



VALLIBEL POWER ERATHNA PLC

INTERIM FINANCIAL STATEMENTS

Third Quarter

for the nine months ended 31st December 2021

Statement of Financial Position

As at	Group		Company	
	31.12.2021 Rs.	31.03.2021 Rs. (Audited)	31.12.2021 Rs.	31.03.2021 Rs. (Audited)
ASSETS				
Non-Current Assets				
Property, Plant & Equipment	2,013,909,786	2,072,808,765	723,923,727	746,936,516
Right-to-use of Assets	41,079,755	45,637,882	3,388,230	4,539,727
Investment in Subsidiary	-	-	821,619,980	821,619,980
Intangible Assets	57,578,861	65,559,829	4,980,939	5,194,407
Other non-current asset	4,500,000	4,500,000	-	-
	2,117,068,402	2,188,506,476	1,553,912,876	1,578,290,630
Current Assets				
Inventories	6,140,396	-	2,789,396	-
Trade & Other Receivables	862,904,128	576,713,645	243,200,207	273,153,349
Amounts Due from Related Parties	1,158,665	997,913	3,773,336	2,495,254
Cash and cash equivalents	363,975,217	296,637,846	127,012,675	66,279,924
	1,234,178,406	874,349,404	376,775,614	341,928,527
Total Assets	3,351,246,808	3,062,855,880	1,930,688,490	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	1,571,124,773	1,313,301,901	564,776,148	552,316,791
Capital and reserves attributable to owners of Vallibel Power Erathna PLC	2,745,490,051	2,487,667,179	1,739,141,426	1,726,682,069
Non - Controlling Interest	261,805,551	224,789,541	-	-
Total Equity	3,007,295,602	2,712,456,720	1,739,141,426	1,726,682,069
Non-Current Liabilities				
Retirement Benefit Obligations	42,999,454	41,162,030	28,345,371	26,864,212
Deferred Tax Liability	126,929,573	131,524,504	96,342,787	99,781,158
Lease Liability	42,821,031	46,368,298	2,264,678	3,245,078
	212,750,058	219,054,832	126,952,836	129,890,448
Current Liabilities				
Accruals and other payables	30,999,041	41,697,493	12,081,360	10,481,119
Lease Liability	4,955,246	4,910,439	1,514,055	1,469,243
Current tax liabilities	95,246,861	84,736,396	50,998,813	51,696,278
	131,201,148	131,344,328	64,594,228	63,646,640
Total Equity and Liabilities	3,351,246,808	3,062,855,880	1,930,688,490	1,920,219,157
Net Asset Per Share	3.67	3.33	2.33	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
February 09, 2022 / Colombo

Sgd.

Russell De Silva
Jt.CEO

Sgd.

S.Shanmuganathan
Director

Statement of Profit or Loss

For the nine months ended 31st December	Group						Company					
	Quarter			Nine Months			Quarter			Nine Months		
	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %	2021 Rs.	2020 Rs.	Change %
Revenue	421,751,225	323,961,595	30	1,215,557,660	921,756,968	32	106,634,931	68,662,522	55	335,086,531	256,265,674	31
Cost of Sales	(30,194,064)	(35,772,245)	(16)	(111,881,464)	(109,043,746)	3	(9,410,882)	(12,012,281)	(22)	(37,784,426)	(36,149,547)	5
Gross Profit	391,557,161	288,189,350	36	1,103,676,196	812,713,222	36	97,224,049	56,650,241	72	297,302,105	220,116,127	35
Other Operating Income	-	-	-	-	-	-	-	175,117,496	(100)	350,234,991	692,686,982	(49)
Administration Expenses	(24,943,949)	(24,027,804)	4	(75,900,773)	(75,758,575)	0	(10,562,808)	(10,057,956)	5	(32,611,191)	(33,994,008)	(4)
Other Operating Expenses	(728,920)	(181,488)	302	(780,876)	(1,772,785)	(56)	(626,393)	(101,753)	516	(651,170)	(720,250)	(10)
Finance Cost	(1,121,349)	(1,255,653)	(11)	(3,407,055)	(3,419,482)	(0)	(73,925)	(95,771)	(23)	(237,015)	(233,254)	2
Finance Income	4,571,370	3,193,789	43	15,226,783	26,718,967	(43)	1,783,985	1,622,977	10	5,041,648	11,794,027	(57)
Profit Before Tax	369,334,313	265,918,194	39	1,038,814,275	758,481,348	37	87,744,908	223,135,233	(61)	619,079,368	889,649,625	(30)
Income Tax Expenses	(37,599,390)	(61,907,666)	(39)	(169,608,572)	(207,977,615)	(18)	(11,068,748)	(32,222,141)	(66)	(83,643,199)	(126,110,929)	(34)
Net Profit For the Period	331,734,923	204,010,528	63	869,205,703	550,503,733	58	76,676,160	190,913,092	(60)	535,436,169	763,538,696	(30)
Attributable to:												
Owners of Vallibel Power Erathna PLC	298,802,922	179,634,537	66	780,799,684	488,254,835	60	76,676,160	190,913,092	(60)	535,436,169	763,538,696	(30)
Non Controlling Interest	32,932,001	24,375,991	35	88,406,019	62,248,898	42	-	-	-	-	-	-
	331,734,923	204,010,528	63	869,205,703	550,503,733	58	76,676,160	190,913,092	(60)	535,436,169	763,538,696	(30)
Basic Earnings Per Share	0.40	0.24		1.04	0.65		0.10	0.25		0.71	1.02	

