

Your Power Our Responsibility



Panasian Power PLC
Annual Report 2024/25

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Inner Back Cover Corporate Information

Your Power, Our Responsibility

At Panasian Power PLC, we believe that energy is not just a commodity - it is a force that powers our lives, drives progress and shapes our future. As a leading provider of sustainable energy, we are deeply committed to ensuring that this power is not only accessible but also responsibly sourced, carefully managed and continuously improved for generations to come.

This year, we have achieved new milestones in our sustainability efforts. We have reduced our carbon footprint, expanded our renewable energy portfolio and implemented transformative technologies to drive efficiency at every stage of our operations. But our journey doesn't end here. As we continue to innovate and lead, we are mindful that every action, every project and every decision we make is a step toward a more responsible energy future.

As we look ahead, we reaffirm our commitment to being a responsible steward of the energy that powers your world - today, tomorrow and for many years to come. Because your power is our responsibility.



Panasian Power PLC

Overview

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Your Power, Our Environment



ABOUT OUR INTEGRATED ANNUAL REPORT



GRI 2-1, 2-2, 2-4

We are pleased to present the Panasian Power PLC (“the Company”) Integrated Annual Report 2024/25 (“the Report” or “the Annual Report”), marking the Company’s 6th Integrated Annual Report. It provides a comprehensive yet concise overview of the Company’s performance during the financial year ending 31st March 2025. The report details our value creation process and strategies and presents relevant information across financial, social, environmental and governance areas within the context of our operating environment. Furthermore, we offer our forward-looking perspective and share our aspirations for the future, acknowledging that these could be shaped by the economic realities of the ensuing year.

The primary scope of the report covers the core strategy of the company, which is the generation and supply of clean, renewable energy through various sources such as mini hydropower projects and solar photovoltaic installations (PV). The report provides an in-depth overview of the company’s strategy and functions, cohesively reflecting the interconnections between various functions, in the spirit of integrated reporting. It also highlights the company’s approach to value creation in the short, medium and long-term, founded on good governance and sustainability principles and how these impact the economy, the environment and society, in the long term.

SCOPE AND BOUNDARY

This report covers the financial and non-financial performance of the company and its subsidiaries, joint ventures located in Sri Lanka, collectively referred to as the group. Building upon our previous report for the financial year ending 31 March 2024, reporting encompasses the risks and opportunities arising from our business strategy and diverse stakeholders, how we create, preserve, or erode value through our business activities.

We aim to manage these complex business relationships and focus on material matters that define our success, which are:

Our Business Model	Page 30
Our Strategy	Page 25
Our Operating Context	Page 43
Our Material Issues	Page 40
Financial Reporting Boundary Aligns with our Financial Statements Reporting Boundary	Page 165
Our Stakeholder Relationships	Page 37
Customers	
Employees	
Investors	
Regulators	
Suppliers and business partners	
The community	

The report is based on the International Integrated Reporting Council's (IIRC) framework, which encompasses the six capitals and their combined output that assures sustainability of the company and the wider community, reflecting our commitment to accountable integrated reporting practices, creating value and communicating with our stakeholders in a transparent manner.



Key changes to the group's organisational structure/supply chain in 2024/2025 were as follows:

- In alignment with our commitment to sustainable energy and national renewable energy goals, we have successfully initiated the construction of seven 05 MWs ground mounted solar photovoltaic projects.
- Awarded 05 MWs ground mounted solar PV project at Deniyaya.
- In the reporting period, executed a partial disposal of R-E-D Capital Asia (Private) Limited, resulting in a reduction of our ownership interest from 100% to 51%. This strategic decision aligns with our long-term objectives and enhances our operational efficiency.

Our approach to reporting is guided by the following key frameworks, standards and regulations across different reporting domains:

The Regulations	Internal Assurance	External Assurance
Financial Reporting, Governance, Risk Management and Operations		
<ul style="list-style-type: none"> ● Sri Lanka Financial Reporting Standards ● Companies Act No 7 of 2007 ● Listing requirements of Colombo Stock exchange and subsequent revision to date. ● Code of Best Practice on Corporate Governance (2013) jointly issued by SEC and CA Sri Lanka ● Code of Best Practices on Related Party Transactions 2013 advocated by SEC. 	<p>Reporting to Board Audit and Risk Committee</p>	<p>An independent auditor confirming the accuracy of the Annual Financial Statements</p> <p>See Page 173</p>
Integrated Reporting		
<ul style="list-style-type: none"> ● Framework of the International Integrated Reporting Council (IIRC) ● A Preparer's Guide to Integrated Corporate Reporting issued by the CA Sri Lanka ● Handbook on Integrated Corporate Reporting issued by the CA Sri Lanka 		<p>An independent assurance engagement on Integrated Reporting</p>

The Regulations	Internal Assurance	External Assurance
Sustainability Reporting		
<ul style="list-style-type: none"> ● Global Reporting Initiative (GRI) Sustainability Reporting Standards ● United Nation's Sustainable Development Goals. (UN SDGs) ● Environmental, Social and Governance (ESG) disclosures through the framework and operations in conformity with the Principles of the United Nations Global Compact ● Disclosure on Gender Parity Reporting issued by the ICASL ● Sustainability Accounting Standards Board (SASB) Standards ● SLFRS S1 and S2 	<p>Sustainability reporting assessment by the Group</p> <p>Sustainability Reporting System</p> <p>Carbon footprint assessment</p>	<p>An independent assurance engagement for specific financial and non-financial sustainability indicators</p>

financial interactions to create value for the company and its stakeholders, while also consuming, developing and transforming these capitals in the process.

Precautionary Principle

We use the precautionary principle as our commitment to social and environmental decision-making, by taking mitigating action of potential risks, even in the absence of complete evidence or information, to ensure the long term viability of our operations. This allows us to operate as a responsible corporate citizen, safeguarding our stakeholders, the environment and the community we impact. Implementation of the precautionary principle helps us anticipate challenges and innovate solutions that reinforce our resilience promoting trust among our stakeholders.

Combined Assurance

GRI 2-3

Assurance for the content embodied in this integrated report is reinforced by a carefully vetted combination of internal and external sources. The information included in this report has received approval from the leaders of respective business units and has been scrutinized by the corporate management team prior to submission to the Board of Directors for final approval.

The mandatory independent review of the Financial Statements, including the notes to the accounts, has been provided by the company's external auditors, M/S Ernst & Young. The findings of their review are provided in detail on pages 173 of this report. This external validation strengthens the credibility and transparency of the financial information presented in the report.

Board Responsibility Statement

The Board acknowledges its responsibility to ensure that the Integrated Annual Report provides a balanced view of its

MATERIALITY

A structured, organization-wide materiality assessment process identifies the issues that are material to the company. Based on the double-materiality principle, the process addresses both potential effects on the company and its impacts on people and environment. The assessment systematically addresses risks, opportunities, macroeconomic trends and other elements that influence materiality in co-relation to the capitals and the company's ability to deliver value and mitigate erosion of value to its stakeholders. As a power generating company, we apply a robust, well-thought out and holistic approach to identifying key material aspects, which are documented on page 40 of the report. We meticulously address these issues to enhance performance, strengthen our sustainability framework, adhere to strong governance principles and demonstrating accountability through our regulatory compliance.

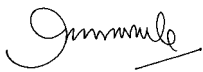
Disclaimer for the Publication of Forward-Looking Statements

This report includes forward-looking statements regarding the company's potential future performance and prospects. These statements are not guarantees of future results and are subject to various risks and uncertainties, including unforeseen events, volatile economic and political conditions and other factors beyond our control. Actual outcomes may differ significantly from current expectations. The reader is advised to seek expert professional advice in all such aspects.

Value Creation

Our value creation process is comprehensively detailed in the business model (refer Page 30). It details the inputs, outputs and outcomes across the capitals and their responsible management in creating value. Integrated reporting assumes that the generation of financial capital is driven by the interdependent cohesiveness between financial and non-

performance in 2024/25 and is of the opinion that it addresses all material issues that it believes may have a bearing on the company's capacity to create value over the period. The corporate management team prepared and reviewed the Integrated Annual Report and submitted the same to the board Audit and Risk Committee who recommended the reports to the Board for approval in accordance with the delegation of authority. The reports were unanimously approved by the Board on 04 June 2025.



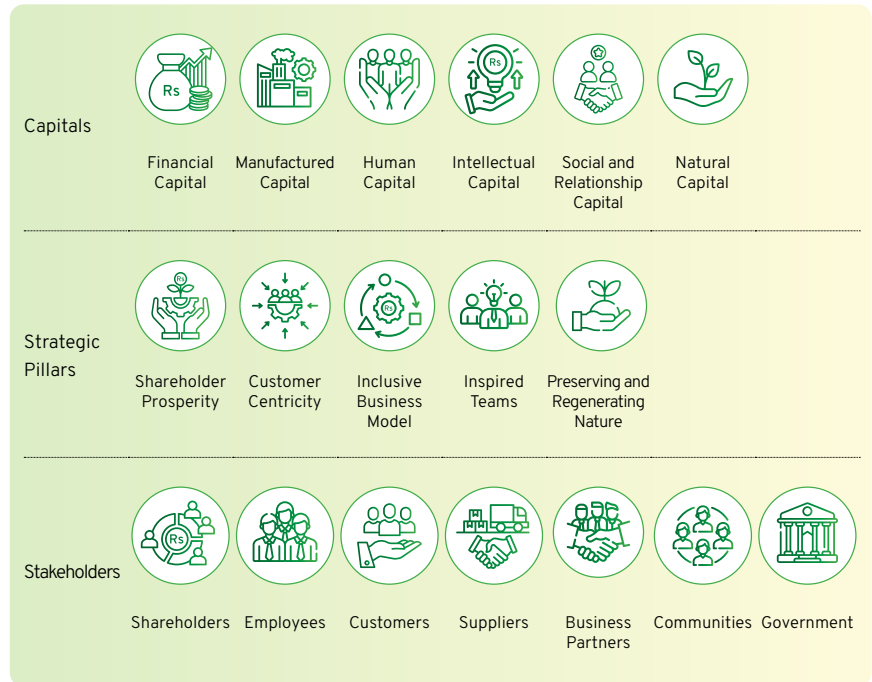
L.H.A.L.Silva
Chairman



P.K. Pathmanatha
Chief Executive Officer/Executive Director

Navigating the Report

For ease of navigation, the following Icon library cross-references the capitals and their integration with the stakeholders and strategy:





Feedback


GRI 2-1, 2-2, 2-4

We are committed to consistently enhancing the quality and readability of our Annual Report and welcome your feedback, suggestions and other comments.

Please direct your feedback to:

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www.panasianpower.com



Facebook



Instagram

Available Forms

Panasian Power PLC

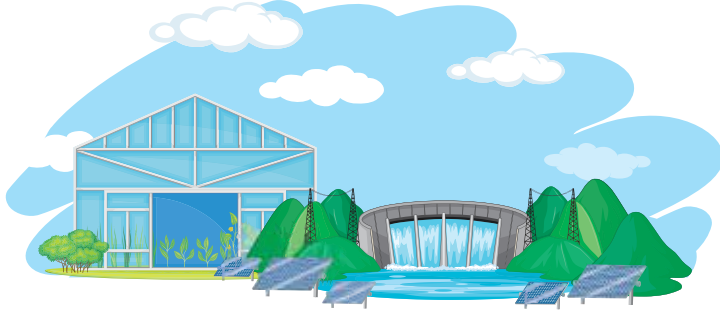
Annual Report 2024/25



Print
Available on
request



Online
Available
as PDF



At Panasian Power PLC, we believe in the power of nature to fuel our future. Drawing inspiration from the sun’s radiant energy and the earth’s enduring strength, we harness renewable resources to create sustainable energy solutions that illuminate homes, power industries and nurture our planet.

Our mission is simple yet profound: to lead the transition towards a cleaner, greener and more resilient energy landscape. By integrating cutting-edge technology with a deep respect for nature, we provide innovative solutions that not only meet today’s energy demands but also safeguard the environment for generations to come.

We are a public quoted company with limited liability which was incorporated under the provisions of the Companies Act No.17 of 1982 on 22 April 2002 and re-registered under the provisions of new Companies Act No.07 of 2007 on 03 December 2008. The Company obtained BOI approval under section 17(2) of the BOI Law No.04 of 1978 on 26 November 2008.

Panasian Power PLC (PAP), is Sri Lanka’s pioneering supplier of clean and renewable energy and is considered to be a leader in the renewable energy industry, operating mini-hydro, ground and rooftop solar plants. We are renowned for affordable, sustainable and reliable clean energy solutions, creating greener and sustainable future. Our projects support the solutions that reduce carbon emission, enhance energy security and promote economic prosperity as we build, own and operate renewable energy projects as an independent power producer and project developer. We are currently working towards achieving 60 MW of generation capacity, reinforcing our commitment to sustainable energy. As the channel partner for Sungrow inverters and LONGi solar panels in Sri Lanka, we strive to deliver high-efficiency energy conversion in our solar installations, to meet an exponential growth in demand for clean energy.



OUR VISION

We only have one planet and the widespread use of fossil fuels has caused irreparable damage to it. We want to protect the environment by becoming a leader in diversified sustainable renewable energy solutions in the Global South.



OUR MISSION

PAP produces clean renewable energy from hydro, solar and other renewable sources in Asia.

We own and manage projects that are best in class from a technology, design and efficiency point of view and provide market leading returns through innovative financing solutions and are the preferred partner for customers, suppliers, employees and investors.

We value fair compensation, room to grow, training, a healthy, creative work environment and respect for diversity. We care for our communities and environment actively. We are an innovative dynamic energy solutions provider.



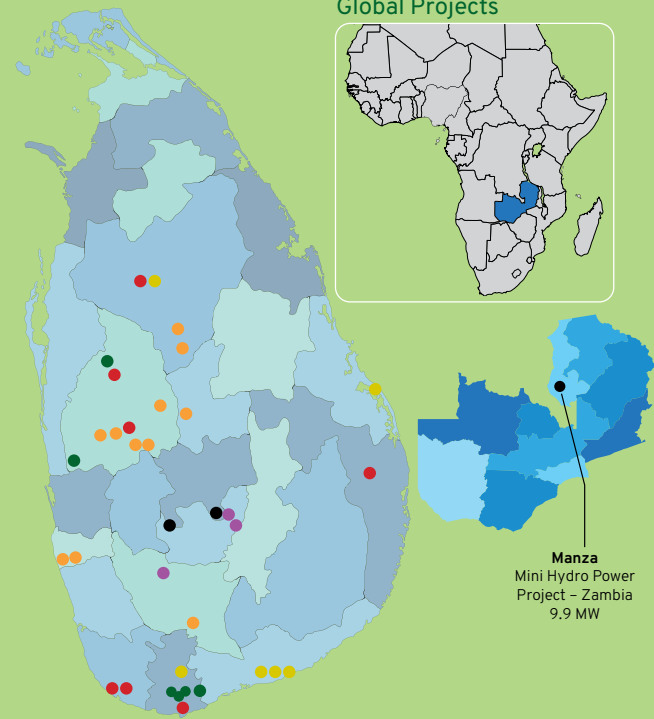
OUR VALUES

Accountability	Responsibility to all our stakeholders
Bias for Action	We are driven to get results, swiftly
Integrity	Treat others with respect and honesty and are true to ourselves
Innovative	Develop outside the box solutions
Passion	Passion for renewable energy solutions
Quality	What we do, we do well

Global Projects



Manza
Mini Hydro Power
Project – Zambia
9.9 MW



Icon	Category	GSS location	Capacity (AC)
	Projects under construction (Solar ground mounted)	Anuradhapura	5 MW
		Ampara	5 MW
		Galle Hiyare	5 MW
		Matara	5 MW
		Galle Baddegama	5 MW
		Maho	5 MW
		Kurunegala	5 MW
	Projects at Predevelopment stage (solar ground mounted)	Anuradhapura	5 MW
		Batticaloa	100 MW
		Ridiyagama	10 MW
		Mattala	10 MW
		Gonnuruwa	10 MW
		Deniyaya	5 MW
	Hydro Power Projects (In pipeline)	Padiyapellella Phase 2	3.0 MW
		Lower Kotmale	2.5 MW
		Zambia Project	9.9 MW
	Hydro plants in operation	Rathganga MHPP	3.0 MW
		Padiyapellella MHPP	4.4 MW
		Manelwala MHPP	2.4 MW
	Solar plants in operation (solar ground mounted)	Beliatta	1 MW
		Maho	1 MW
		Pannala	1 MW
		Matara 1	1 MW
		Matara 2	1 MW
		Matara 3	1 MW
	Solar plants in operation Rooftop solar	Boralesgamuwa	350 kW
		Mawathagama	583 kW
		Mawathagama	400 kW
		Uhumeeya	500 kW
		Narammala	233 kW
		Malsiripura	300 kW
		Palapathwala	600 kW
		Kolonna	250 kW
		Kohuwala	300 kW
		Maradankadawala	2 MW
		Thirappane	2 MW

STRATEGIC DIFFERENTIATORS

Our unique capability and approach to clean and green energy, sets us apart from competition, focusing on delivering distinct value to our stakeholders, creating a competitive advantage.

