



VALLIBEL POWER ERATHNA PLC

INTERIM FINANCIAL STATEMENTS

Second Quarter

for the six months ended 30th September 2021

Statement of Financial Position

As at	Group		Company	
	30.09.2021 Rs.	31.03.2021 Rs. (Audited)	30.09.2021 Rs.	31.03.2021 Rs. (Audited)
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	2,033,369,322	2,072,808,765	731,399,719	746,936,516
Right-to-use of Assets	42,599,131	45,637,882	3,772,062	4,539,727
Investment in Subsidiary	-	-	821,619,980	821,619,980
Intangible Assets	60,239,183	65,559,829	5,052,095	5,194,407
Other non-current asset	4,500,000	4,500,000	-	-
	2,140,707,636	2,188,506,476	1,561,843,856	1,578,290,630
Current Assets				
Trade & Other Receivables	728,221,599	576,713,645	212,578,960	273,153,349
Amounts Due from Related Parties	2,478,400	997,913	6,883,514	2,495,254
Cash and cash equivalents	165,349,989	296,637,846	88,163,433	66,279,924
	896,049,988	874,349,404	307,625,907	341,928,527
Total Assets	3,036,757,624	3,062,855,880	1,869,469,763	1,920,219,157
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	1,272,321,851	1,313,301,901	488,099,987	552,316,791
Capital and reserves attributable to owners of Vallibel Power Erathna PLC	2,446,687,129	2,487,667,179	1,662,465,265	1,726,682,069
Non - Controlling Interest	228,873,550	224,789,541	-	-
Total Equity	2,675,560,679	2,712,456,720	1,662,465,265	1,726,682,069
Non-Current Liabilities				
Retirement Benefit Obligations	42,178,295	41,162,030	27,944,212	26,864,212
Deferred Tax Liability	129,705,673	131,524,504	97,478,817	99,781,158
Lease Liability	44,002,853	46,368,298	2,581,621	3,245,078
	215,886,821	219,054,832	128,004,650	129,890,448
Current Liabilities				
Accruals and other payables	33,144,049	41,697,493	11,867,209	10,481,119
Lease Liability	4,955,246	4,910,439	1,514,055	1,469,243
Current tax liabilities	107,210,829	84,736,396	65,618,584	51,696,278
	145,310,124	131,344,328	78,999,848	63,646,640
Total Equity and Liabilities	3,036,757,624	3,062,855,880	1,869,469,763	1,920,219,157
Net Asset Per Share	3.27	3.33	2.23	2.31

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

Sgd.

Sajithra Thanoj
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.

S. H. Amarasekara
Deputy Chairman

November 09, 2021 / Colombo

Sgd.

Russell De Zilva
Jt.CEO

Sgd.

H. Somashantha
Director

Statement of Profit or Loss

For the six months ended 30th September	Group						Company					
	Quarter			Six Months			Quarter			Six Months		
	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %
Revenue	418,436,318	353,555,854	18	793,806,436	597,795,373	33	126,906,207	114,037,737	11	228,451,600	187,603,153	22
Cost of Sales	(42,267,790)	(36,830,582)	15	(81,687,400)	(73,271,502)	11	(14,826,391)	(12,141,017)	22	(28,373,544)	(24,137,266)	18
Gross Profit	376,168,528	316,725,272	19	712,119,036	524,523,871	36	112,079,816	101,896,720	(10)	200,078,056	163,465,887	22
Other Operating Income	-	-	-	-	-	-	350,234,991	77,829,998	350	350,234,991	517,569,487	(32)
Administration Expenses	(24,624,689)	(26,568,451)	(7)	(50,956,825)	(51,730,771)	(1)	(10,504,014)	(12,130,770)	(13)	(22,048,383)	(23,936,053)	(8)
Other Operating Expenses	(21,956)	(1,493,997)	(99)	(51,956)	(1,591,297)	(97)	(4,777)	(618,497)	(99)	(24,777)	(618,497)	(96)
Finance Cost	(1,102,235)	(1,127,742)	(2)	(2,285,706)	(2,163,828)	6	(79,030)	(99,919)	(21)	(163,091)	(137,483)	19
Finance Income	5,845,463	7,387,815	(21)	10,655,413	23,525,178	(55)	2,578,774	4,315,268	(40)	3,257,663	10,171,050	(68)
Profit Before Tax	356,265,111	294,922,897	21	669,479,962	492,563,154	36	454,305,760	171,192,799	165	531,334,459	666,514,392	(20)
Income Tax Expenses	(93,525,271)	(51,270,989)	82	(132,009,182)	(146,069,949)	(10)	(62,421,291)	(22,699,680)	175	(72,574,452)	(93,888,788)	(23)
Net Profit For the Period	262,739,840	243,651,908	8	537,470,780	346,493,205	55	391,884,469	148,493,119	163.91	458,760,007	572,625,604	(20)
Attributable to:												
Owners of Vallibel Power Erathna PLC	234,155,794	221,224,864	6	481,996,762	308,620,297	56	391,884,469	148,493,119	164	458,760,007	572,625,604	(20)
Non Controlling Interest	28,584,046	22,427,044	27	55,474,018	37,872,908	46	-	-	-	-	-	-
	262,739,840	243,651,908	8	537,470,780	346,493,205	55	391,884,469	148,493,119	164	458,760,007	572,625,604	(20)
Basic Earnings Per Share	0.31	0.30		0.64	0.41		0.52	0.20		0.61	0.76	