Statement of Comprehensive Income

For the nine months ended 31st December	Group						Company					
	Quarter			Nine Months			Quarter			Nine Months		
	2021 Rs.	2020 Rs.	Change %									
Net Profit for the Period	331,734,923	204,010,528	63	869,205,703	550,503,733	58	76,676,160	190,913,092	(60)	535,436,169	763,538,696	(30)
Other Comprehensive Income /(Loss)	-	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for the period, net of Tax	331,734,923	204,010,528	63	869,205,703	550,503,733	58	76,676,160	190,913,092	(60)	535,436,169	763,538,696	(30)
Attributable to:												
Owners of Vallibel Power Erathna PLC	298,802,922	179,634,537	66	780,799,684	488,254,835	60	76,676,160	190,913,092	(60)	535,436,169	763,538,696	(30)
Non Controlling Interest	32,932,001	24,375,991	35	88,406,019	62,248,898	42	-	-	-	-	-	-
	331,734,923	204,010,528	63	869,205,703	550,503,733	58	76,676,160	190,913,092	(60)	535,436,169	763,538,696	(30)

Statement of Cash Flows

For the nine months ended 31st December	Group		Company	
	2021 Rs.	2020 Rs.	2021 Rs.	2020 Rs.
Cash Flows from/(Used in) Operating Activities				
Net Profit Before Income Tax Expense	1,038,814,275	758,481,348	619,079,368	889,649,625
Adjustments for				
Amortization of Intangible Assets	7,980,969	7,980,969	213,469	213,469
Amortization of Right of Use Assets	4,558,127	3,404,803	1,151,497	795,491
Depreciation	59,684,976	59,782,022	23,518,536	23,534,453
Provision for Retirement Benefit Obligations	2,880,000	3,952,498	1,620,000	2,714,998
Dividend Income and Interest classified as investing cash flows	-	(2,808,249)	(350,234,991)	(695,013,016)
Finance Income	(15,226,783)	(23,910,718)	(5,041,648)	(9,467,993)
Finance Cost	3,407,055	3,419,482	237,015	233,254
Operating Profit Before Working Capital Changes	1,102,098,619	810,302,155	290,543,246	212,660,280
(Increase)/ Decrease in Inventories	(6,140,396)	-	(2,789,396)	-
(Increase)/ Decrease in Trade and Other Receivables	(283,825,457)	(259,448,557)	30,944,546	(89,491,110)
(Increase)/ Decrease in Amounts Due from Related Parties	(160,752)	2,317,479	(1,278,082)	6,181,319
(Increase) / Decrease in Other Financial Assets at Amortised Cost	-	133,256,553	-	93,256,553
Increase / (Decrease) in Trade and Other Payables	(14,298,451)	(1,249,883)	1,600,240	(241,616)
Cash Generated from /(used in) Operating Activities	797,673,563	685,177,747	319,020,554	222,365,426
Finance Cost Paid	(363,833)	(311,222)	(128,917)	(120,555)
Finance Income Received	12,861,755	32,134,764	4,050,243	11,798,652
Retirement Benefit Obligations Paid	(1,042,576)	(598,457)	(138,841)	(405,531)
Taxes Paid	(163,693,038)	(135,272,076)	(87,779,033)	(73,541,095)
Net Cash from / (used in) Operating Activities	645,435,871	581,130,756	235,024,006	160,096,897
Cash Flows From / (Used in) Investing Activities				
Acquisitions of Property, Plant & Equipments	(785,997)	(1,615,245)	(505,747)	(1,085,065)
Interest Received on Financial Assets Held as Investments	-	2,808,249	-	2,326,034
Dividend Received	-	-	350,234,991	692,686,982
Proceeds /(Investments) of Fixed Deposits (net)	-	-	-	-
Net Cash Flow from / (Used In) Investing Activities	(785,997)	1,193,004	349,729,244	693,927,951
Cash Flows from /(Used in) Financing Activities				