- Purpose-led business
- Extensive and solid partnerships
- Diverse businesses and geographical presence
- Employee value proposition
- Robust corporate governance
- Strong balance sheet

GROUP AT A GLANCE

Clean Energy Generated 58,364,310 KWh	Total Installed Capacity 23.3 MW
Number of Trees Saved 3,266,775	MTs of CO ₂ avoided 43,556
Group Revenue LKR 1.5Bn	EBIT LKR 550Mn
Profit Before Tax 362Mn	EPS LKR 0.47
Total No of Employees 107	Investment in community development LKR 6.8Mn

OUR COMMITMENT TO EXCELLENCE

Our commitment to ensuring excellence in all aspects of our operation is reflective from the value adding partnerships we have created in Sri Lanka, delivering on our promises and meaningfully contributing to the macroeconomic recovery of the country.

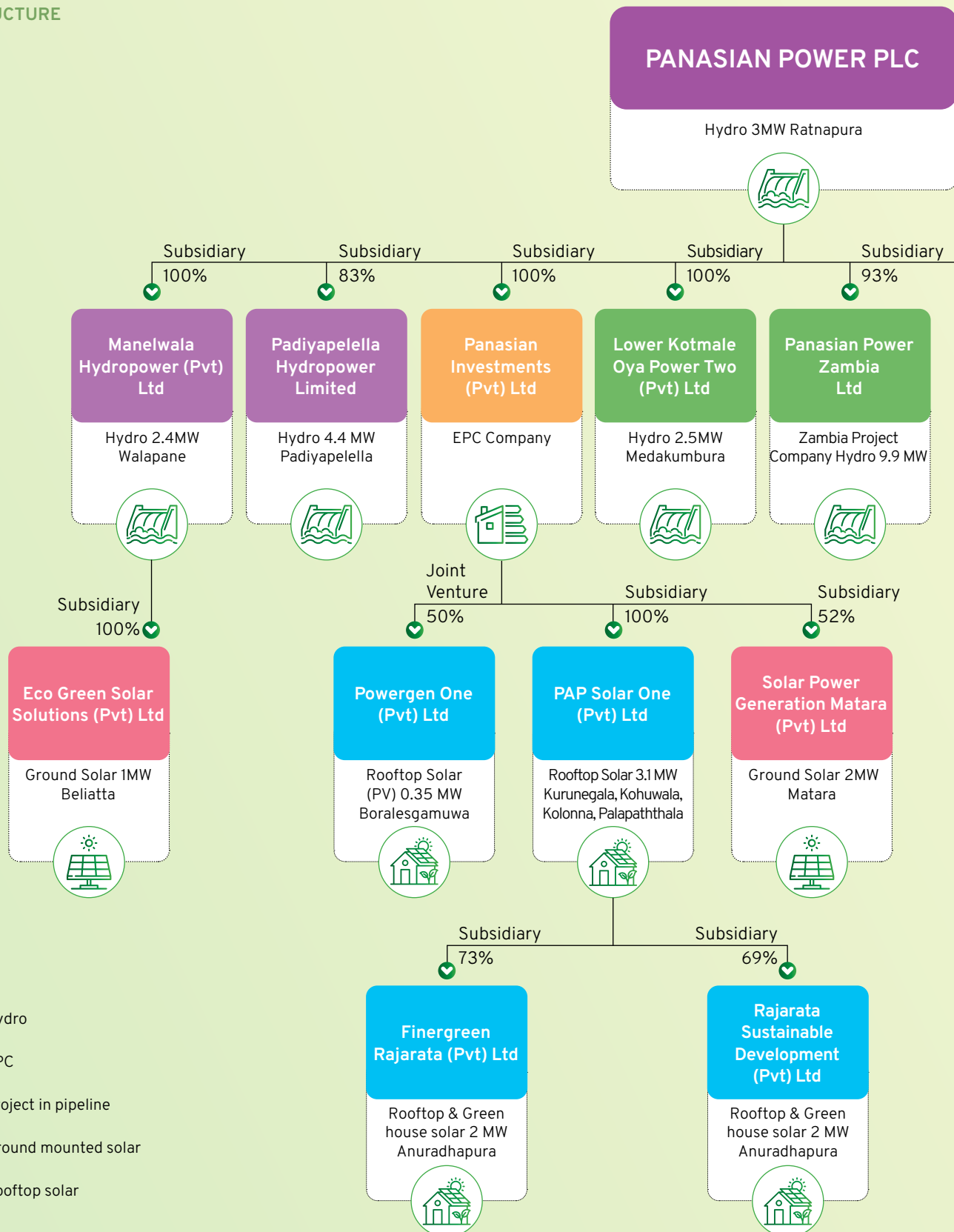
SUSTAINABILITY

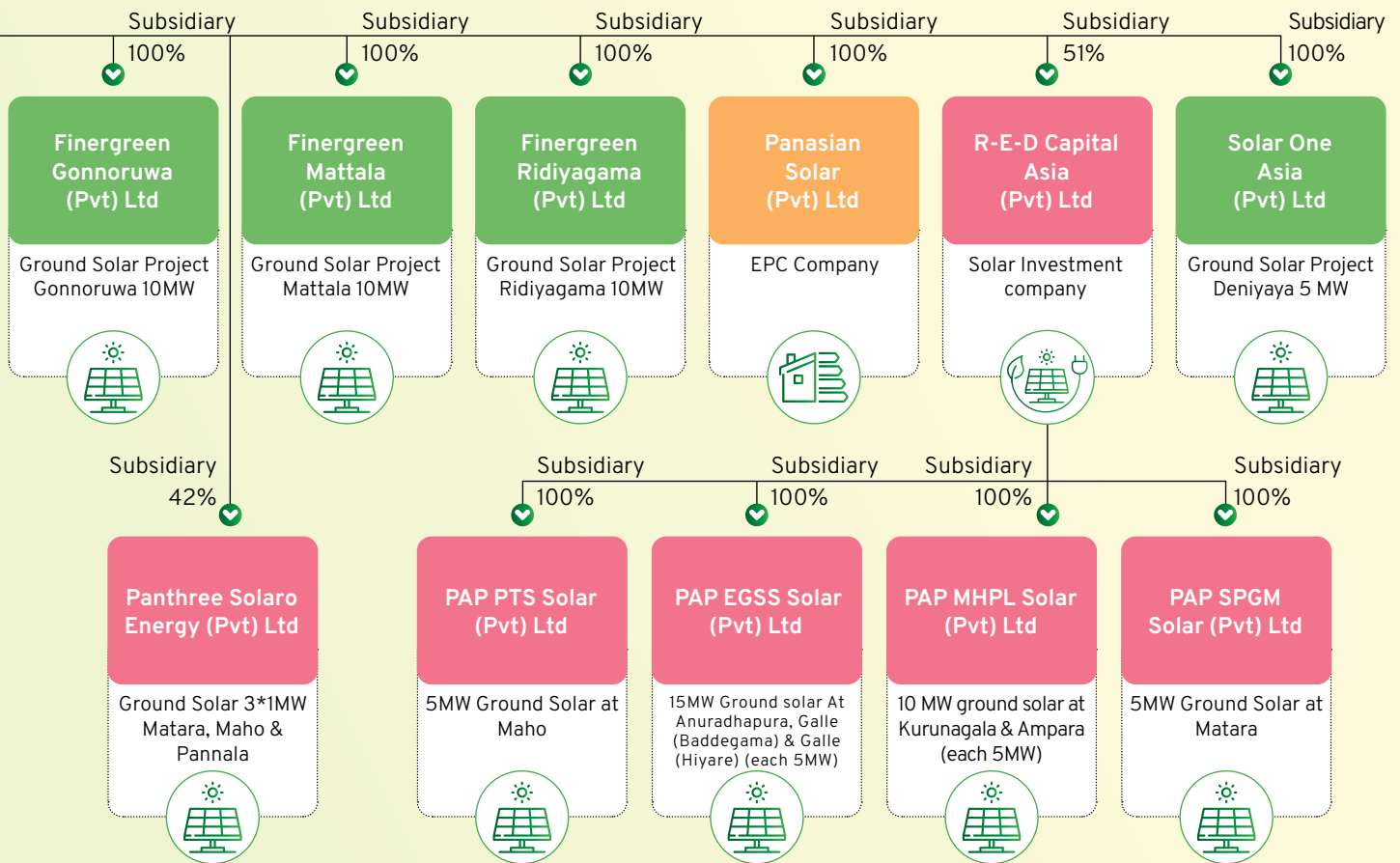
As a power generation company, sustainability is a fundamental pillar of our long-term strategy, reflecting a commitment to responsible production of clean and green energy. We recognize that sustainable growth is essential for building resilience, creating long-term value and contributing to a more environmentally and socially conscious future. Our governance framework is founded on sustainability principles that cohesively flow through our operations.

CREATING VALUE FOR ALL STAKEHOLDERS

Our mission goes beyond generating clean energy and we strive to empower communities, create jobs and foster economic growth through our projects, while contributing meaningfully to the economic recovery of the country.

GROUP STRUCTURE





A pioneering force in Sri Lanka's renewable energy sector, we contribute to the sustainable progress of the country through innovative and environmentally responsible solutions. Harnessing the abundance of natural elements available in Sri Lanka, generating renewable energy is our niche expertise, while empowering communities and preserving the planet. Integrating state of the art technology, international standards and global know-how, we expanded our project portfolio and

are currently in the process of delivering seven new projects to relieve the burden on the national grid. Investing in cutting-edge infrastructure and leveraging strategic partnerships, we remain committed to our social responsibility, beyond energy generation and profit maximizing. We are fully cognizant of the transformative impact of renewable energy for economic growth and align PAP with the medium term and the long term goals of the Government of Sri Lanka to fully convert

to renewable energy by 2050 while achieving 70% of the goal by 2030.

Fostering innovation, upholding transparency and prioritizing sustainability, we continue to illuminate the path towards a clean, green and a resilient future.

In the many sections contained in this Report, we present to our valued shareholders our contribution and our achievements in FY 2024/25.

We operate an integrated model, managing all stages from development to construction, operation and energy management. As the leading renewable energy solutions provider in Sri Lanka, our commitment to sustainability and innovation has gained us high visibility and brand reputation, that underpins our success to deliver clean and sustainable energy.



Mini Hydro Power Projects

Project Location	Rathganga		Manelwala		Padiyapelella	
Year of Commission	2004		2008		2017	
Installed Capacity (MW)	3		2.4		4.4	
Operational Highlights	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
Power Generation (kWh)	14,108,691	14,133,148	8,427,882	7,416,891	16,607,764	14,723,433
Plant Factor (%)	53.68	54	40.08	35.28	54.16	48.02
Reduction in CO ₂ (MT)	10,468	10,487	6,253	5,503	12,323	10,925
No. of trees saved	785,100	781,281	468,975	409,974	924,225	813,912
Equivalent hectares in rain forest	524	521	313	274	617	543




Reduction in CO₂ (MT)

Rathganga		Manelwala		Padiyapelella	
2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
10,468	10,487	6,253	5,503	12,323	10,925

Ground Mounted Solar Power Projects



 Project Location	Beliatta	Matara 1	Matara 2	Matara 3	Maho	Pannala
Year of Commission	2019	2021	2021	2021	2021	2022
Installed Capacity (MW)	1	1	1	1	1	1
2024/25						
Power Generation (kWh)	1,336,266	1,673,434	1,819,804	1,695,538	1,595,349	1,467,056
Plant Factor (%)	16.45	19.10	20.77	19.35	18.21	16.74
Reduction in CO ₂ (MT)	1,069	1,241	1,349	1,257	1,183	1,088
No. of trees saved	80,175	93,150	101,175	94,275	88,725	81,600
Equivalent hectares in rain forest	53	62	67	62	59	54




Reduction in CO₂ (MT) (2024/25)

Beliatta	Matara 1	Matara 2	Matara 3	Maho	Pannala
1,069	1,241	1,349	1,257	1,183	1,088



Rooftop Solar Power Projects

 Project Location	Boralesgamuwa	Kolonna	Kohuwala	Palapathwala	Narammala	Uhumeeya	Melsiripura	Mawathagama ECO	Mawathagama Foundation
Year of Commission	2018	2018	2018	2019	2019	2019	2019	2019	2019
Installed Capacity (KW)	350	250	300	600	233	500	300	583	400
2024/25									
Power Generation (kWh)	243,717	273,501	368,000	536,478	174,183	434,160	349,018	691,077	453,622
Plant Factor (%)	9.27	12.48	12	10.20	8.53	9.01	13.28	13.53	12.94
Reduction in CO ₂ (MT)	180	202	273	397	129	322	258	512	336
No. of trees saved	13,500	15,150	20,475	29,775	9,675	24,150	19,350	38,400	25,200
Equivalent hectares in rain forest	9	10	13	20	6	16	12	25	16



Reduction in CO₂ (MT) (2024/25)

Boralesgamuwa	Kolonna	Kohuwala	Palapathwela	Narammala	Uhumeeya
180	202	273	397	129	322
Melsiripura	Mawathagama ECO	Mawathagama Foundation			
258	512	336			

Rooftop Solar Green House Projects

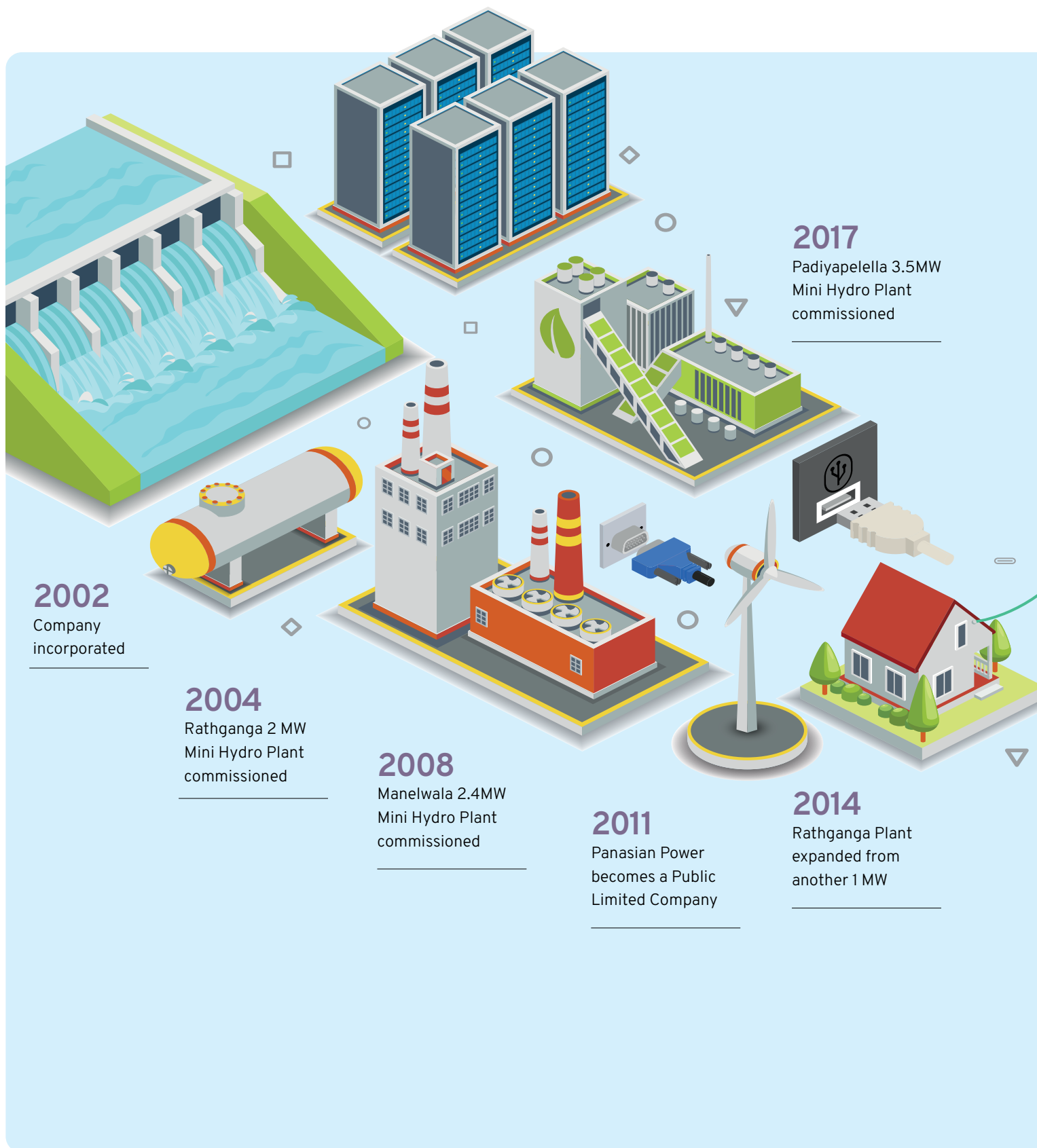


Project Location	RSD Maradankadawala	RSD Thirappane	FGR Maradankadawala	FGR Thirappane
Year of Commission	2020	2021	2020	2021
Installed Capacity (MW)	1	1	1	1
2024/25				
Power Generation (kWh)	1,593,342	1,553,370	1,580,592	1,632,814
Plant Factor (%)	18.18	17.73	18.04	18.63
Reduction in CO ₂ (MT)	1,182	1,152	1,172	1,210
No. of trees saved	88,650	86,400	87,900	90,750
Equivalent hectares in rain forest	59	57	58	60



Reduction in CO₂ (MT) (2024/25)

RSD Maradankadawala	RSD Thirappane	FGR Maradankadawala	FGR Thirappane
1,182	1,152	1,172	1,210



2002
Company
incorporated

2004
Rathganga 2 MW
Mini Hydro Plant
commissioned

2008
Manelwala 2.4MW
Mini Hydro Plant
commissioned

2011
Panasian Power
becomes a Public
Limited Company

2014
Rathganga Plant
expanded from
another 1 MW

2017
Padiyapelella 3.5MW
Mini Hydro Plant
commissioned

2018

PAP commissioned its first rooftop solar projects -Kolonna, Kohuwala, ODEL Borelasgamuwa

2019

PAP commissioned its 1st ground mounted solar project - Beliatta

PAP receives investment from Emerald Fund, a JV between IFC, DEG, FMO and NDB

Feasibility work begins on 9.9MW Zambia minihydro power project

06 Rooftop Solar projects commissioned at Uhumeeya, Palapathwala, Melsiripura, Narammala, Mawathagama

2021

Maho - Commissioned 1 MW Ground Solar Project

Thirappane - Commissioned 2 rooftop Green House solar projects (1MW each)

Matara - Commissioned 03 Ground solar projects (1MW each)

2023

Signed Letter of Intent for 5MW Ground mounted solar projects at Galle (Beddegama), Galle (Hiyare) Kurunegala, Anuradhapura, Maho, Matara and Ampara

Started construction of Padiyapelella Phase 2 Mini Hydro power project

Establishment of PAP SPGM Solar (Pvt) Ltd, PAP MHPL Solar (Pvt) Ltd, PAP EGSS Solar (Pvt) Ltd, PAP PTS Solar (Pvt) Ltd, R-E-D Capital Asia (Pvt) Ltd to undertake new ground mounted 5 MWs solar projects in 07 locations.

