



PANASIAN POWER PLC

INTERIM FINANCIAL STATEMENTS

THIRD QUARTER 2012/2013

PANASIAN POWER PLC

INTERIM FINANCIAL STATEMENTS - THIRD QUARTER 2012/2013

PROVISIONAL FINANCIAL STATEMENTS

BALANCE SHEET

	09 months ended 31 December				Year ended 31 March	
	Group		Company		Group	Company
	As at 31 December 2012	As at 31 December 2011	As at 31 December 2012	As at 31 December 2011	As at 31 March 2012 (Audited)	As at 31 March 2012 (Audited)
	Rs	RS	Rs	RS	Rs	Rs
ASSETS						
Non - Current Assets						
Property, plant & equipment	308,160,107	360,908,234	68,391,026	87,168,477	345,862,867	84,342,322
Intangible assets	299,407,347	303,469,341	6,874,989	7,974,993	300,553,779	7,699,992
Deferred Tax	-	122,977	-	122,977	-	-
Other Investments	104,250,000	-	69,250,000	-	35,000,000	-
Investment in Subsidiaries	-	-	605,107,184	565,107,184	-	605,107,184
	711,817,454	664,500,552	749,623,199	660,373,631	681,416,646	697,149,498
Current Assets						
Trade and other receivables	52,409,424	45,185,737	22,616,590	20,367,645	26,187,338	11,934,402
Due from related parties	2,368,000	1,320,000	1,320,000	1,320,000	2,368,000	1,320,000
Cash and cash equivalents	30,758,589	99,106,489	7,873,035	66,699,619	109,703,107	58,275,755
	85,536,013	145,612,226	31,809,625	88,387,264	138,258,445	71,530,157
TOTAL ASSETS	797,353,467	810,112,778	781,432,824	748,760,895	819,675,091	768,679,655
EQUITY AND LIABILITIES						
Equity						
Stated capital	630,000,000	630,000,000	630,000,000	630,000,000	630,000,000	630,000,000
Retained earnings	146,429,717	163,312,723	103,595,520	108,627,301	168,760,504	107,365,433
Total Equity	776,429,717	793,312,723	733,595,520	738,627,301	798,760,504	737,365,433
Non-Current Liabilities						
Retirement benefit obligations	1,438,813	1,409,558	1,157,813	1,171,823	1,368,962	1,234,127
Finance lease obligations	2,458,092	2,448,470	783,724	-	3,595,631	1,694,335
Interest bearing loans	2,318,523	4,519,377	2,318,523	4,519,377	3,561,612	3,561,612
Deferred tax liabilities	2,683,931	2,138,788	990,849	-	2,683,931	990,849
	8,899,359	10,516,193	5,250,909	5,691,200	11,210,136	7,480,923
Current Liabilities						
Accruals and other payables	5,514,606	1,410,481	2,813,142	660,481	3,654,023	2,246,870
Finance lease obligations	1,867,894	3,215,929	1,097,658	2,124,461	1,423,978	706,290
Interest bearing loans	1,657,452	1,657,452	1,657,452	1,657,452	1,657,452	1,657,452
Due to related parties	-	-	34,500,000	-	-	17,000,000
Incometax payable	2,984,439	-	2,518,143	-	2,968,998	2,222,687
	12,024,391	6,283,862	42,586,395	4,442,394	9,704,451	23,833,299
Total Liabilities	20,923,750	16,800,055	47,837,304	10,133,594	20,914,587	31,314,222
TOTAL EQUITY AND LIABILITIES	797,353,467	810,112,778	781,432,824	748,760,895	819,675,091	768,679,655
Net asset per share	1.55	1.59	1.47	1.48	1.60	1.47

Above figures are provisional and subject to audit

These financial statements are in compliance with the requirements of the Companies Act, No 7 of 2007

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
Dr Prathap Ramanujam
Chairman
14-Feb-13

Sgd
Mr Rifky Badurdeen
Director - Operations

PANASIAN POWER PLC
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INCOME STATEMENT