Principal Elements of Lease Payments	(2,945,682)	(1,576,521)	(1,043,687)	(661,176)
Dividends Paid	(574,366,821)	(923,458,722)	(522,976,812)	(821,820,704)
Net Cash Flows From / (Used In) Financing Activities	(577,312,503)	(925,035,243)	(524,020,499)	(822,481,880)
Net Increase / (Decrease) In Cash & Cash Equivalents	67,337,371	(342,711,483)	60,732,751	31,542,968
Cash and Cash Equivalents at the Beginning of the Period (Note A)	296,637,847	641,166,867	66,279,924	156,626,710
Cash and Cash Equivalents at the End of the Period (Note B)	363,975,218	298,455,384	127,012,675	188,169,678
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	624,084,440	47,006,047	141,644,205
	296,637,847	641,166,867	66,279,924	156,626,710
Note B				
Cash and Cash Equivalents at the End of the Period				
Cash in Hand & at Bank	211,622,219	17,417,570	49,375,123	14,169,672
Investments in short-term deposits (Maturity period < 3 months)	152,352,999	281,037,814	77,637,552	174,000,006
	363,975,218	298,455,384	127,012,675	188,169,678

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	-	488,254,834	62,248,898	550,503,732
Dividend	-	(821,820,704)	(101,638,018)	(923,458,722)
Balance as at 31st December 2020	1,174,365,278	1,475,846,758	228,690,762	2,878,902,798
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	-	780,799,684	88,406,019	869,205,703
Dividend	-	(522,976,812)	(51,390,009)	(574,366,821)
Balance as at 31st December 2021	1,174,365,278	1,571,124,773	261,805,551	3,007,295,602

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	-	763,538,696	763,538,696
Dividend	-	(821,820,704)	(821,820,704)
Balance as at 31st December 2020	1,174,365,278	686,030,839	1,860,396,117
Balance as at 01st April 2021	1,174,365,278	552,316,791	1,726,682,069
Net Profit for the Period	-	535,436,169	535,436,169
Dividend	-	(522,976,812)	(522,976,812)
Balance as at 31st December 2021	1,174,365,278	564,776,148	1,739,141,426

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 nine months ended 31st December 2021 were authorised for issue by the Board of Directors on 09th February 2022.
3. The financial statements for the period ended 31st December 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.
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 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.
5. The number of shares representing the stated capital is 747,109,731.
6. The Company paid Seventy Cents (Rs. 0.70) per share as an Interim Dividend for the financial year 2021/22 on 26th August 2021.
7. The Group had no significant contingent liabilities outstanding as at the reporting date.
8. 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 nine months ended 31st December 2021

		Erathna MHPP	Denawaka Ganga MHPP	Kiriwaneliya MHPP	Group Adjustments	Group
Power Generation	kWh	45,514,335	26,000,549	20,011,373	-	91,526,257
Revenue	Rs.	335,086,531	497,729,490	382,741,639	-	1,215,557,660
Gross Profit	Rs.	297,302,104	457,159,364	355,882,228	(6,667,500)	1,103,676,196
Profit After Tax	Rs.	535,436,168	387,931,846	302,740,180	(356,902,491)	869,205,703
Total Assets	Rs.	1,930,688,490	1,216,028,012	983,712,699	(779,182,393)	3,351,246,808
Total Liabilities	Rs.	191,547,064	112,333,698	42,772,462	(2,702,018)	343,951,206