Signed Master supplier agreement with LONGi Technology Co. Ltd in China

2024

Signed Power Purchase Agreements of 5MW Ground mounted solar PV projects at Ampara, Anuradhapura, Galle (Baddegama), Galle (Hiyare), Kurunegala, Maho and Matara

Achieved financial closure and commercial construction of above stated 7 projects.

Awarded Deniyaya 5 MW Ground mounted solar PV plant

Obtained Energy permits for 5MW Ground mounted solar PV project at Medawachchiya and 10MW Ground mounted solar PV project at Ridiyagama

Obtained Energy permit for 5MW - ground mounted solar PV plant at Medawachchiya

Signed addendum for Padiyapelella Hydropower project Purchase agreement to enhance its capacity from 3.5MW to 4.4MWs

2020

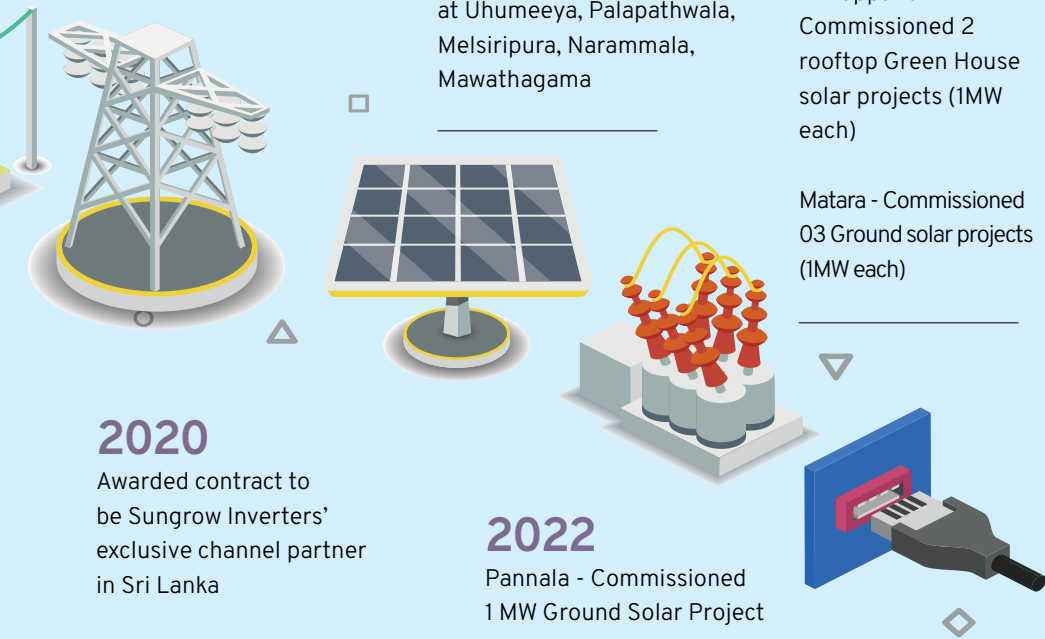
Awarded contract to be Sungrow Inverters' exclusive channel partner in Sri Lanka

Commissioned 2 rooftop Green House solar projects (1MW each) at Maradankadawala

2022

Pannala - Commissioned 1 MW Ground Solar Project

Signed PPA for new tariff for 3MW Padiyapelella Hydropower Limited Phase 2





1 TAGS Awards 2024 - Power and Energy Sector

- Bronze Award by the Institute of Chartered Accountants of Sri Lanka.

2 CMA Excellence in Integrated reporting Awards - 2024

- Certificate of Compliance by the Institute of Certified Management Accountants of Sri Lanka

6 ISO 14001:2015 Environmental Management System

3 South Asian Federation of Accountants - Power and Energy Sector

- Merit Award for Best Presented Annual Report, Integrated Reporting Awards and SAARC anniversary awards for Corporate Governance Disclosure 2023

7 ISO 45001:2018 Occupational Health and Safety Management System

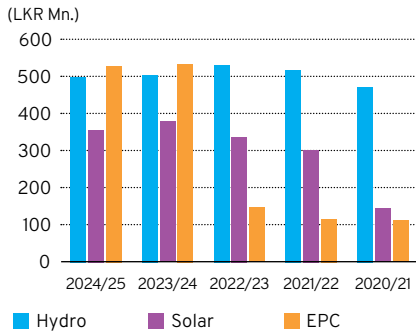
4 Leadership Awards 2024

- Business Excellence Awards – Solar Company of the Year – Inverter
- Technology and Innovation Excellence Awards – Outstanding Product Innovation of the Year

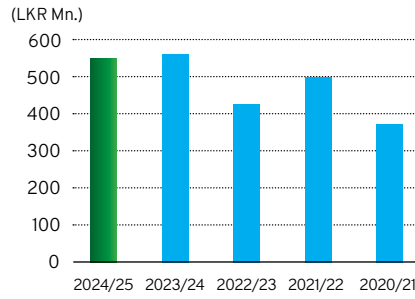
Operating Results	Metric	2025	2024	Change (%)
Group revenue	LKR	1,542,727,800	1,490,346,698	4
Gross profit	LKR	806,611,404	768,933,557	5
Earning before interest, taxes	LKR	549,848,305	560,694,604	(2)
Income tax	LKR	40,220,858	125,549,343	(68)
Profit after tax	LKR	322,285,349	99,659,744	223
Group profit attributable to owners of the parent	LKR	292,236,973	72,027,968	306
Dividend	LKR	-	125,000,000	(100)
Capital Employed				
Stated capital	LKR	1,030,000,000	1,030,000,000	0
Retained earnings	LKR	255,369,257	(145,360,298)	276
Total equity	LKR	2,690,909,858	2,430,777,646	11
Total debt	LKR	3,197,083,465	1,934,727,615	65
Total liabilities	LKR	4,643,916,543	3,027,693,410	53
Asset Employed				
Non current assets	LKR	5,633,160,928	4,447,022,622	27
Current assets	LKR	1,701,665,473	1,011,448,434	68
Total assets	LKR	7,334,826,401	5,458,471,056	34
Key Ratios				
Profitability Ratio				
Earnings per share	LKR	0.47	0.12	306
Gross profit ratio	%	52%	52%	1
Operating profit ratio	%	36%	38%	(5)
Net profit ratio	%	21%	7%	213
ROCE	%	9%	12%	(23)
Market Ratio				
Net assets per share	LKR	4.04	3.58	13
Dividend per share	LKR	-	0.20	(100)
Equity to total assets ratio	%	37%	45%	(18)
Dividend cover	Times	-	1.38	(100)
Dividend pay out	%	-	75%	(100)
Dividend yield	%	-	7%	(100)
Price earning ratio	Times	14.76	26.03	(43)
Price to book value	Times	1.60	1.00	60
Liquidity Ratio				
Current ratio	Times	1.13	1.15	(2)
Quick asset ratio	Times	1.06	0.94	13
Solvency Ratio				
Interest cover	Times	2.34	1.55	51
Debt/equity	%	127	86	47
Debt/total asset	%	44%	35%	23

Operating Results	Metric	2025	2024	Change (%)
Share Price Movement				
Market value per share (Highest)	LKR	9.30	4.50	107
Market value per share (Lowest)	LKR	3.70	2.80	32
Last traded price recorded	LKR	6.90	3.00	130
Market capitalization	LKR	4,312,500,000	1,875,000,000	130
Enterprise value	LKR	6,570,050,999	3,571,093,061	95
Other				
Value generated	LKR	1,623,257,478	1,549,031,206	5
Economic value distributed	LKR	1,081,146,912	1,256,002,844	(14)
Government	LKR	54,061,206	133,722,062	(60)
Employees	LKR	165,345,597	97,370,945	70
Average revenue per employee	LKR	14,418,017	20,139,820	(28)
Average operating income per employee	LKR	5,138,777	7,576,954	(32)
Environment				
No of clean energy units generated	kWh	58,364,310	56,595,070	3
GHG emission reduced (CO ₂)	MT	43,556	42,234	3
Social				
No of employees	No	107	74	45
No of employees hired from local community	No	57	7	714
Training hours per employee	hrs	2.05	1.14	80
Total direct employee benefits	LKR	179,185,946	105,543,665	70
Investment in community development activities	LKR	6,833,166	6,593,860	(19)
Taxes and levies paid	LKR	148,321,911	92,876,165	60
Value distributed to suppliers from local environment	LKR	905,435,266	910,203,022	0
No of social non compliance incidents	No	NIL	NIL	-
Governance				
Proportion of employees trained for PAP's ethical practices	%	100%	100%	-
PAP's ethical practices	No	10	10	-
Anti Corruption related incidents	No	NIL	NIL	-
Anti competitive behaviour related incidents	No	NIL	NIL	-
No of whistle blower cases reported	No	NIL	NIL	-
No of internal audit cycles	No	4	4	-

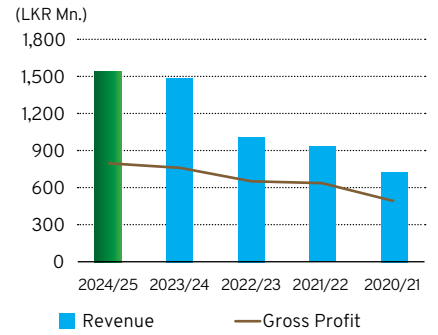
Group Revenue Mix



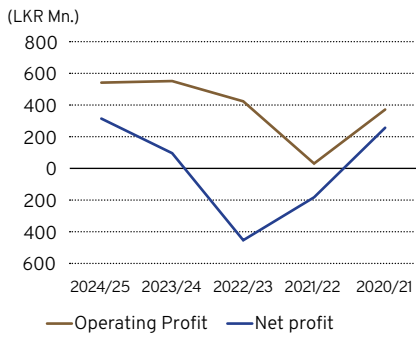
Earnings Before Interest and Taxes (EBIT)



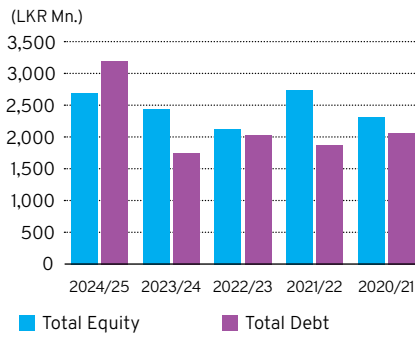
Revenue Vs Gross Profit



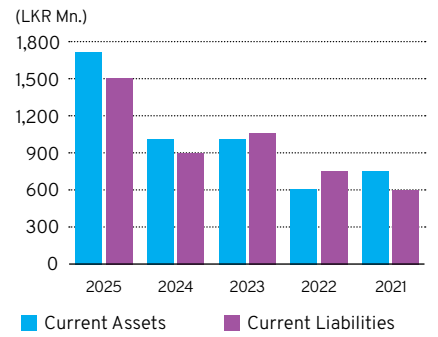
Operating Profit Vs. Net Profit



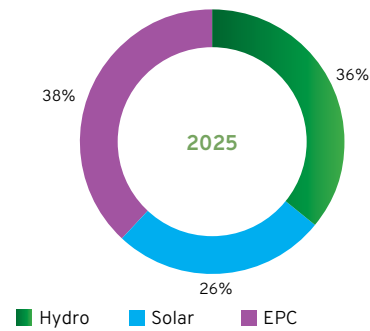
Total Debt Vs. Total Equity



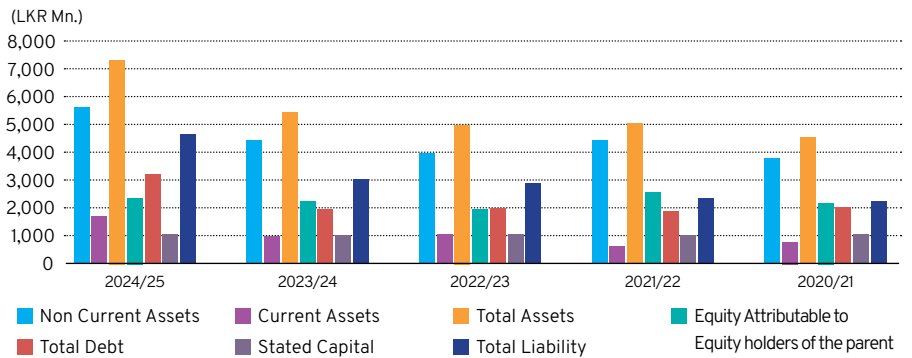
Current Assets Vs. Current Liabilities



Energy Intensity-2025



Financial Stability





Panasian Power PLC (the Company) delivered a good performance in the financial year 2024/25, recording top line growth of 4% and Profit After Tax of LKR 322 Mn., amidst macroeconomic uncertainty and unprecedented change. As such, it is with great pleasure that I present to you the Integrated Annual Report and Financial Statements that presents a concise and balanced view of the performance of the Company for the ensuing year.

A GROWTH TRAJECTORY

The year began with deflation and a growth rate of 5% in surpassing the IMF predicted growth rate for the economy. The IMF bailout package and a successful debt restructuring, combined with disciplined government spending and prudent monetary and fiscal measures contributed significantly to set the country on a growth trajectory. Import restrictions continued for most of the year and the price of essentials remained at an elevated level.

REVIEW OF THE RENEWABLE ENERGY SECTOR

The vast pool of natural resources by way of hydro, wind, solar and biomass with unproductive lands for expansion of the renewable energy sector in Sri Lanka, with its growing energy consumption is a key to expand projects in Sri Lanka. The nation which is digitally and technologically savvy, offers lucrative opportunities for growth in this area. The Government of Sri Lanka's medium term target of achieving 70% renewable energy generation by 2030 is well supported by the commitment to combating climate change, as it resolutely

strides towards achieving the long term goal of 100% electricity generation through renewable energy by 2050. The intention and the commitment of the Government are augmented by the implementation of several large scale projects and PAP is currently in the process of delivering seven key projects by June/July 2025, generating 35MW of renewable energy.

In the year under review, installed renewable energy capacity stood at 23.3 MW, generating 58,364MWh of power, well under its full generative capacity. This spells out further opportunities for the renewable energy sector and as a pioneer in the industry with its vast pool of local and international exposure and expertise, we are well positioned to deliver and derive value, for a sustainable future.

A RESILIENT PERFORMANCE

By late 2025, we are to expand the renewable energy capacity of the company and currently are in the process of delivering seven new projects with a solid value of 35 MW offered to us by the government through a competitive bidding process. Several other projects are at the drawing board stage and are under discussion and we are optimistic of expansion in 2025 and beyond. The strategic investment in ground mounted and rooftop solar projects and the hydro power projects, significantly contributed to the National Grid, reinforcing our commitment towards the country's goals to reducing carbon emissions.

Financially, we maintained strong performance, demonstrating stability despite global economic challenges, adapting and innovating to optimize operations and long term value creation for our stakeholders.

CHALLENGES

Brain drain and mass migration posed a challenge where labour shortages were encountered in 2024/25, as economic hardships necessitated overseas employment opportunities to the populace. Although this posed a challenge, we were able to harness talent from various disciplines to ensure uninterrupted operation and installations of our plants. We will continue to recruit, gaining bench-strength in our expertise for a sustainable operation.

Climate change is the most pressing challenge faced by the world and to renewable energy generation, creating long-term shifts in temperature, precipitation and weather patterns, precipitated by fossil fuel burning, deforestation and industrial emissions, that can adversely impact human and animal health and longevity. Although weather calamities in 2024/25 posed challenges to our plant operations, these were well managed within our robust risk management and operational plans.