Statement of Comprehensive Income

For the six months ended 30th September	Group						Company					
	Quarter			Six Months			Quarter			Six Months		
	2021 Rs.	2020 Rs.	Change %									
Net Profit for the Period	262,739,840	243,651,908	8	537,470,780	346,493,205	55	391,884,469	148,493,119	164	458,760,007	572,625,604	(20)
Other Comprehensive Income /(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the period, net of Tax	262,739,840	243,651,908	8	537,470,780	346,493,205	55	391,884,469	148,493,119	164	458,760,007	572,625,604	(20)
Attributable to:												
Owners of Vallibel Power Erathna PLC	234,155,794	221,224,864	6	481,996,762	308,620,297	56	391,884,469	148,493,119	164	458,760,007	572,625,604	(20)
Non Controlling Interest	28,584,046	22,427,044	27	55,474,018	37,872,908	46	-	-	-	-	-	-
	262,739,840	243,651,908	8	537,470,780	346,493,205	55	391,884,469	148,493,119	164	458,760,007	572,625,604	(20)

Statement of Cash Flows

For the six months ended 30th September	Group		Company	
	2021 Rs.	2020 Rs.	2021 Rs.	2020 Rs.
Cash Flows from/(Used in) Operating Activities				
Net Profit Before Income Tax Expense	669,479,962	492,563,154	531,334,459	666,514,392
Adjustments for				
Amortization of Intangible Assets	5,320,646	5,320,646	142,313	142,313
Amortization of Right of Use Assets	3,038,751	1,638,308	767,665	409,767
Depreciation	39,790,443	39,852,242	15,681,297	15,681,884
Provision for Retirement Benefit Obligations	1,920,000	2,634,998	1,080,000	1,809,998
Dividend Income and Interest classified as investing cash flows	-	(2,808,249)	(350,234,991)	(519,895,521)
Finance Income	(10,655,413)	(20,716,929)	(3,257,663)	(7,845,016)
Finance Cost	2,285,706	2,163,828	163,091	137,483
Operating Profit Before Working Capital Changes	711,180,095	520,647,998	195,676,171	156,955,299
(Increase)/ Decrease in Trade and Other Receivables	(151,504,691)	(212,381,979)	60,813,423	(159,213,703)
(Increase)/ Decrease in Amounts Due from Related Parties	(1,480,487)	775,618	(4,388,260)	1,509,563
Increase / (Decrease) in Trade and Other Payables	(10,953,443)	(871,429)	1,386,089	268,202
Cash Generated from /(used in) Operating Activities	547,241,474	308,170,208	253,487,423	(480,639)
Finance Cost Paid	(256,897)	(91,655)	(91,025)	(62,354)
Finance Income Received	10,652,154	28,405,710	3,018,628	10,342,988
Retirement Benefit Obligations Paid	(903,735)	(444,044)	-	(251,118)
Taxes Paid	(111,353,581)	(89,900,538)	(60,954,485)	(45,980,745)
Net Cash from / (used in) Operating Activities	445,379,415	246,139,681	195,460,541	(36,431,868)
Cash Flows From / (Used in) Investing Activities				
Acquisitions of Property, Plant & Equipments	(351,000)	(1,586,345)	(144,500)	(1,056,165)
Interest Received on Financial Assets Held as Investments	-	2,808,249	-	2,326,034
Dividend Received	-	-	350,234,991	517,569,487
Proceeds /(Investments) of Fixed Deposits (net)	-	426,127,836	-	115,717,796
Net Cash Flow from / (Used In) Investing Activities	(351,000)	427,349,740	350,090,491	634,557,152
Cash Flows from /(Used in) Financing Activities				
Principal Elements of Lease Payments	(1,949,452)	(480,967)	(690,711)	(328,514)
Dividends Paid	(574,366,821)	(673,630,798)	(522,976,812)	(597,687,785)
Net Cash Flows From / (Used In) Financing Activities	(576,316,273)	(674,111,765)	(523,667,523)	(598,016,299)
Net Increase / (Decrease) In Cash & Cash Equivalents	(131,287,858)	(622,344)	21,883,509	108,985
Cash and Cash Equivalents at the Beginning of the Period (Note A)	296,637,847	32,112,619	66,279,924	16,982,505
Cash and Cash Equivalents at the End of the Period (Note B)	165,349,989	31,490,275	88,163,433	17,091,490
Note A				
Cash and Cash Equivalents at the Beginning of the Period				
Cash in Hand & at Bank	20,634,361	17,082,427	19,273,877	14,982,505
Investments in short-term deposits (Maturity period < 3 months)	276,003,486	15,030,192	47,006,047	2,000,000
	296,637,847	32,112,619	66,279,924	16,982,505
Note B				
Cash and Cash Equivalents at the End of the Period				
Cash in Hand & at Bank	12,996,990	14,960,444	10,525,881	13,091,490
Investments in short-term deposits (Maturity period < 3 months)	152,352,999	16,529,831	77,637,552	4,000,000
	165,349,989	31,490,275	88,163,433	17,091,490