	3 months ended 31 December				09 months ended 31 December			
	Group		Company		Group		Company	
	31 December 2012	31 December 2011	31 December 2012	31 December 2011	31 December 2012	31 December 2011	31 December 2012	31 December 2011
	Rs	Rs	Rs	Rs	Rs	Rs	Rs	Rs
Revenue	61,723,311	63,640,744	31,536,522	32,210,440	119,654,531	143,420,125	87,378,717	94,771,197
Direct Expenses	(13,375,165)	(12,598,417)	(5,470,253)	(5,391,695)	(39,882,673)	(37,765,569)	(15,052,124)	(16,188,483)
Gross Profit	48,348,146	51,042,327	26,066,269	26,818,745	79,771,858	105,654,556	72,326,593	78,582,714
Administrative Expenses	(8,772,587)	(10,730,916)	(7,797,750)	(8,052,419)	(28,010,449)	(31,490,070)	(24,966,561)	(27,706,893)
Other Operating Income	-	-	-	-	(133,685)	-	23,653,415	31,716,125
Operating profit	39,575,559	40,311,411	18,268,519	18,766,326	51,627,724	74,164,486	71,013,447	82,591,946
Finance Cost	(253,754)	(422,858)	(195,355)	123,929	1,809,879	1,229,922	604,552	707,077
Profit before taxation	39,321,805	39,888,553	18,073,164	18,890,255	53,437,603	75,394,408	71,617,999	83,299,023
Income tax expense	(341,729)	(105,803)	(175,407)	(69,365)	(768,390)	(1,091,903)	(387,912)	(445,695)
Net profit	38,980,076	39,782,750	17,897,757	18,820,890	52,669,213	74,302,505	71,230,087	82,853,328
EPS	0.078	0.08	0.04	0.04	0.11	0.15	0.14	0.17

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Changes in Equity - Company

	Stated Capital		
	Ordinary Shares	Retained Earnings	Total
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Balance as at 01 April 2011	630,000,000	150,328,278	780,328,278
Ordinary dividend	-	(125,000,000)	(125,000,000)
Profit for the period	-	83,299,023	83,299,023
Balance as at 31 December 2011	630,000,000	108,627,301	738,627,301
Balance as at 01 April 2012	630,000,000	107,365,433	737,365,433
Ordinary dividend	-	(75,000,000)	(75,000,000)
Profit for the period	-	71,230,087	71,230,087
Balance as at 31 December 2012	630,000,000	103,595,520	733,595,520

Changes in Equity - Group

	Stated Capital		
	Ordinary Shares	Retained Earnings	Total
	<u>Rs.</u>	<u>Rs.</u>	<u>Rs.</u>
Balance as at 01 April 2011	630,000,000	212,918,315	842,918,315
Ordinary dividend	-	(125,000,000)	(125,000,000)
Profit for the period	-	75,394,408	75,394,408
Balance as at 31 December 2011	630,000,000	163,312,723	793,312,723
Balance as at 01 April 2012	630,000,000	168,760,504	798,760,504
Ordinary dividend	-	(75,000,000)	(75,000,000)
Profit for the period	-	52,669,213	52,669,213
Balance as at 31 December 2012	630,000,000	146,429,717	723,760,504