As a result of highly competitive bidding processes, many local renewable energy firms have struggled to maintain market share and profitability.

GOVERNANCE

Sri Lanka Sustainable Energy Authority (SLSEA) oversees the renewable energy governance in Sri Lanka by formulating policy, regulating and implementing projects. The Renewable Energy Resource Development Plan (2021-2026) targets large-scale renewable energy projects, prioritizing solar, wind and biomass development. National Energy Policy guides the transition to sustainable energy, as Sri Lanka aims to generate 70% of the requirement through renewable energy in electricity generation and a long-term goal of carbon neutrality by 2030.

Financially, we maintained strong performance, demonstrating stability despite global economic challenges, adapting and innovating to optimize operations and long term value creation for our stakeholders.

Our governance framework ensures compliance with these key country requirements and builds further strength by framing them with international standards and requirements for the renewable energy sector.

We are proud to record that we had no non-compliance issues in 2024/25.

INTEGRATING ESG AND SUSTAINABILITY

The ESG Framework of the company aligns with the UN SDGs and given the vital importance of the sector, we strive to make ESG and sustainability the cornerstone of decision making, for the business, the people and the communities we serve. We also contribute towards afforestation, boosting biodiversity and adopt UNSDGs across our business landscapes. Training and development is a key area where we build sustainability to expertise and our human capital while we partner with a third party to gain carbon credits and work towards a paperless office, to the currently possible level.

COMMUNITY ENGAGEMENT

Beyond business, we are deeply committed to empowering and adding value to the communities we operate in. We carried out several CSR activities in the financial year, aimed at supporting the youth, building awareness about renewable energy and ensuring that our footprint will enhance and not erode the community livelihoods and safe and healthy living.

OUTLOOK

As a pioneer in the renewable energy sector and with our regional partnerships, we are confident of gaining significant momentum to expand and embed our brand in the renewable energy market. With expertise, knowledge and skilled business and operational acumen, we are a company that is well entrenched in the market and possess a strong brand value and visibility, both in the regulating bodies and the consumers. We look forward with great enthusiasm and optimism in implementing several new projects in 2025, as Sri Lanka surely but gradually, gains economic momentum on a growth trajectory.

ACKNOWLEDGEMENTS

As Chairman of Panasian Power PLC, I extend my sincere gratitude to our dedicated employees, whose commitment in the face of adversity and challenges, is magnanimous.

I am thankful to our esteemed board members, whose clarity of vision and courage in direction has enabled the company to delivery on its promises for the nation and partner its recovery progress.

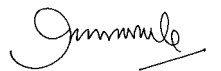
I am particularly thankful to our CEO, whose steadfast leadership and profound dedication have been crucial in navigating Panasian Power PLC through this year, weathering headwinds and setting the tone for resilient continuity in the face of challenges.

I thank our business partners and shareholders for their unwavering support and confidence in the company and for their valued inputs towards a sustainable business venture.

Your collective efforts, trust and belief in our mission have solidified the foundation of our achievements, propelling us towards our vision of leading the renewable energy sector with integrity, innovation and excellence.

I place my gratitude to the regulatory bodies that supported the company through difficult years and continue to guide and support us, through all stages of new projects implementation.

Together, we have navigated challenges and seized opportunities, laying a solid foundation for a sustainable and prosperous future. Thank you for being an integral part of the Panasian Power family.



L.H.A.L.Silva
Chairman

04 June 2025

As a pioneer in the renewable energy sector and with our regional partnerships, we are confident of gaining significant momentum to expand and embed our brand in the renewable energy market.



As we close another transformative year, I am pleased to present our Annual Report, reflecting our unwavering commitment to advancing Sri Lanka's renewable energy landscape. In 2025, we have not only achieved significant milestones, but have also positioned ourselves at the forefront of the nation's green energy revolution.

Sri Lanka has set an ambitious target to achieve 70% renewable energy by 2030 and 100% renewable energy generation, aiming for carbon neutrality by 2050. This bold policy shift underscores the government's dedication to a sustainable energy future. In alignment with this vision, our company has intensified efforts to contribute meaningfully to these national objectives.

ANNUAL PERFORMANCE

In the current year, Panasian Power PLC experienced a decent growth, with revenue surging by 4% to LKR 1,543 Mn compared to LKR 1,490 Mn in the previous year.

The increase revenue was paralleled by 5% rise in gross profit to LKR 807 Mn. However, the increase in profit after tax was standing at 223% primarily due to a reduction of cost of finance when compared

to the previous financial year. Consequently, the Net profit margin increased to 21% from previous year's at 7%. The year showcased commendable performance in both cost containment as well as trade receivables which underscored our commitment to financial stability and operational efficiency.

This indeed is a remarkable achievement given the constricted macroeconomic scenario that prevailed in the country, post pandemic and the years thereafter. As such, FY 2024/25 was rife with headwinds that had to be navigated with caution, care and diplomacy. Defaulted payments from state owned entities posed a cash flow challenge, while uncertainty in policy initiatives impedes the momentum of the sectoral growth.

Operations and maintenance (O&M) expenditure were contained to industry comparable levels despite surges in component price. Furthermore, the CEB's payment of LKR 199Mn in outstanding arrears during the year reduced the company's trade receivable balance to a Manageable LKR 119Mn. The CEB now pays the plant tariff monthly in line with the terms of the respective SPPAs. It is also encouraging to note that CEB has managed to settle all delayed interest payments during the year.

OPERATIONAL EXCELLENCE AND CAPACITY EXPANSION

The company's noteworthy performance amidst challenging conditions underscores our adept management, resilient business practices and robust financial foundation. This reaffirms our capacity to navigate through evolving external complexities and sustain our growth trajectory, thus enabling us to deliver enhanced returns to our shareholders and other stakeholders.

We implemented strategic operational enhancements during the year to navigate the unpredictable economic landscape, instilling a culture of continuous improvement. Key initiatives included streamlining processes to optimise energy output, plant capacity enhancements, reduce costs and minimize downtime. Alongside removing superfluous bottlenecks, these actions were crucial steps that enabled us to allocate resources more effectively and foster a more sustainable operational framework.

We are thrilled to announce the commencement of construction on seven ground-mounted solar energy projects across Sri Lanka. This significant step underscores our commitment to advancing the nation's renewable energy landscape and contributing to its sustainable development goal. Total Capacity -35 MW Locations -Anuradapura, Baddegama, Hiyare, Ampara, Kurunegala, Maho and Matara. Estimated commercial operation – on or before 31st July 2025.

Our strategy is centred on innovation, diversification and operational excellence as we focus on optimizing energy generation by combining emerging technologies with strategic partnerships. We aim to accelerate Sri Lanka's drive towards a greener, energy-secure future, harnessing the abundance of natural resources, the country is blessed with.

We took a strategic decision to expand in the face of headwinds, as we were confident the country will bounce back from the economic debacle. Going against the industry sentiment during the downward trends, we moved ahead securing a 35MW project with attractive tariff. The project is in its final stage of construction and will no doubt, contribute considerably to the bottom line of PAP. This is testament to the strategic foresight of the leadership of PAP, that saw opportunity in the challenge.

To this end, 3MW Padiyapellela Phase II PPA was renewed, and expecting to commence construction in second quarter of the FY 2025/26.

Manelwala PPA was signed for the next twenty years, with an attractive tariff given the economic context.

The Company's commitment to building its pipeline business took wing in the ensuing year, where we distinguished our growth trajectory from the competition by tendering and securing seven projects with 5MW capacity which are expected to give attractive returns to the shareholders. The construction and the development phase is now drawing to a close, as the market conditions improved, offering conducive conditions that paved the way for improved tariffs. We are confident that in the current year, we will achieve further success and double our revenue.

Our achievements for 2024 are significant. For the first time in the history of PAP's operations in Sri Lanka, we will add a further 35MW to our existing 27MW capacity. We secured pipeline business of a 10MW project, and secured a further 5MW project in Deniyaya. We are currently in the process of securing relevant approvals and expect to sign off the project by November of the current fiscal year. The Medawachchiya 5MW ground mounted PV project cleared energy permits and we are expecting to sign SPPA soon. We are also optimistic of securing a 100MW ground mounted solar project in Batticaloa which is a PA issued project obtained through EOI process.

Medakumbura phase 1 MHP project generating 2MW, located in Kothmale area has reached the pre-development stage, and the initial Environmental Impact Assessment study is currently underway.

The company's noteworthy performance amidst challenging conditions underscores our adept management, resilient business practices and robust financial foundation

We are pleased at the business-conducive environment that currently prevails with a direct impact on our finance costs, which reduced considerably allowing for further plant development. Operational cost, however, increased due to cost of materials and increase in staff salaries, as we exercised great care to retain our well experienced and skilled staff members.

These projects are strategically located in areas with optimal sunlight exposure, ensuring maximum energy generation. By harnessing the abundant solar resources, we aim to contribute significantly to Sri Lanka's renewable energy targets and reduce dependency on fossil fuels. Beyond energy generation, these projects are designed with the community in mind. We are committed to creating local employment opportunities during the construction and operational phases. Moreover, the environmental benefits are substantial, with each project expected to offset approximately 53,000 tons of CO₂ emissions annually.

THE CHALLENGE

Skill shortages significantly impacted the business. We, however, were able to retain our key management personnel and experienced staff, with timely increases in their salaries and benefits, while recruiting new talent as we had embarked on an aggressive plan for expansion.

The drastic reduction in tariff was another significant challenge, resulting in a slowed down growth. This also impacted our EPC and channel partner business. To circumvent the situation, we promoted a bonded warehouse scheme for long term projects, that offers rebates on custom duty and value added tax.

A volatile regulatory landscape required us to lobby with our industry counterparts for a

favourable policy landscape. We experienced a curtailment in power plants and shut-downs during weekends and public holidays, as we supply the national grid. We worked with PUCSL to ensure that the curtailments are effected only on required basis and not as a blanket practice. We are currently in the process of invoicing for the curtailment.

Our hydro plants were severely challenged by extreme weather conditions, that required us to shut down the plant for ten or more days, to clear debris post the flash flooding. Nuwara Eliya and Padiyapellela plants were most affected by these climate phenomena.

Tariff reductions and investor concerns for new rooftop solar and renewable energy projects sparked concern among investors as revised rates from July 2024, lead to fears of financially unviable projects. This triggered apprehension that these changes could stall renewable energy projects, potentially costing the Ceylon Electricity Board significantly, annually.

Disparities in tariff rates between rooftop and ground-mounted solar projects created financial instability, while uncontracted curtailments by grid operators restricted electricity output without compensation, added to the uncertainties. We await the new Ceylon Electricity Board Act, which is to be enacted by June 2025.

COMMITMENT TO SUSTAINABILITY AND INNOVATION

Our dedication to sustainability and innovation is at the core of our mission to lead Sri Lanka's transition to a greener, more resilient energy future. In 2025, we have made significant strides in integrating cutting-edge technologies and sustainable practices across our operations. We have commenced construction on seven ground-mounted solar projects across strategic locations in Sri Lanka. These projects are designed to harness the country's abundant solar resources, contributing to the national goal of achieving 100% renewable energy generation by 2050. Each project is meticulously planned to ensure minimal environmental impact and maximum energy efficiency.

We have commenced construction on seven ground-mounted solar projects across strategic locations in Sri Lanka.

The Board oversight and the commitment of Board committees on Audit, Risk and ESG diligently supervised compliance ensuring that the Company worked within the regulatory framework including contractual obligations stemming from Power Purchase Agreements (PPAs). The Board is regularly updated on key regulatory changes and PPA status, while internal and external legal experts review the negotiation and sign off PPAs to ensure full alignment with energy laws, tariff regulations and licensing requirements.

Human Capital and People-centric Growth
Renewable power generation is an expert field, that required highly professional and upskilled team, whose expertise is the key, for sustainable growth of the business and all our stakeholders. As such, employee development, upskilling, leadership training and fostering an inclusive workplace continued to be key priorities in 2024. Through skill-building programs and industry collaborations, PAP continued to empower its workforce, ensuring innovation is encouraged and a future-ready team contributed to today's success.

We will focus on capacity expansion targeting 70,879 MWh of additional renewable energy generation, technological innovation through AI driven grid optimization and battery storage solutions, market diversification through regional energy partnerships, to deliver value to the national grid and partner Sri Lanka in its economic recovery process. We will work in cordial collaboration with the regulators for regulatory certainty to ensure Sri Lanka's renewable energy transition to be smooth and contribute significantly to the economic recovery process.

We are already in the process of introducing Battery Energy Storage System (BESS) which is the future solution to store power for intermittent release at peak time, at a higher rate. The manufacturers, Sungrow, is already in conversation with us and we have also conducted technical sessions for the industry, paving the way for BESS implementation in the near future.

With unwavering commitment to sustainable energy, technological advancement, prudent financial management and working within a strong governance and risk management

framework and capacity building to our human capital, we are poised for continued growth in 2025.

APPRECIATION

Reflecting on a resilient year, I express my appreciation to all who have contributed to this successful journey. Our employees, the heart of Panasian Power PLC, have shown incredible dedication and innovation, driving the business with dedication and zeal, under difficult situations.

I extend special thanks to our Chairman for his visionary leadership.

To our customers, partners, shareholders and investors, your trust and support have been pivotal in our strides toward sustainability and completion of ground breaking projects. Your commitment fuels our mission for a sustainable future.

Looking ahead, we stay committed to continuing with our leadership position in this sector, by vigorously pursuing sustainability in all our operations. With our united efforts and shared vision, we're set to achieve even greater milestones, driving sustainable growth for a better tomorrow.

Thank you for your continued trust and support. I congratulate you all, for the success in the year that was and look forward to brighter and greener, 2025/26 powered by Panasian Power PLC. Together, we are not just powering homes and businesses; we are powering a sustainable future for all.



P.K. Pathmanatha
Chief Executive Officer / Executive Director

04 June 2025

MANAGEMENT DISCUSSION AND ANALYSIS

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**Your Power,
Our Innovation**

VISION



MISSION



Inputs



Financial Capital

In the form of equity and debt which support the execution of business operations and expansions

▶ Total Equity **2.7Bn** ▶ Debt Capital **3.1Bn** ▶ Retained Profits **255Mn**

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Manufactured Capital

Effective and efficient use of assets throughout the value chain.

▶ Solar Plants **18** ▶ Hydropower Plants **3** ▶ CAPEX Investment **5.4Bn**

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Intellectual Capital

Availability and development of strong brand innovation capabilities, systems, processes, knowledge.

▶ License to operate ▶ Technological expertise
▶ Brand equity and stewardship ▶ Strategic partnerships
▶ Tacit Knowledge
▶ Certifications and accreditations

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Human Capital

A diverse team, loyal employees, commitment

▶ **107** diverse and skilled employees ▶ Health and safety initiatives
▶ **2.05** hours of training ▶ Skills and competency

Page 62



Social and Relationship Capital

Partnering with customers, suppliers, value chain partners and industry stakeholders' relationship with community.

▶ Corporate social responsibility ▶ Sustainable community development
▶ Affiliations with industry and other governing bodies

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Natural Capital

Access to and stewardship and use of scarce natural resources.