Statement of Changes in Equity

Group

	Stated Capital Rs.	Accumulated Profit Rs.	Non Controlling Interest Rs.	Total Equity Rs.
Balance as at 01st April 2020	1,174,365,278	1,809,412,628	268,079,882	3,251,857,788
Net Profit for the Period	-	308,620,296	37,872,907	346,493,203
Dividend	-	(597,687,785)	(75,943,013)	(673,630,798)
Balance as at 30th September 2020	1,174,365,278	1,520,345,139	230,009,776	2,924,720,193
Balance as at 1st April 2021	1,174,365,278	1,313,301,901	224,789,541	2,712,456,720
Net Profit for the Period	-	481,996,762	55,474,018	537,470,780
Dividend	-	(522,976,812)	(51,390,009)	(574,366,821)
Balance as at 30th September 2021	1,174,365,278	1,272,321,851	228,873,550	2,675,560,679

Company

	Stated Capital Rs.	Accumulated Profit Rs.	Total Equity Rs.
Balance as at 01st April 2020	1,174,365,278	744,312,848	1,918,678,126
Net Profit for the Period	-	572,625,602	572,625,602
Dividend	-	(597,687,785)	(597,687,785)
Balance as at 30th September 2020	1,174,365,278	719,250,664	1,893,615,942
Balance as at 01st April 2021	1,174,365,278	552,316,791	1,726,682,069
Net Profit for the Period	-	458,760,007	458,760,007
Dividend	-	(522,976,812)	(522,976,812)
Balance as at 30th September 2021	1,174,365,278	488,099,987	1,662,465,265

Notes to the Interim Financial Statements

- The above figures are provisional & subject to audit unless otherwise stated.
- The interim financial statements of the Group and the Company for the six months ended 30th September 2021 were authorised for issue by the Board of Directors on 09th November 2021.
- The financial statements for the period ended 30th September 2021, 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.
- 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 2021 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 2021. They also provide the information required by the Colombo Stock Exchange and LKAS 34.
- The number of shares representing the stated capital is 747,109,731.
- The Company paid Seventy Cents (Rs. 0.70) per share as an Interim Dividend for the financial year 2021/22 on 26th August 2021.
- The Group had no significant contingent liabilities outstanding as at the reporting date.
- No other circumstances have arisen since the reporting date, which would require adjustments to or disclosure in the Financial Statements.

9. Operating Segment Information

For the six months ended 30th September 2021

		Erathna MHPP	Denawaka Ganga MHPP	Kiriwaneliya MHPP	Group Adjustments	Group
Power Generation	kWh	31,181,683	16,627,435	12,894,884	-	60,704,002
Revenue	Rs.	228,451,600	318,609,281	246,745,555	-	793,806,436
Gross Profit	Rs.	200,078,056	288,662,970	227,823,010	(4,445,000)	712,119,036
Profit After Tax	Rs.	458,760,007	240,503,534	192,887,230	(354,679,991)	537,470,780
Total Assets	Rs.	1,869,469,763	1,075,707,806	870,407,671	(778,827,616)	3,036,757,624
Total Liabilities	Rs.	207,004,498	119,606,323	39,084,381	(4,498,257)	361,196,945

For the six months ended 30th September 2020

		Erathna MHPP	Denawaka Ganga MHPP	Kiriwaneliya MHPP	Group Adjustments	Group
Power Generation	kWh	27,299,987	13,030,132	9,866,514	-	50,196,633
Revenue	Rs.	187,603,153	234,336,179	175,856,041	-	597,795,373
Gross Profit	Rs.	163,465,887	207,199,065	158,303,920	(4,445,001)	524,523,871
Profit After Tax	Rs.	572,625,604	165,672,618	130,209,470	(522,014,487)	346,493,205
Total Assets	Rs.	2,124,391,837	1,152,010,063	824,821,984	(810,209,094)	3,291,014,790
Total Liabilities	Rs.	230,775,893	112,400,665	67,959,256	(44,841,218)	366,294,596

