D.K.Rajapaksha	2,902,800	0.389
21.	Mrs. A.R.N. Perera	2,092,211	0.280
	Total Major Shareholding	**626,820,654**	**83.9%**
	Other shareholding	120,289,077	16.1%
	Total Shareholding	**747,109,731**	**100.0%**

Corporate Information

Name of Company
Vallibel Power Erathna PLC

Legal Form
A Public quoted company with limited liability incorporated under the Provisions of the Companies Act, No. 07 of 2007.

Date of Incorporation
07th November 2001

Company Registration Number
P.Q. 103

Nature of the Business
Generate and Supply Electric Power to the National Grid.

Board of Directors
Mr. Harsha Amarasekera - Chairman
Mr. Prabodha Sumanasekera
Mr. Haresh Somashantha
Ms. Dinusha Bhaskaran
Ms. Devika Weerasinghe
Mr. Dinesh Mendis
Mr. Gamini Gunaratne

Registered Office
No. 25, Foster Lane, Colombo 10
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E-mail: energy@vallibel.com
Web Site: www.vallibel-hydro.com

Subsidiary Company
Country Energy (Pvt) Ltd. (unquoted)

Company Secretaries
P W Corporate Secretarial (Pvt) Limited
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Bankers
Commercial Bank of Ceylon PLC
Pan Asia Banking Corporation PLC
Hatton National Bank PLC
Sampath Bank PLC