▶ Land occupied ▶ Electricity consumed
▶ Fuel consumed ▶ Water consumed

Page 86

Value creation Process



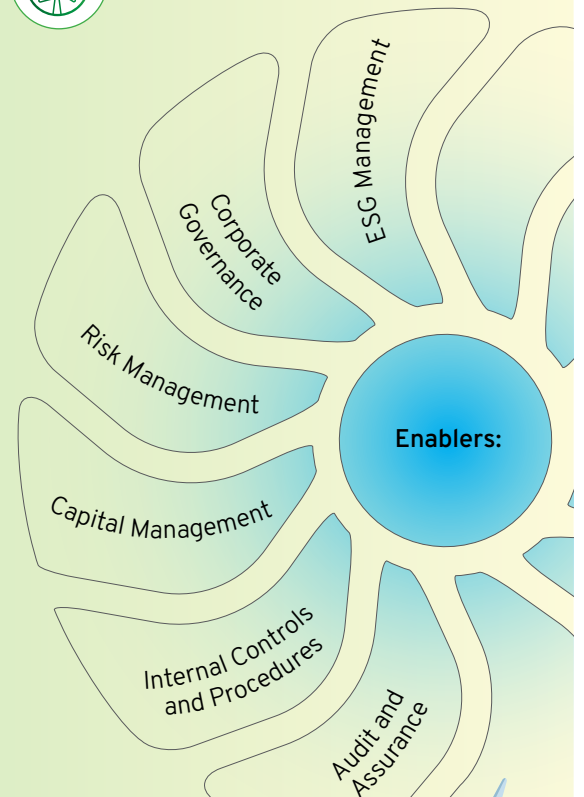
Build, own and operate renewable energy plants



Research and Development



Generate Renewable Energy



GOALS

OBJECTIVES

Output	Outcome	Contribution to UN SDGs
 <p>Financial Capital</p> <ul style="list-style-type: none"> ▶ Profit after tax 322Mn ▶ Return on Equity 13% ▶ EBITDA 767 Mn ▶ Net operating cashflow 1Bn ▶ Total Reserve 1.5 Bn 	<p>To Shareholders</p> <ul style="list-style-type: none"> ▶ Enhanced shareholder value ▶ Financial growth and stability ▶ Highest market price per share 	
 <p>Manufactured Capital</p> <ul style="list-style-type: none"> ▶ Production of electricity units in 58,364,310kWs ▶ Plant repair and maintenance 8.3Mn ▶ Incident of major breakdowns Zero 	<p>To Shareholders</p> <ul style="list-style-type: none"> ▶ Well maintained infrastructure ▶ Lowest machinery failures ▶ Highest return on assets 	
 <p>Intellectual Capital</p> <ul style="list-style-type: none"> ▶ Market Capitalization 4.3Bn ▶ No of awards 7 awards 	<p>To Shareholders</p> <ul style="list-style-type: none"> ▶ Efficiency in operations ▶ Innovative solutions ▶ Enhanced brand 	
 <p>Human Capital</p> <ul style="list-style-type: none"> ▶ Value distributed to employee 165Mn ▶ Investment in training and development 4.6Mn ▶ Training hrs per employee 2.05 hrs ▶ Employees hired from local community 57 Employees 	<p>To Employees</p> <ul style="list-style-type: none"> ▶ Greater career opportunities through training ▶ Flexible working conditions ▶ Improved retention rates ▶ Healthy and safe workplace ▶ An engaged and motivated workforce 	  
 <p>Social and Relationship Capital</p> <ul style="list-style-type: none"> ▶ Investment on CSR Activities 6.8Mn ▶ Value distributed to local suppliers 905Mn ▶ Taxes and levies paid 148Mn ▶ Employment created to local community 57 Employees 	<p>To the community and society</p> <ul style="list-style-type: none"> ▶ Improved stakeholder relationships supporting the communities ▶ Efficiency plant operations resulting in lower costs ▶ High visibility in the community 	 
 <p>Natural Capital</p> <ul style="list-style-type: none"> ▶ Clean energy 58,364,310 kWh ▶ Reduction in CO₂ emission 43,556MT ▶ Number of trees saved 3.3 Mn 	<p>To Nature</p> <ul style="list-style-type: none"> ▶ Minimizing resource depletion and protecting the environment ▶ Helping mitigate climate change ▶ Preservation of biodiversity 	    

Minimizing environmental and social impacts by integrating advanced technologies and practices to achieve optimal energy production is the foundation for sustainable power generation. In doing so, we ensure that the people, the planet and prosperity for all is captured and embodied in our overall operations.

As a leading supplier of clean, renewable energy and to achieve the objectives of sustainability, we leverage renewable energy sources such as solar and hydropower, combining cutting-edge systems for carbon capture and storage. Our mini hydro and solar photovoltaic installations helps in reducing emissions and improving resource utilization. By adopting these measures, we align our operations with global sustainability goals, ensuring reliable power delivery and long-term ecological balance and empower communities with renewable energy and contribute to a greener future


STRATEGY

Our sustainability strategy is based on identifying present and future potential socioeconomic and environmental impacts in our operations and implementing appropriate initiatives to mitigate risks and any adverse impacts. Insights are gained through stakeholder feedback, desk reviews, expert supervision and measuring against identified local and global requirements and thereby understanding the impacts we create.

The Board Audit and Risk Committee oversees the company’s sustainability and ESG framework and implementation of initiatives are under the purview of the

ESG Steering Committee (ESGSC). ESGSC is responsible for implementing the ESG policy and sustainability practices across PAP. The policy outlines the ESG and sustainability practices at PAP under the three key pillars :

Photovoltaic (PV)
Technology that converts sunlight directly into electricity



OUR ESG FRAMEWORK



Environmental	Social	Governance
<ul style="list-style-type: none"> ● GHG emissions reduction ● Water consumption management ● Waste minimization and disposal ● Environmental stewardship in projects ● Compliance with environmental regulations ● Conduct EIA / IEE whenever required ● Contribute to achieve Carbon net Zero 2050 ● Contribute to achieve Nationally Determined Contributions (NDCs) as per Paris Agreement ● Energy management ● Biodiversity and land use ● Clean energy and technologies ● Development and assessing climate related risk and opportunities (CRROs) 	<ul style="list-style-type: none"> ● Equal opportunity employer ● Equity, diversity and inclusion ● Talent strategy, training and development ● Health & wellbeing ● Freedom of association and collective bargaining occupational health and safety ● Community commitments and partnerships ● Raise living standards ● Equity, diversity & inclusion ● CSR Activities ● Contribute to achieve national renewable energy targets ● Product safety ● Public- Private Partnership (PPP) 	<ul style="list-style-type: none"> ● Policies and procedures ● Board level oversight ● Appropriate due diligence processes ● Responsible supply chain management ● Robust ESG reporting ● Transparency and risk management ● Business and tax strategy and governance ● New business and operating models

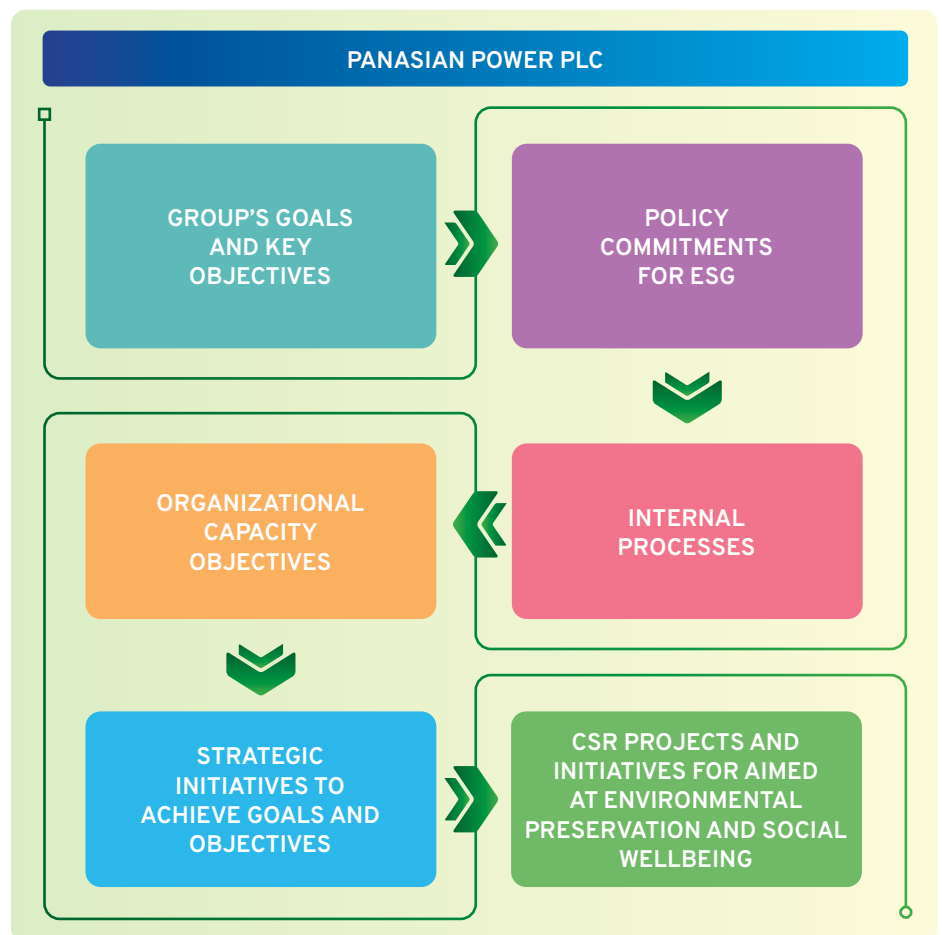
For a comprehensive description on our CSR initiatives, please refer to Social and Relationship Capital at page 72 and CSR initiatives from page 78 to page 80.

We then prioritise our inputs in two-ways.

- **Systemic Interventions** – reflecting the efforts integrated into the business model to ensure sustainability across all our operations.
- **CSR Interventions** – reflecting our voluntary inputs to uplift livelihoods, create value to the communities and efforts towards preserving the environment.

GOVERNANCE

Sustainability governance is entrenched within an overarching corporate governance framework, whereby environmental, social and governance practices and key performance indicators are built across our business model. Continuous monitoring is in force to ensure such practices are implemented at all levels of an operation, while adherence to UN SDGs acts as a catalyst in ensuring PAP's strict adherence to sustainability.



The policy on environmental, social and governance and sustainability stipulates our approach and actionable initiatives that are required to achieve the overall goals of our sustainability governance. The policy aims to integrate ESG principles into the corporate culture which translate to daily operations across our company.

The Board Audit and Risk Committee has the oversight to oversee the ESG framework and the ESG Steering committee is overall responsible for the implementation of the ESG policy across PAP.

The company is currently transitioning to adopt SLFRS S1 and SLFRS S2 sustainability reporting standards by the required timeline, with work underway to measure organizational carbon footprint calculation and verification, climate and to prepare for sustainability related disclosures on Sustainability Related Risks and Opportunities (SRROs) and Climate Related Risks and Opportunities (CRROs).

OUR COMMITMENT

Based on the triple-bottom-line (People, Planet and Prosperity) our commitment to

sustainability is the core of our decision-making and permeates through the corporate fabric of the company.

Hydroelectric Dam

A structure that stores water to create a potential energy difference, which is then released to turn turbines and generate electricity.



Description

Environmental Sustainability (Planet)

Environmental preservation, responsible usage of the limited natural resource and conservation of biodiversity, based on strategy and implemented through well executed initiatives, are foundational to our operations, both pre and post project phases. To this end, we strictly adhere to the international standards and local laws and regulations to ensure our projects are conducted within the required framework, laid down to power generation.

Key Environmental Initiatives include:

- Significant investments in solar and hydroelectric power expansion to reduce reliance on fossil fuel
- Resource efficiency by optimizing water usage in hydropower plants and improvements to solar panel efficiency to increase energy output
- Strict adherence to environmental impact assessments thereby ensuring biodiversity conservation and minimum disruption to ecosystems through project implementation
- Adoption of low-emission technologies to reduce the carbon footprint and aligning with carbon offset programmes to comply with global sustainability standards

Climate Action

A dedicated Environment and Social Compliance Officer reviews and monitors PAP's compliance status with all applicable regulatory requirements

- Monitoring and continuous improvement of ISO 14001 Environmental Management System
- Monitoring of water quality and noise levels from construction and throughout operational period
- Implementing soil conservation practices to mitigate soil erosion.
- Minimising anthropogenic disturbances, raising awareness among employees, employees' children, surrounding neighbours about how renewable energy mitigates climate impact
- Adhering to responsible waste disposal practices for the disposal of generated waste from construction throughout the operational period

Reference Point in the Report



Natural Capital

Description

Reference Point in the Report

Social Impact (People)

Similarly, we are cognizant of the direct and indirect impacts our operations create to the human capital and the wider community. We invest in CSR activities in an effort to uplift livelihoods and maintain a safe and healthy environment for the impacted populace. PAP's Stakeholder Engagement framework fosters transparency and inclusivity, addressing any concerns from among the stakeholder universe, with regards to energy generation projects and their impact on the environment.

Key Social Impact Initiatives include:

- Investments in CSR activities in education, healthcare and infrastructure, enhancing the quality of life for the communities that surround us, while creating awareness of the many positive attributes of using renewable energy.



Social and Relationship Capital

Human Capital Impact (People)

Human Capital - Renewable energy projects create skilled and unskilled opportunities for employment, supporting economic growth in the areas of project implementation.

Training and development initiatives at PAP contributes to mobilise a future-ready workforce, with expertise in the renewable energy generation sector, which is a key priority for the Government of Sri Lanka, as the country aims to convert to 100% renewable energy by 2050, with a short term goal of generating 70% of the country's electricity requirement through renewable energy by 2030. With our deep ingrained expertise and experience in the field, underpinned by international expertise, PAP is a lucrative option for the country's human capital advancement in a specialized areas of sustainable power generation.

Diversity and inclusion, training and development, sensitivity to team mobility, implementing an attractive value proposition combine to ensure that we create sustainable value to our human capital.



Human Capital

Economic Sustainability (Prosperity)

As Sri Lanka transitions to clean energy, we adopted several initiatives to ensure profitable and long term financial resilience, based on efficient operations, strategic investments and financial discipline.

- To function as an ongoing-concern that is an imperative for sustainability in all areas of our organizational operations, we implemented key initiatives that included:
- Cost-efficient growth (scalability) of energy production
- Focus on technological innovation, digitization and cost-effective infrastructure upgrades for plant longevity
- Employed advanced monitoring systems and predictive maintenance technologies
- Prudent investments and robust risk management
- As a leader in the renewable energy generation sector, we aim at profit-driven sustainability, that enables us to function effectively in all areas of our operation.



Financial Capital

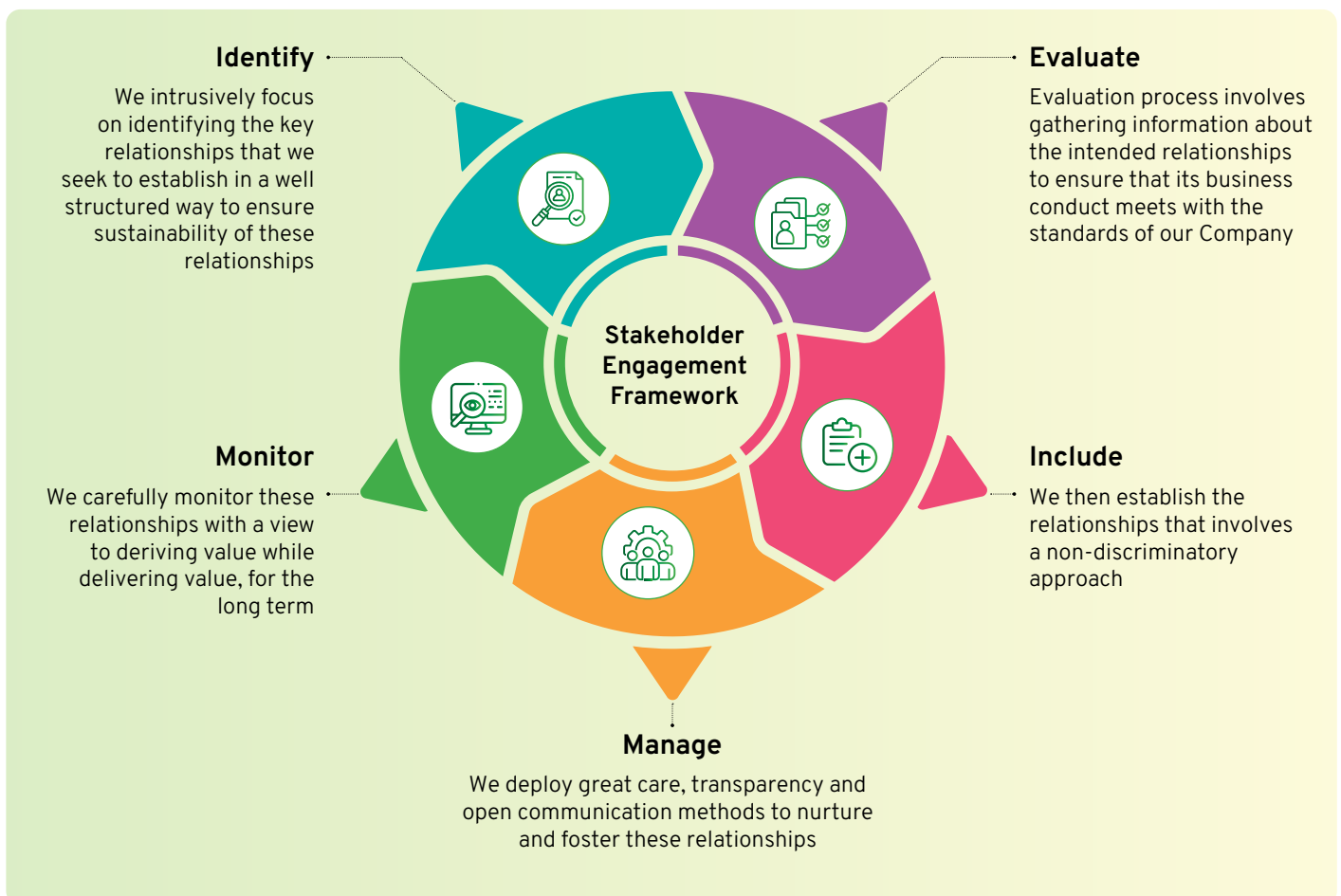
Description	Reference Point in the Report
<p>Governance and Risk Management</p> <ul style="list-style-type: none"> ● A robust corporate governance framework ensures relevant and required policy and procedural implementation while the Chairman, the Board of Directors, the CEO and the corporate management team work cohesively to ensure going concern with due diligence and responsibility well delivered to the stakeholders. ● An established communication channel is in place for clear communication and a grievance handling procedure underpinned by open-door policy encourages employee concern escalation while promoting harmonious dialogues. ● Implementing appropriate due diligence processes, we responsibly managed our supply chain, complied with regulatory reporting and transparent disclosures and ensured our tax governance was ethical and accurate. 	<p>Risk Management Framework and Corporate Governance</p>

We remain steadfast in our commitment and efforts at driving sustainable energy solutions, that are intertwined with environmental responsibility, economic growth and societal well-being. We adopt and adhere to global sustainability standards, apply the core principles of UN SDGs and strictly abide by local laws and regulations in implementing the many renewable energy projects that are dotted across Sri Lanka. We are proud to record that in 2025, we will be delivering seven completed projects, supporting the Government’s efforts at enhancing the scope and bandwidth of renewable energy, contributing significantly to the economic recovery of the country, while powering a sustainable future.