10. Related Party Transactions with the Company

For the Period Ended	30-09-2021 Rs.	30-09-2020 Rs.
10.1 Key Management Personal (KMP)		
Directors Remuneration	(2,177,778)	(2,333,333)
Key Management Compensation	(4,209,212)	(3,826,556)
Close Family Members of KMP	Nil	Nil
10.2 Country Energy (Pvt) Ltd - Subsidiary		
Net operating expenses incurred on behalf of the Subsidiary	(13,296,746)	(14,446,440)
Reimbursement of operating expenses by the Subsidiary	10,276,686	15,332,237
10.3 Other Related companies		
10.3.1 Alternate Power Systems (Pvt) Ltd (APSL)		
Net operating expenses incurred on behalf of APSL	(8,170,386)	(9,015,403)
Reimbursement of operating expenses by APSL	6,802,187	9,569,937
10.3.2 Vallibel Finance PLC		
Investments in Fixed Deposit	(249,633,601)	(479,225,201)
Withdrawal of Fixed Deposit	192,000,000	547,334,822
FD Interest Recieved	734,636	3,293,997
10.3.3 Hayleys PLC		
Payment for rent and services	(2,918,151)	(2,533,653)
10.3.4 Hayleys Power Limited (HPL)		
Net operating expenses incurred on behalf of HPL	(1,064,792)	(1,009,494)
Reimbursement of operating expenses by HPL	1,064,792	1,009,494

11. Share Information

- 11.1. The public shareholding percentage as at 30th September 2021 was 40.517%, comprising of 6,570 shareholders.
- 11.2. The Float Adjusted Market Capitalization as at 30th September 2021 is Rs. 2,512,465,161.80. The Company complies with option 4 of the Listing Rules 7.13.1 (a).

11.3. **Market price per share**

For the period ended	30-09-2021 Rs.	30-09-2020 Rs.
Market Price – Highest	9.60	8.40
Market Price – Lowest	7.90	5.40
Market Price – Last Traded	8.30	7.80

11.4. **Directors' shareholding as at 30th September 2021**

Director	No. of Shares
Mr. K D.D Perera	144,812,225
Mr. S H Amarasekera	30
Mr. P K Sumanasekera	150,000
Mr. H Somashantha	15,000
Mr. S Shanmuganathan	Nil
Mr. C V Cabraal	Nil
Ms. Y Bhaskaran	Nil

11.5. **Major Shareholders as at 30th September 2021**

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	33,296,740	4.457
4. Sri Lanka Insurance Corporation Ltd-General Fund	26,450,000	3.540
5. Mr K.D.H. Perera	18,750,000	2.510
6. Mr K.D.A. Perera	18,750,000	2.510
7. Ms K.D.C. Samanthi	9,375,000	1.255
8. Employees Trust Fund Board	9,164,109	1.227
9. Mackenzie Capital Ltd	8,225,550	1.101
10. DFCC Bank PLC A/C 1	6,400,000	0.857
11. AIA Insurance Lanka Limited A/C No. 07	6,304,463	0.844
12. Perera and Sons Bakers Pvt Limited	6,250,000	0.837
13. HSBC Bank PLC-McKinley Capital Measa Fund Oeic Limited	5,846,105	0.782
14. Mr P.P. Subasinghe	4,793,190	0.642
15. Mr. S M Jayasooriya	3,163,000	0.423
16. Mr B.C. Tay	3,000,000	0.402
17. Mr M.F. Hashim	2,895,310	0.388
18. Mr. D D Gunaratne	2,716,462	0.364
19. Hatton National Bank PLC/Yonmeregna Simon Hewage Rushanka Sulakshana Silva	2,500,000	0.335
20. Mr M I M Shafie & Mrs. F R Shafie	2,500,000	0.335

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. K D D Perera – Chairman
Mr. S H Amarasekera - Deputy Chairman
Mr. P K Sumanasekera
Mr. H Somashantha
Mr. S Shanmuganathan
Mr. C V Cabraal
Ms. Y Bhaskaran

Registered Office

27-2, East Tower, World Trade Center
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E-mail: energy@vallibel.com
Web Site: www.vallibel-hydro.com

Business Office

No. 25, Foster Lane, Colombo 10
Telephone: 011 2381111
Fax: 011 2381115

Subsidiary Company

Country Energy (Pvt) Ltd. (unquoted)

Company Secretaries

P W Corporate Secretarial (Pvt) Limited
No.3/17, Kynsey Road,
Colombo 08.
Telephone:011- 4640360
Fax :011- 4740588
E-mail :pwcs@pwcs.lk

Auditors

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Web site : www.pwc.com/lk

Bankers

Commercial Bank of Ceylon PLC
Hatton National Bank PLC
Pan Asia Banking Corporation PLC