For the nine months ended 31st December 2020

		Erathna MHPP	Denawaka Ganga MHPP	Kiriwaneliya MHPP	Group Adjustments	Group
Power Generation	kWh	36,796,878	20,264,127	13,575,378	-	70,636,383
Revenue	Rs.	256,265,674	399,685,306	265,805,988	-	921,756,968
Gross Profit	Rs.	220,116,127	359,838,578	239,426,018	(6,667,501)	812,713,222
Profit After Tax	Rs.	763,538,695	290,109,134	196,210,385	(699,354,482)	550,503,732
Total Assets	Rs.	2,095,802,179	1,192,388,044	842,608,620	(862,641,784)	3,268,157,059
Total Liabilities	Rs.	235,406,062	125,618,757	123,280,851	(95,051,409)	389,254,261

10. Related Party Transactions with the Company

For the Period Ended	31-12-2021 Rs.	31-12-2020 Rs.
10.1 Key Management Personal (KMP)		
Directors Remuneration	(3,272,222)	(3,766,666)
Key Management Compensation	(6,313,818)	(5,739,834)
Close Family Members of KMP	Nil	Nil
10.2 Country Energy (Pvt) Ltd - Subsidiary		
Net operating expenses incurred on behalf of the Subsidiary	(18,673,391)	(19,318,255)
Reimbursement of operating expenses by the Subsidiary	17,521,053	23,333,947
10.3 Other Related companies		
10.3.1 Alternate Power Systems (Pvt) Ltd (APSL)		
Net operating expenses incurred on behalf of APSL	(11,615,843)	(12,092,196)
Reimbursement of operating expenses by APSL	11,492,851	14,059,068
10.3.2 Vallibel Finance PLC		
Investments in Fixed Deposit	(320,283,661)	(602,423,229)
Withdrawal of Fixed Deposit	222,689,883	664,715,806
FD Interest Recieved	961,409	4,133,949
10.3.3 Hayleys PLC		
Payment for rent and services	(4,418,478)	(4,069,908)
10.3.4 Hayleys Power Limited (HPL)		
Net operating expenses incurred on behalf of HPL	(1,622,604)	(1,578,760)
Reimbursement of operating expenses by HPL	1,619,852	1,578,760

11. Share Information

- 11.1. The public shareholding percentage as at 31st December 2021 was 40.517%, comprising of 6,698 shareholders.
- 11.2. The Float Adjusted Market Capitalization as at 31st December 2021 is Rs. 2,603,277,155.60. The Company complies with option 4 of the Listing Rules 7.13.1 (a).

11.3. **Market price per share**

For the period ended	31-12-2021 Rs.	31-12-2020 Rs.
Market Price – Highest	9.10	8.50
Market Price – Lowest	8.30	6.70
Market Price – Last Traded	8.60	7.90

11.4. **Directors' shareholding as at 31st December 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 31st December 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	28,994,243	3.881
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	9,206,672	1.232
9. Mackenzie Capital Ltd	8,250,000	1.104
10. Perera and Sons Bakers Pvt Limited	7,000,000	0.937
11. DFCC Bank PLC A/C 1	6,400,000	0.857
12. AIA Insurance Lanka Limited A/C No. 07	6,304,463	0.844
13. HSBC Bank PLC-McKinley Capital Measa Fund Oeic Limited	5,846,105	0.782
14. Mr P.P. Subasinghe	4,603,190	0.616
15. Mr. S M Jayasooriya	3,463,000	0.464
1. Mr M.F. Hashim	3,390,154	0.454
2. Mr B.C. Tay	3,000,000	0.402
3. Mr. D D Gunaratne	2,900,000	0.388
4. Hatton National Bank PLC/Yonmeregna Simon Hewage Rushanka Sulakshana Silva	2,500,000	0.335
5. 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
Echelon Square, Colombo 01.
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

PricewaterhouseCoopers
P. O. Box 918
100, Braybrooke Place,
Colombo 2
Telephone : 011 771 9700
Fax : 011 230 3197
Web site : www.pwc.com/lk

Bankers

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