Stakeholder Engagement is a pivotal aspect of our company's strategic planning and extends beyond planning, ensuring open communication and adaptation throughout the lifecycle of a stakeholder relationship. It is hinged upon identifying, categorizing and understanding the many needs of our stakeholders. To this end, we conduct a stakeholder mapping exercise and tailor our interaction strategies to suit the needs of each suite of stakeholders.

OUR APPROACH





Transparency and mutual value addition is the way in which we approach this aspect of our business, valuing long-standing relationships and proactively seeking to build new relationships that can be fostered to derive mutual value. We have therefore identified several key stakeholders that are mapped in the matrix below, as their input and engagement has a direct impact on the bottom-line of the Company.






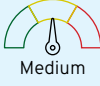




OUR STAKEHOLDER UNIVERSE

We have identified six segments of stakeholders, that influence our business and are influenced by the operations of the company.



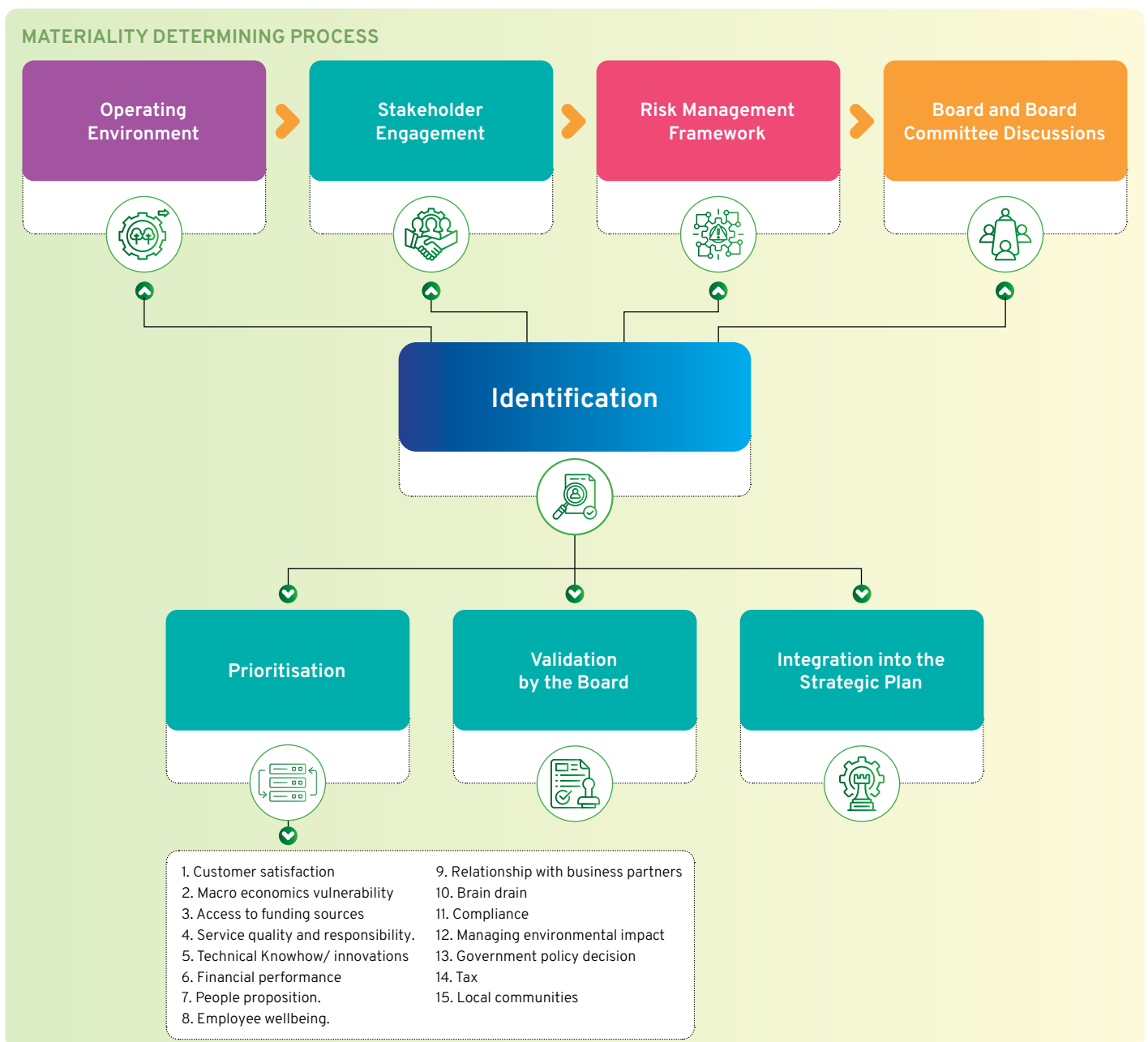
Stakeholder Category	Key Concerns	Mechanism of Engagement	Engagement Strategy	Frequency	Priority	Our Commitment	Value Delivered	Impacted Capital
 Shareholders and Investors 161 Institutional shareholders and 5,869 Retail shareholders	<ul style="list-style-type: none"> Profitability Business growth Brand value and brand reputation Sustainable business practices Dividend consistency Market price/capitalization Good corporate governance Ethical business practices 	<ul style="list-style-type: none"> Interim financial reports Annual report Company website Corporate disclosures Online platforms Press releases and/or press conference Announcements to Colombo Stock Exchange 	Manage closely	Quarterly Annually ongoing Quarterly Ongoing as and when necessary	 High	Ensuring business continuity through effective planning and timely decision making Address near term risks through sound working capital management. Exploring opportunities	<ul style="list-style-type: none"> Securing 35 MWs, Ground Mounted Solar projects. Growth in revenue 223% growth in group net profit 	Financial capital Social and relationship capital
 Customers Individuals, SMEs and corporates in Sri Lanka	<ul style="list-style-type: none"> Selling price Timeliness of supply Credit facilities. Correct volumes Quality and performance After sales service 	<ul style="list-style-type: none"> Customer interaction at contact points Social media interaction Engagement through marketing team 	To provide customer satisfaction	Continuously	 High	Proactive engagement to provide assurance to customers on continued ability to service their needs Passing on benefits of cost efficiencies to customers through competitive pricing Embedding sustainable practices into processes and decision making	<ul style="list-style-type: none"> Deliver uninterrupted electricity generation Timely attendance for customer inquiries and service requirements. 	Manufactured capital Social and relationship capital

Stakeholder Category	Key Concerns	Mechanism of Engagement	Engagement Strategy	Frequency	Priority	Our Commitment	Value Delivered	Impacted Capital
 <p>Employees 107 Employees</p>	<ul style="list-style-type: none"> Market compatible remuneration and benefits packages. Continuity of employment Career development and progression Skills development opportunities Occupational health and safety 	<ul style="list-style-type: none"> Regular multi level staff meeting Performance appraisals Work life balance Open door policy Grievances handling 	Manage closely	Continuous and as required	 <p>High</p>	<ul style="list-style-type: none"> Ensure financial security through market adjustments of salaries and special relief allowance. Increase focus on career development activities. Continuous improvement of health and safety 	<ul style="list-style-type: none"> Ensured financial security through annual salary increments. Year-round engagement activities Increased focus on leadership development Took measures to ensure better work-life balance through introducing family friendly work policies 	Human Capital Social and Relationship Capital
 <p>Government and Regulatory Bodies</p>	<ul style="list-style-type: none"> Regulatory compliances Employment generation Payment of taxes, duties levies and fees due to the Government/regulatory bodies Ethical business practices 	<ul style="list-style-type: none"> Ongoing dialogue with policymakers, regulatory authorities and experts Collaboration and participation in technical, industry, sustainability and national events Submission of reports, returns and other financial and non-financial information Compliance reviews corporate governance systems that adhere to laws, regulations and best practice 	Statutory and regulatory compliance	Weekly, Monthly, Quarterly, Annually, as and when necessary continuous	 <p>High</p>	<ul style="list-style-type: none"> Full and timely payment of tax obligations Maintaining close and transparent relationships with all relevant regulators compliance to all relevant laws and regulations Employment generation and community development 	<ul style="list-style-type: none"> On time tax payments of LKR 148Mn Complied to all relevant laws and regulations during the year Strengthened the group's bribery and anti-corruption procedure 	Social and Relationship Capital Financial Capital
 <p>The Communities Relationships with communities in localities in which we operate</p>	<ul style="list-style-type: none"> Indirect economic benefits through employment generation and CSR Activities Preservation of the environment Safety, health and welfare 	<ul style="list-style-type: none"> Press releases and other publications Local events and sponsorships CSR Activities 	Keep informed	According to plan and step in where necessary.	 <p>Medium</p>	<ul style="list-style-type: none"> Ongoing investments in strategic CSR initiatives Actively recruiting from local communities Monitoring and measuring environmental KPIs to minimize adverse impacts 	<ul style="list-style-type: none"> Invested LKR 6.8Mn in strategic CSR initiatives across our operations 	Social and Relationship Capital
 <p>Suppliers and Business Partners Extensive network of suppliers and business partners across industries and geographies</p>	<ul style="list-style-type: none"> Continuing mutually beneficial relationships Competitive pricing Fair credit terms Ethical business practices Reliability of suppliers 	<ul style="list-style-type: none"> Periodic supplier reviews and assessments Supplier conventions 	Manage closely	According to plan, ad-hoc visits, addressing immediate requirements	 <p>High</p>	<ul style="list-style-type: none"> Provided assurance on continuity of demand Timely payment of all dues to ensure continuity of supplier operations ongoing Investments in supplier development and capacity building 	<ul style="list-style-type: none"> Timely payment of all dues Participated for factory visits and product awareness programme. 	Social and Relationship Capital

Commitment to transparency and integrity drives our approach to materiality, that ensures accurate disclosures and ethical consideration of how we influence and are influenced by the stakeholders.

OUR APPROACH

We identify and analyse the key issues that influence our business operations and the stakeholders, evaluating the macroeconomic landscape, the regulatory requirements and expectations and the concerns that generates from PAP's strategic priorities. Therefore, we approach determining materiality in a structured and systematic manner, involving rigorous assessment, meticulous analysis and effective ranking of the issues identified. This approach ensures that our sustainability initiatives effectively address significant challenges while driving positive transformation in the renewable energy sector.








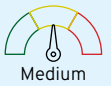













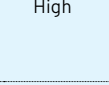
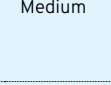

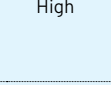
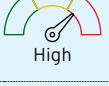
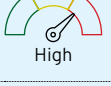








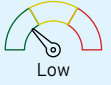


KEY MATERIAL TOPICS

Double materiality

The group adopts a double materiality lens to determining its material topics, considering the impact on the organization as well as on economic, social and environmental impacts. The materiality filters have been revised accordingly.

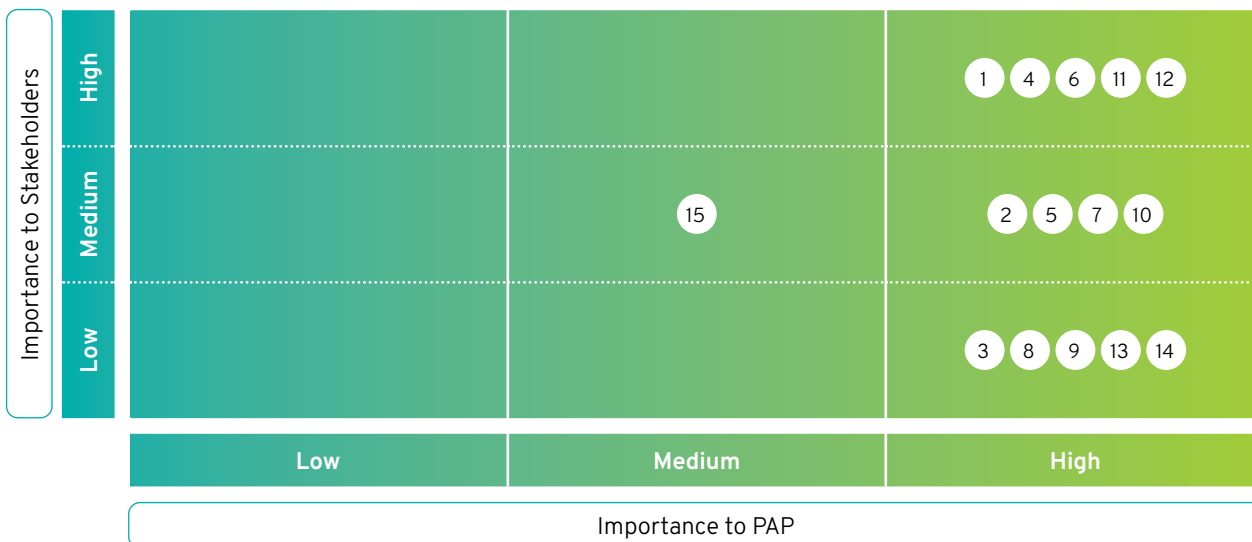
Improvements to the materiality process

With the adoption of IFRS sustainability reporting standards, the group's materiality assessment tool was further refined by adding material topics of relevant SASB standards.

No	Material Topic	Why we consider this material	Importance to PAP	Importance to Stakeholders	Reporting Boundary	Impacted UN SDG	Reference Point in the Report	Impacted GRI	Materiality Compared to 2023/2024
1	Profitability	Profitability is seen as the foundational enabling criteria to create value for our stakeholders	 High	 High	The group's operations in Sri Lanka		Financial Capital - Page 48		 High
2	Macro-economic vulnerability	We critically focus on efficiently managing macroeconomic variable like interest rate, exchange rate, changes in rules and regulations.	 High	 Medium	The group's operations in Sri Lanka		Operating Environment - Page 43		 High
3	Access to funding sources	We maintain healthy relationship with Bank and Financial institutions	 High	 Low	New projects in the pipeline		Financial Capital - Page 48		 High
4	Service quality and responsibility	We prioritize maintaining our quality, as our customers rely on the performance and quality of our product and service	 High	 High	The services rendered by the group		Social and Relationship Capital - Page 72	GRI 417	 High
5	Technical Knowhow/ Innovations	Our Focus is consistently directed and embracing the latest innovations and developments in technology. Through this we stay ahead of the competition and provide better value to our stakeholders	 High	 Medium	Relates to the group's product and process innovations		All Capitals		 High
6	Financial Performance	By achieving positive and sustainable business growth, we can conclusively identify PAP's operational success.	 High	 High	The group's operations in Sri Lanka		Financial Capital - Page 48		 High
7	People proposition	According to our long-term vision and corporate strategy, we take all measures to retain our best talent and reduce staff turnover.	 High	 Medium	All the employees across its project location		Human Capital - Page 62	GRI 401, 402, 404	 High
8	Employee wellbeing	We focused on maintaining their benefits to keep them engaged and motivated. We provide 100% job security to the employees.	 High	 Low	The group's Employees	 	Human Capital - Page 62	GRI 403	 High
9	Relationship with business partners	We place high importance on maintaining and nurturing mutually beneficial relationships.	 High	 Low	Local and Foreign principals across our key business segment		Social and Relationship Capital and Human Capital - Pages 62 and 72		 High

DETERMINING MATERIAL MATTERS

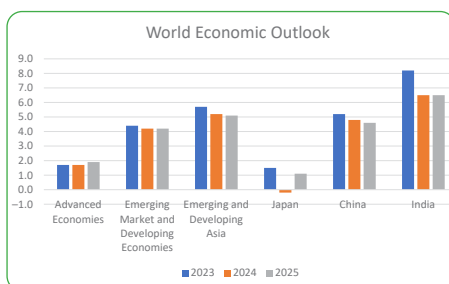
No	Material Topic	Why we consider this material	Importance to PAP	Importance to Stakeholders	Reporting Boundary	Impacted UN SDG	Reference Point in the Report	Impacted GRI	Materiality Compared to 2023/2024
10	Brain drain	The emigration of skilled workers and professionals to other countries or sectors—is important to our company because it can have serious consequences for operations and long-term success	High	Medium	The Group's operations in Sri Lanka		Human Capital – Page 62		High
11	Compliance	We comply with laws, regulations and standards which are applicable to our business to safeguard our continuity and license to operate.	High	High	The group's operations in Sri Lanka		Corporate Governance and Human Capital – Pages 108 and 62		High
12	Managing environmental impact	We closely monitor our impact on society and the environment to positively contribute toward the protection of the environment and to uplift the lives of community.	High	High	Direct environmental impact	 	Natural Capital – Page 86	GRI 301, GRI 302, GRI 303, GRI 304, GRI 305, GRI 306	High
13	Government policy decisions	Renewable energy sector is a highly regulated industry. Therefore, policy decision of government and regulatory bodies can directly impact on company performance	High	Low	The group's operations in Sri Lanka		Corporate Governance – Page 108		High
14	Tax	We ensure all tax obligations are paid off on time	High	Low	All business segments		Financial Capital – Page 48	GRI 219	High
15	Local communities	PAP has identified and taken steps to contribute towards improving the lives of the communities.	Medium	Medium	All communities in operating areas		Social and Relationship Capital – Page 72	GRI 413	Medium



GLOBAL ECONOMY - RESILIENCE IN THE FACE OF CHALLENGE

Originating with the COVID 19 pandemic, the global economy was buffeted by unprecedented headwinds for the past several years. Exacerbated by geopolitical tension, extreme and adverse climate change events and trade-wars looming in the global economic horizons impeded economic growth and exponential increase in inflation. According to World Economic Forum statistics, global collaboration is 91% affected by geopolitical tensions 83% by domestic political tensions.