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CASH FLOW STATEMENT

	Group		Company	
	31-Dec-12 Rs	31-Dec-11 Rs	31-Dec-12 Rs	31-Dec-11 Rs
Cashflows from operating activities				
Profit before taxation	53,437,603	75,394,408	71,617,999	83,299,023
Adjustments for:				
Depreciation on property, plant and equipment	34,285,913	30,717,953	12,534,627	12,177,996
Amortization of intangible asset	1,146,432	1,146,431	825,003	825,003
Provision for retiring gratuity	69,851	616,449	(76,314)	477,037
Dividend income	-	-	(23,787,100)	(31,716,125)
Loss on disposal of property, plant and equipment	133,685	-	133,685	-
Interest income	(3,238,669)	(2,790,566)	(1,645,075)	(1,584,291)
Interest expense	1,428,790	1,560,644	1,040,523	877,214
Cashflow from operating activities before working capital changes	87,263,605	106,645,319	60,643,348	64,355,857
(Increase) / Decrease in receivables	(26,222,086)	8,053,995	(10,682,188)	(3,647,766)
Decrease / (Increase) in related company receivables	-	1,048,000	-	54,215,916
Increase / (Decrease) in related company payables	-	-	17,500,000	-
Increase / (Decrease) in payables	2,319,940	(7,948,536)	1,253,096	3,928,101
Cashflow from operating activities	63,361,459	107,798,778	68,714,256	118,852,108
Interest paid	(1,428,790)	(1,560,644)	(1,040,523)	(877,214)
Income tax /ESC paid	-	4,307,116	-	(1,926,352)
Net cashflow from operating activities	61,932,669	110,545,250	67,673,733	116,048,542
Cashflows used investing activities				
Purchase of property, plant and equipment	(67,059)	(1,262,935)	(67,059)	(1,071,635)
Proceeds from disposal of property, plant and equipment	3,350,000	-	3,350,000	-
Part payment of the advance payable for the acquisition of Padiyapelella Hydropower Limited	(69,250,000)	-	(69,250,000)	-
Dividend received	-	-	23,787,100	31,716,125
Interest received	3,238,669	2,790,566	1,645,075	1,584,291
Net cashflows (used in) / from investing activities	(62,728,390)	1,527,631	(40,534,884)	32,228,781
Cashflows from financing activities				
Dividend paid	(75,000,000)	(125,000,000)	(75,000,000)	(125,000,000)
Loan repayment	(1,243,089)	(6,516,550)	(1,243,089)	(6,516,550)
Payment of finance lease obligation	(1,905,708)	(9,291,737)	(1,298,480)	(8,176,013)
Net cashflows from / (used in) financing activities	(78,148,797)	(140,808,287)	(77,541,569)	(139,692,563)
Net (decrease) / increase in cash & cash equivalents	(78,944,518)	(28,735,406)	(50,402,720)	8,584,760
Cash & cash equivalents at the beginning of the year	109,703,107	127,841,895	58,275,755	58,114,859
Cash & cash equivalents at the end of the year	30,758,589	99,106,489	7,873,035	66,699,619
Analysis of cash & cash equivalents				
Cash in hand and cash at bank	30,758,589	99,106,489	7,873,035	66,699,619

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EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

1 The Interim Financial Statements of the Company have been prepared in accordance with the accounting policies set out in the financial statements for the year ended 31 March 2012 and are in compliance with Sri Lanka Accounting Standard 35 - Interim Financial Reporting. These financial Statements have been prepared in accordance with Sri Lanka Accounting Standards existed immediately prior to 01 January 2012 (SLAS). The management has opted for this option, as allowed by the Institute of Chartered Accountants of Sri Lanka as it is of the view that it is prudent to publish the audited financial statements in accordance with Sri Lanka Accounting Standards (SLFRS/LKAS) which is effective from 01 January 2012. The Company is in the process of changing the system after which an audit will be effected

However, the Company will prepare the financial statements based on full Sri Lanka Accounting Standards (SLFRS/LKAS) for the year ending 31 March 2013

2 The Company acquired Manelwala Hydropower (Pvt) Limited on 31 August 2010 for a consideration of Rs 565,107,184. An investment of Rs 40,000,000 was made on February 2012 in Panasian Investments (Pvt) Limited, which will engage in strategic investments.

3 As announced to the Colombo Stock Exchange, the Company has accepted the offer made by Padiyapelella Hydropower Limited (PHL), to acquire 90% stake of that Company for a consideration of Rs 910 Mn which is based on a valuation done by NDB Investment Bank. The shareholders approved the above transaction at the Extra Ordinary General Meeting held on 26 September 2012. Advance payment of Rs 104,250,000 has been paid by the Group at the end of third quarter 2012/ 2013

4 The group had no significant contingent liabilities outstanding as at the Balance Sheet date.

5 No Circumstances have arisen since the Balance Sheet date, which would require adjustments to or disclosure in the financial statements.