Despite the challenges however, the global economy held steady and resilient, projecting a 3.2% growth for 2024 and 3.3% for 2025. Headline inflation is projected to decline to 4.2% in 2025, after four years of continued elevated inflation. This is attributable to the Central Banks across the global economic landscape tightening monetary control while a slower pace of ease was seen in supply chain disruptions. A cautious optimism is in place for the global economy with inflation in OECD countries expected to ease from 5.4% in 2024 to 3.8% in 2025.



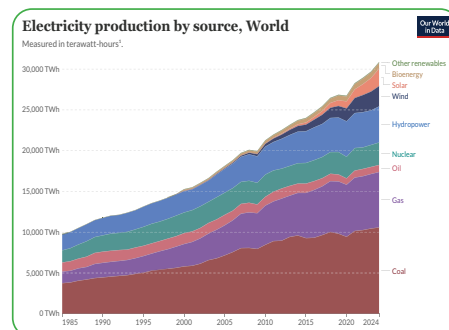
(Source: World Economic Outlook - IMF January 2025)

GLOBAL RENEWABLE ENERGY SECTOR IN 2024

Increases in renewable energy consumption in power, heat and transport are expected to increase by 60% through 2024-2030, with electricity generation from renewable energy sources accounting for more than 75% of the overall rise. This is mostly attributable to the renewable energy policy support in more than 130 countries, declining costs and the expanding use of electricity for road transport and heat pumps.

Renewable fuels, including liquid, gaseous and solid bioenergy as well as hydrogen and e-fuels, account for nearly 15% of the forecast growth in renewable energy demand. These fuels expand the quickest in areas not amenable to electrification (e.g. the aviation and marine sectors) and offer energy access in rural areas and in industries with readily available biomass (e.g. sugar and ethanol and pulp and paper). Other renewable energy, such as solar thermal and geothermal, accounts for the remaining 10% of growth.

GLOBAL RENEWABLE ENERGY DEMAND GROWTH BY SECTOR 2023-2030



(Source: Ember (2025); Energy Institute - Statistical Review of World Energy (2024))

Renewable energy share in the electrical sector is forecasted to grow up to 46% by 2030, with solar and wind making up almost all the growth. The spillover effect will be decarbonizing other sectors in which power is used for industrial processes, heating and charging electric vehicles. This will also be used to produce renewable hydrogen destined for use in materials, chemicals and for power production that accounts for nearly 75% of renewable hydrogen demand in 2030.

Global Climate Change Initiatives

These initiatives focus on reducing greenhouse gas emissions, promoting sustainable development and increasing resilience to the effects of climate change. Here are some key global initiatives:

- The Paris Agreement (2015)
 - ◆ Limit global warming to well below 2°C above pre-industrial levels, ideally 1.5°C.
- United Nations Framework Convention on Climate Change (UNFCCC)
 - ◆ Provide a platform for international climate negotiations, including the Kyoto Protocol and Paris Agreement
- Intergovernmental Panel on Climate Change (IPCC)
 - ◆ Provides scientific assessments on climate change, its impacts and potential adaptation/mitigation strategies.
- Net Zero Pledges
 - ◆ Many have pledged to reach net-zero emissions by mid-century (e.g., EU by 2050, China by 2060, India by 2070).
- Green Climate Fund (GCF)
 - ◆ Help developing countries finance climate adaptation and mitigation projects.

- RE100 and Corporate Initiatives
 - ◆ A global initiative of companies committed to 100% renewable electricity.
- Climate Adaptation and Resilience Programs
 - ◆ Building infrastructure and community capacity to withstand climate impacts like sea-level rise, extreme weather and droughts.
- Carbon Markets & Pricing
 - ◆ Emissions Trading Systems like the EU ETS and Imposing taxes on carbon emissions to incentivize reduction.

Trends in Global renewable energy sector

- The global renewable energy market is projected to reach \$2.5 trillion by 2033, growing at a compound annual growth rate (CAGR) of 8.5% from \$1.1 trillion in 2023
- There's a shift towards decentralized energy systems, including microgrids, rooftop solar and community solar projects, empowering local communities and enhancing energy resilience.
- Hybrid microgrids combining solar, wind, hydro and storage solutions are becoming more prevalent, offering stable and independent energy sources.
- Battery storage technologies, such as lithium-ion and emerging solid-state batteries, are improving grid stability and enabling better integration of intermittent renewable sources.
- Smart grids and virtual power plants are utilizing AI and data analytics to optimize energy distribution and consumption.
- The adoption of electric vehicles (EVs) is accelerating, supported by advancements in battery technology and the expansion of charging infrastructure.

- Green hydrogen, produced using renewable energy, is emerging as a key solution for decarbonizing hard-to-abate sectors like steel and cement.
- Marine energy technologies, including tidal and wave energy, are being piloted in regions like the Faroe Islands, demonstrating their potential for sustainable power generation
- Geothermal energy is expanding, with enhanced geothermal systems unlocking new reservoirs and making it a viable option in previously unsuitable regions.

SRI LANKAN ECONOMY – ON A GROWTH TRAJECTORY

Commencing from the last quarter of 2023, five quarters of growth were recorded by the end of 2024, following critical structural and policy reforms, which hinges on a fragile thread of sustained structural reforms after a successful debt restructuring. Overall, 2024 saw an economic growth of 5% with disinflation dominating through the year. A similar growth is projected in 2025 with the exponential increase in tourist arrivals, persistence in food and beverage production and the sluggish but sure recovery in the construction sector.

In the second quarter of 2024, sector specific growth rates were encouraging. Industry by 10.9%, agriculture by 1.7% and the service sector by 2.5% recorded growth while the Central Bank of Sri Lanka projected an annual GDP growth of 5% for 2024 and 2025.

Colombo Consumer Price Index (CCPI) recorded four consecutive months of disinflation, although the commencement

of the year experienced elevated inflation in 2024. Currency appreciation, lower utility and transport prices, improved supply conditions and subdued demand are attributable to the disinflation. In 2025, inflation is projected to stay at 5%. *(Please refer to rates on Page 45)*

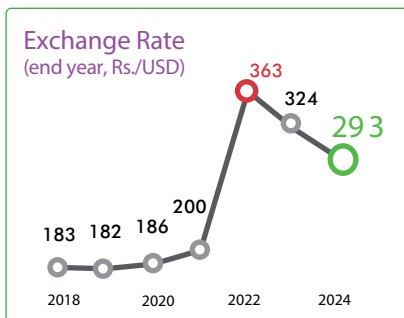
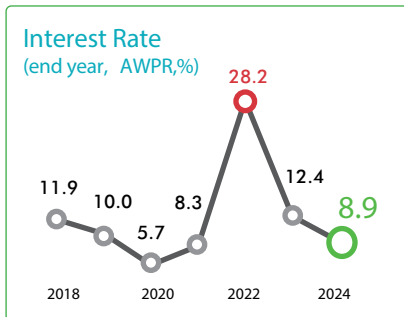
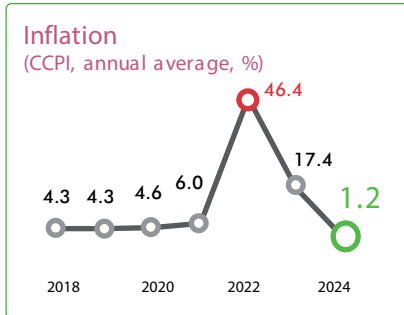
RENEWABLE ENERGY SECTOR IN SRI LANKA

Sri Lanka is dedicated to harnessing its renewable energy sources, leveraging on its perennial solar exposure and abundant water resource. Growing demand for energy, commitment to combating climate change and its innovative approach towards technological advancement are key components that hold significant future prospects for renewable energy in Sri Lanka, in four key areas.

Generation License

A generation license is an official authorization or permit that allows an individual or organization to generate electricity for commercial purposes.





At the height of crisis vs **2024**



Inflation (CCPI, y-o-y, %)
69.8 Sep 2022 **-1.7** end year



GDP Growth (y-o-y, %)
-7.3 2022 **5.0**



Per Capita GDP (USD)
3,464 2022 **4,516**



Interest Rate (AWPR, %)
29.7 Week 4, Nov 2022 **8.9** end year



Private Sector Credit Growth (y-o-y, %)
-9.7 May 2023 **10.7** end year

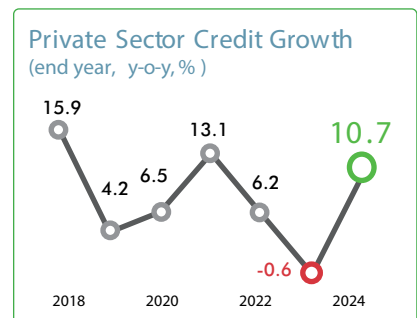
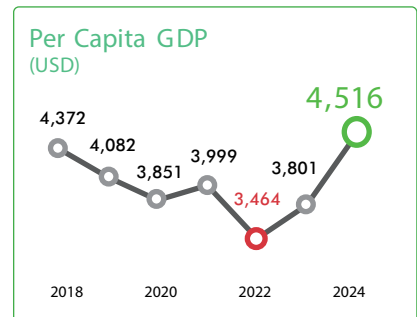
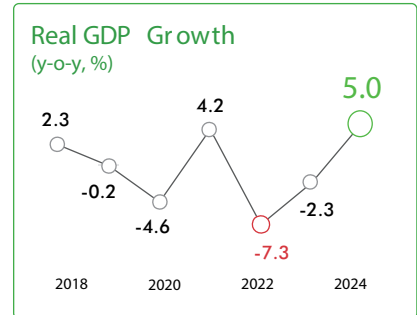


Exchange Rate (Rs./USD)
365 Week 2, May 2022 **293** end year



Gross Official Reserves (with PBOC swap, USD bn)
1.7 Aug 2022 **6.1** end year

(Source: Macroeconomic Developments, Central Bank Of Sri Lanka, 2024)



Hydropower



Hydropower is the backbone of Sri Lanka's renewable energy sector. Accounting for a significant portion of the country's electricity supply, major hydropower projects like the Mahaweli Development Scheme have been pivotal in meeting energy demands.

Solar Energy



Blessed with ample sunlight throughout the year, Sri Lanka has embraced solar power through initiatives such as the "Soorya Bala Sangramaya" (Battle for Solar Energy) program. This scheme encourages households and businesses to install solar panels, enhancing distributed generation capacity.

Wind Power



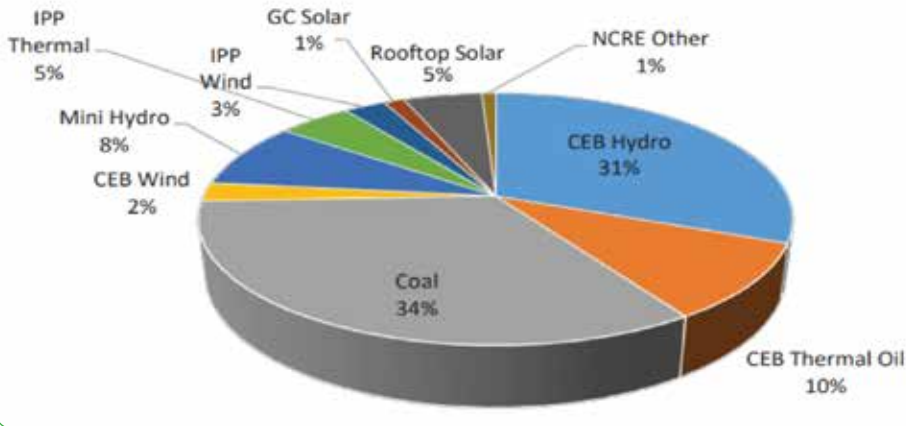
Sri Lanka's coastal and highland regions offer immense potential for wind energy. Projects such as the Mannar Wind Farm demonstrate the country's commitment to utilizing this resource, with production capacities exceeding 100 MW.

Biomass Energy



The use of agricultural by-products, such as paddy husks and coconut shells, plays a role in the rural energy mix, contributing to sustainable and decentralized energy solutions.

**Figure 1.1
Electricity Net Generation in 2024**



(Source: CEB)

Local Climate Change Initiatives

- Sri Lanka aims to generate 70% of its electricity from renewable sources by 2030. To support this goal, the government has enacted legislation to revamp the power sector, attract renewable energy investments and improve the profitability of the state-run Ceylon Electricity Board (CEB)
- Sri Lanka is developing its first energy storage facility, the Maha Oya Pumped Storage Power Station, which will store excess renewable energy from solar and wind sources. This project is part of the country's strategy to enhance grid stability and support the transition to renewable energy.
- In collaboration with the World Food Programme, Sri Lanka is implementing the 'Adaptation for Resilience' (ADAPT4R) project. This five-year initiative aims to improve food security and strengthen the livelihoods of farming communities facing climate-induced challenges in Sri Lanka's dry zone.
- The International Organization for Migration is working on enhancing community engagement in climate change adaptation through climate health risk education. The project aims to improve knowledge and behavior, fostering resilience to climate-induced health impacts and alleviating the burden on the health system.
- Seacology, in partnership with local NGOs, has launched a \$3.4 million initiative to protect and restore Sri Lanka's mangrove forests. The project includes training programs for coastal women and the establishment of nursery facilities for mangrove replanting, contributing to both environmental conservation and community development.

The Sri Lankan government has implemented several policies to bolster the renewable energy sector, with the aim of achieving 70% renewable energy generation by 2030. Key strategies include:

National Energy Policy and Strategies of Sri Lanka:

This policy outlines long-term goals for energy security, efficiency and environmental sustainability

Incentives for Renewable Energy Development:

Financial incentives, tax reductions and feed-in tariffs encourage private investment in renewable energy projects.

Public-Private Partnerships (PPPs):

Collaborations between the government and private entities have accelerated renewable energy deployment.

Energy Storage and Grid Stability

The Sri Lanka Sustainable Energy Authority is exploring smart batteries, thermal energy storage and hydrogen fuel cells to enhance grid stability and integrate renewable energy sources.

Policy Reforms and Institutional Changes-

Sri Lanka Electricity Act 2024: Enacted in June 2024, this legislation introduces reforms to the electricity industry, aiming to improve efficiency, attract investment and promote renewable energy sources.

The country also faces several challenges that impede its progress in generating the required level of renewable energy.

Grid Integration:

The intermittent nature of solar and wind energy poses issues for grid stability and reliability. Financing and Investment: High initial costs deter widespread adoption of renewable technologies, particularly in rural areas.

Regulatory Framework: Streamlined and transparent regulatory processes are needed to attract foreign and domestic investors.

Environmental Concerns: Large-scale projects sometimes face resistance due to potential impacts on local ecosystems and communities.

Despite the challenges, Sri Lanka's renewable energy sector holds great promise, in many ways. Emerging opportunities present a viable investment, in the long term to sustain a going concern and a sustainable economy. These include:

Energy Storage Technologies: Adoption of battery storage systems can mitigate the intermittency of renewables and enhance grid reliability.

Offshore Wind Energy: Expanding into offshore wind farms can unlock additional wind energy potential.

Research and Development: Investments in R&D can lead to innovative solutions tailored to Sri Lanka's unique energy landscape.

Regional Cooperation: Collaborations with neighboring countries can facilitate knowledge sharing and enhance energy security.

Sri Lanka's commitment towards balancing economic growth with environmental sustainability is commendable. The country is well positioned to achieve its ambitious renewable energy targets, leveraging on present opportunities and overcoming the challenges, particularly, economic recovery. As the country is focused on securing a greener future, investing in the renewable energy sector is viewed as a sustainable venture, producing mutual benefits.

Future outlook



Sri Lanka's renewable energy sector is poised for significant growth, driven by strategic reforms, international partnerships and technological advancements. However, addressing regulatory uncertainties and enhancing grid infrastructure will be crucial to achieving the nation's renewable energy goals and ensuring a sustainable energy future.