6 The number of shares representing the stated capital is 500,000,000

7 Shares of the Company were listed on the Colombo Stock Exchange on 07 January 2011

8 The Company declared and paid dividends of Rs.0.15 per share amounting to Rs 75,000,000 in June 2012

9 Market value per share as at 31 December	2012 Rs	2011 Rs
Highest	3.00	5.20
Lowest	2.30	3.50
Closing	2.50	4.30

10 The Public Share Holding Percentage as at 31 December 2012 was 76.10%

Power Hub International Sdn Bhd	117,174,900	
Directors' holding	2,350,007	
Total	119,524,907	23.90%
Public holding	380,475,093	76.10%
Stated Capital	500,000,000	100%

11 Director's shareholding as at 31 December 2012 was as follows:

Name of the Director	Number of shares
Dr P Ramanujam	2,350,000
Mr T Someswaran	7

12 Twenty major shareholders of the Company as at 31 December 2012

Name	No of Shares	%
Power Hub International SDN BHD, Malaysia	117,174,900	23.43
Okanda Power Grid (Pvt) Ltd	36,200,000	7.24
Mr Zulficar Ahamed Mohamed Thahir	30,160,000	6.03
Commercial Bank of Ceylon PLC/A.K .Pathirage	24,500,000	4.90
Mr Pattiyapawulage Don Raj Rohitha Weeraratne	11,799,900	2.36
Mr Mohamed Firdouse Farook	11,069,494	2.21
Upper Agra Oya Hydro Power (Pvt) Ltd	10,950,000	2.19
Almar Trading Co (Pvt) Ltd	10,320,614	2.06
Dr.Waruni Udeshika Nihiluwa Gamage	7,224,859	1.44
Mrs Zeenath Shihana Hussein	5,000,000	1.00
Lexinton Holdings (Pvt) Ltd	4,244,600	0.85
Lanka Orix Leasing Company PLC	4,000,000	0.80
Janashakthi Limited Account No.1	3,000,000	0.60
Mr Herbert Beruwalage	2,764,200	0.55
Mr Mohamed Armil Najmul Sammoon	2,550,000	0.51
Fidelity Investment & Trade Pte Ltd	2,500,000	0.50
Seylan Bank Plc/Jayantha Dewage	2,376,000	0.48
Commercial Bank of Ceylon PLC/M A U Gnanathilake	2,368,210	0.47
Dr Prathap Ramanujam	2,350,000	0.47
Mr Hilmy Careem Mohamed	2,212,700	0.44
	<u>292,765,477</u>	<u>58.53</u>

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Corporate Information

Name of the Company

Panasian Power PLC

Legal Form

A Public Quoted Company with limited liability incorporated under the Provision of the Companies Act No 07 of 2007. The Company has been registered under Section 17(2) of the BOI Law No 4 of 1978 on 26 November 2008

Date of incorporation

22 April, 2002

Company Registration Number

PV 9959 PB/PQ

Accounting Year End

31, March

Registered Office and Head Office

Level 03, No 281 R A De Mel Mawatha, Colombo 3

Subsidiary Companies

Manelwala Hydropower (Pvt) Limited

Panasian Investments (Pvt) Limited

Nature of business

Generate and supply hydro power to the National Grid

Directors

Dr Prathap Ramanujam

Mr Mohd Hairol Mohd Shariff

Mr Mohideen Rifky Badurdeen

Dato' Shamsuddin Bin Hayroni

Mr Herman Bin Abd Latiff

Mr Thirunavukarasu Someswaran

Mr Deepal Sooriyaarachchi

Mr D S Jayaweera

Audit Committee

Mr Thirunavukarasu Someswaran (Chairman)

Mr Deepal Sooriyaarachchi

Dato' Shamsuddin Bin Hayroni

Remuneration Committee

Mr Deepal Sooriyaarachchi (Chairman)

Mr Thirunavukarasu Someswaran

Mr Herman Bin Abd Latiff

Secretaries and Registrars

S S P Corporate Services (Pvt) Limited

No 101, Inner Flower Road

Colombo 3

Tel: 2573894

Auditors

Ms KPMG
Chartered Accountants
32A, Sir Mohamed Macan Marker Mawatha
Colombo 3
Tel: 2426301

Bankers

Sampath Bank PLC
110, Sir James Peiris Mawatha
Colombo 2
Tel: 2303050

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