GIP

The **Grid Interconnection Point (GIP)** refers to the **specific physical location** where a power generation system (such as a solar farm, wind plant, or other renewable energy facility) connects to the **utility grid**



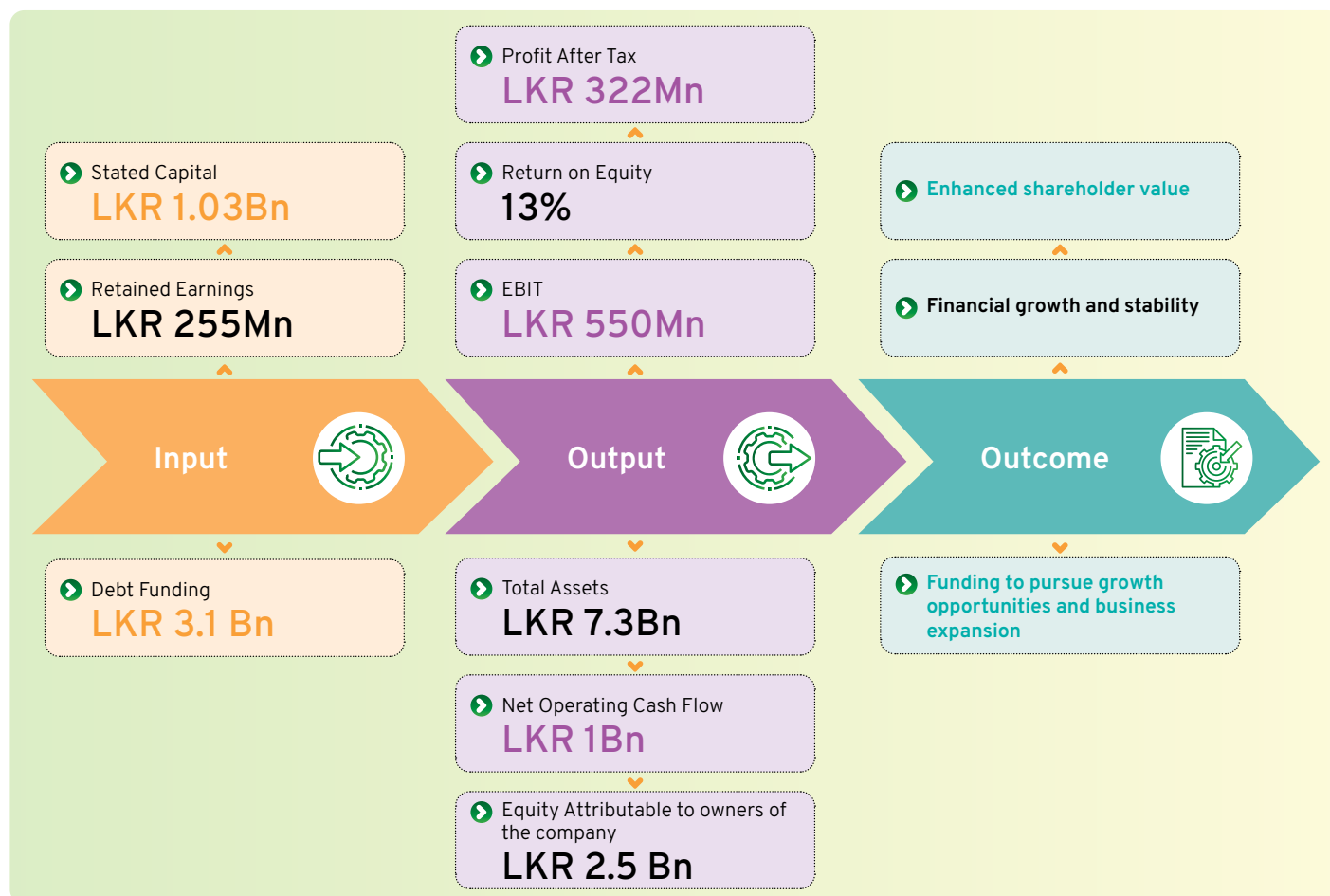


Revenue LKR. 1.5Bn	Operating profit LKR. 550Mn	Profit after tax LKR. 322Mn
---------------------------------	------------------------------------------	------------------------------------------

Net assets value
LKR.
2.5Bn

Earnings per share
LKR.
0.47

The group's financial capital comprises the pool of funds available to the group, which enables new investments and allows the substance of the day to day operations. It includes equity funding, debt and retained earnings.



YEAR AT GLANCE

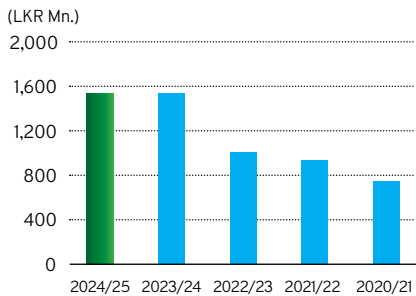
Financial Performance	2025 LKR	2024 LKR	Change %
Revenue	1,542,727,800	1,490,346,698	4
Gross Profit	806,611,404	768,933,557	5
EBIT	549,848,305	560,694,604	(2)
Net Profit	322,285,349	99,659,744	223

Financial Position	2025 LKR	2024 LKR	Change %
Total Assets	7,334,826,401	5,458,471,056	34
Total Liabilities	4,643,916,543	3,027,693,410	53
Shareholders' Fund	2,522,752,364	2,237,719,734	13
Non-Controlling Interest	168,157,494	193,057,912	(13)
Total Equity	2,690,909,858	2,430,777,646	11
Net Current Assets	189,172,603	134,075,479	41

REVENUE

PAP group recorded revenue of LKR 1.54Bn during the year under review against LKR 1.49Bn in 2024 despite the challenging operating context. The main contributor to the topline was hydro which counted 40% of the group revenue. LKR 1.5Bn turnover comprised of LKR 160 Mn of CEB delay interest income.

Revenue Trends



HYDRO SECTOR

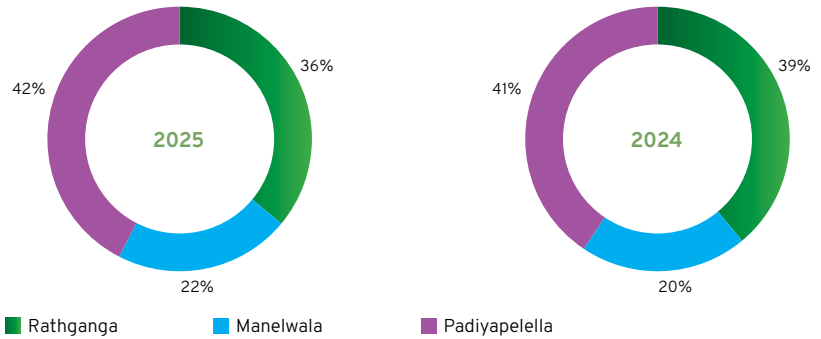
During this financial year, the PAP group generated 39 MWs of hydropower to National Grid. This is a 8% improvement when compared with previous year. However, due to reduction of three tier tariff applicable to the one project, the group revenue from hydro power has reduced by 1%. The plant located at Padiyapelella has contributed 53% to the sector total turnover of LKR 498 Mn. Meanwhile the plant located at Rathganga has contributed 36% of generation but only 21% of the sector revenue due to lower plant factor based tariff.

Feed-in-Tariff

A feed-in-tariff (FiT) is a policy mechanism used to promote the adoption of renewable energy by guaranteeing fixed payments to individuals or companies that generate electricity from renewable sources (like solar, wind, or biomass) and feed it into the power grid.



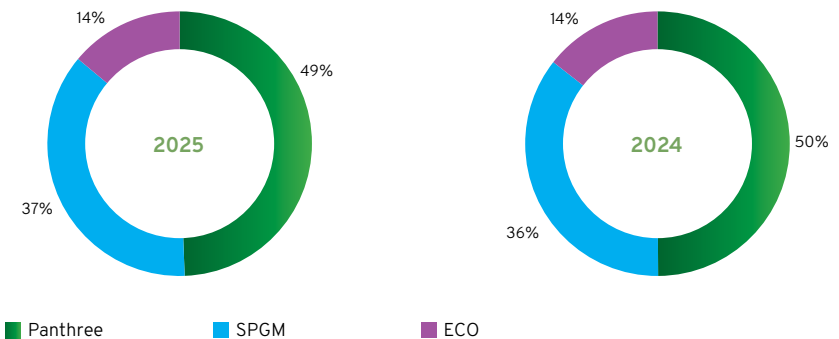
Hydropower Generation



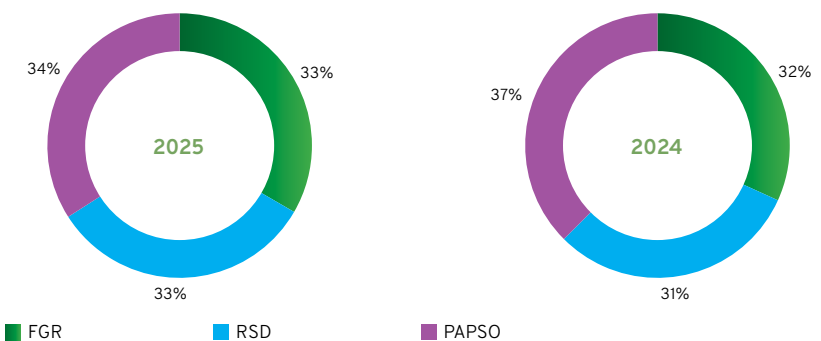
SOLAR SECTOR

The solar power sector contributed 26% to the topline. However, due to weather conditions, heavy flood and continuous rain badly affected the sector performance in 2025. During the year under review, solar power recorded LKR 357Mn, which is a minor contraction of 5% over preceding year.

Ground Mounted Solar Generation



Rooftop Solar Generation



EPC SECTOR

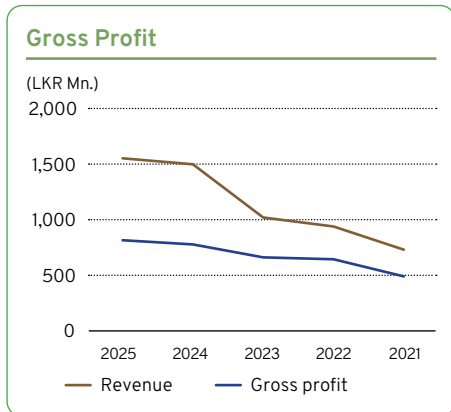
Frequent changes in energy policies of the Government created an unpredictable environment for EPC customers. For instance, the abrupt reduction of solar feed-in tariffs from LKR 42 to LKR 27 per kWh, coupled with retroactive tariff adjustments, undermined investor confidence. Hence, company performance of EPC segment contribution were lower to the topline.

PROFITABILITY

As result of LKR 160 Mn CEB delay interest charges and reduction of group cost of finance, the group’s profitability rose considerably during the year, despite increased operational and maintenance costs and administration cost.

GROSS PROFIT

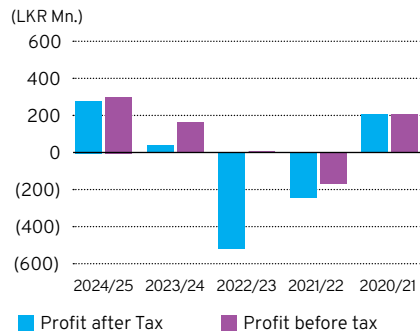
Gross profit for the period under review has increased by 5% compared to corresponding period due to CEB delay interest income.



PROFIT BEFORE TAX AND PROFIT AFTER TAX

Profit before tax increased by 61% rising to LKR 363Mn from the previous years LKR 225Mn. However, profit after tax rose by 223% from LKR 100Mn in 2024 to LKR 322Mn in 2025 due to deferred tax reversal of LKR 139 Mn.

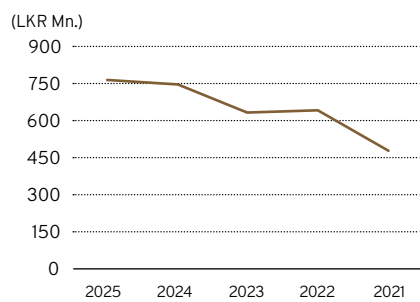
Profit before tax Vs Profit after tax



EARNINGS BEFORE INTERST EXPENSE, TAX , DEPRECIATION AND AMORTIZATION

EBITDA, representing our cash profit, reached LKR 767Mn, reduced by 1% over the previous year’s LKR 753Mn. This growth in EBITDA indicates a marginal improvement in our operating performance and cash flow, and highlights the company’s profitability before accounting for interest, taxes, depreciation and amortization.

Movement of EBITDA

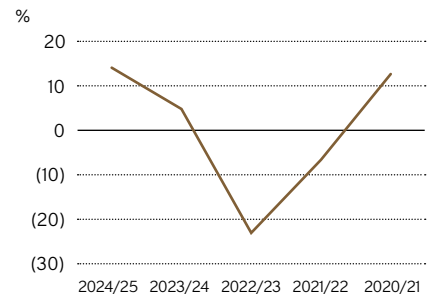


RETURN ON EQUITY (ROE)

Return on Equity also improved significantly, growing to 13% from 4% in 2024. This increment was driven by the increased topline and reduction of cost of finance which added more value to the equity investors.

Reflecting the company’s enhanced ability to generate profit from its shareholders’ investment.

Return on Equity



GROUP OPERATIONAL AND MAINTENANCE COST

PAP successfully maintained the group’s annual O&M cost reducing by 1% over previous year. Additionally, the O&M cost-to-revenue ratio remained steady at 39%, aligning with the average level of previous year. This O&M cost reflects staff expenses, as well as all direct and indirect plant maintenance and other overheads. Maintaining these costs at a controlled level demonstrates effective cost management.

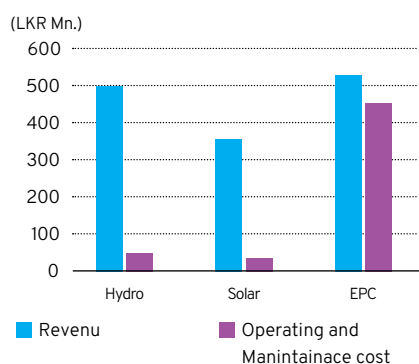
Levelized Tarrif

A Levelized Tariff sets a fixed price per unit of electricity (typically in \$ per kWh) for a long period, usually the life of the renewable energy project (e.g., 20 to 25 years)



O&M Cost	2025 LKR	2024 LKR
Revenue	1,382,655,766	1,414,864,311
Operating and maintenance cost	534,816,783	540,587,301
% of Operating and maintenance cost from revenue	39%	38%

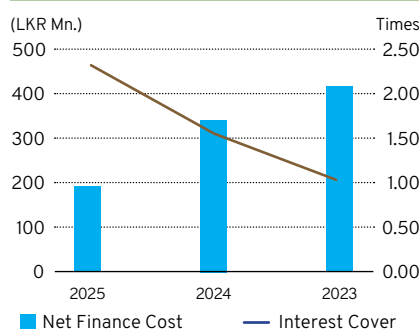
Revenue Vs O&M Cost



NET FINANCE COST

The group's Finance income increased by 95% during the year under review mainly due to increment of interest income. Further, during the year, cost of finance of the company decreased by 35% due to downward trend of average weighted prime lending rate and early settlement of project loans.

Interest Rate Cover



TAXATION

The group's tax expense for the year amounted to LKR 40.2 Mn, a reduction from the previous year due to impact of deferred tax. The group's effective income tax rate has increased from 19% to 24% during the year due to increase of concessionary rate for Padiyapelella Hydropower.

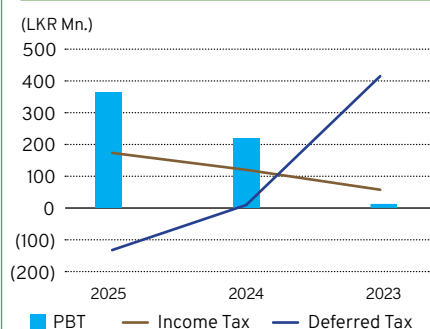
INCOME TAX

PAP faced significant increase in income tax due to increment of taxable income driven by higher profitability from CEB revenues and finance income on short term deposits. The overall income tax cost increase reflects the consistent application of 30% tax rate throughout the year. During the period, the parent company was taxed at 30%, two subsidiaries benefited from a BOI concessionary rate of 20% and the rest of the companies were taxed at the standard rate of 30%.

DEFERRED TAX

During the year, the Group experienced a deferred tax reversal amounting to LKR 139 Mn. These deferred tax impacts were recorded in the financial statements at 30% tax rate.

Tax Expense



OTHER COMPREHENSIVE INCOME

The Group's other comprehensive income for the year clocked in at a negative LKR 127 Mn, driven primarily by plant revaluation loss. As a result, the Group's total comprehensive income amounted to LKR 196 Mn, a decline of 56% compared to the previous year.

FINANCIAL POSITION

Total Assets

Despite the short-term vulnerabilities the group remains optimistic about the growth potential of its businesses and markets and continued to invest in new ground solar and hydro projects to strengthen earnings generation capacity. Investments in projects resulted in the Group's capital work in progress increasing by more than 100% to LKR 1.4Bn, which resulted to total assets expanding by 27% to LKR 5.6Bn.

Total current assets also increased by 68% to LKR 1.7 Bn, driven primarily by an increase in short term deposits and cash at bank (+100%). The asset composition remained relatively unchanged during the year, with current assets accounting for 23% of total assets.

CAPITAL STRUCTURE

Shareholders Structure

As at 31 March, 2025 PAP maintained a robust capital structure. Total equity attributable to owners of the company has increased by LKR 285Mn to LKR 2.5Bn.

	2025 LKR	2024 LKR
Stated capital	1,030,000,000	1,030,000,000
Revaluation reserves	1,237,383,107	1,353,080,032
Retained earnings	255,369,257	(145,360,298)
Total	2,522,752,364	2,237,719,734

Non Controlling Interest

The group's non-controlling interest (NCI) represents a 17% minority stake in the Padiyapelella Hydropower Limited and 49% in R-E-D Capital Asia (Private) Limited and its fully owned subsidiaries. There were changes in the NCI holding percentage during the year under review. During the year, the Group's ownership in subsidiary R-E-D Capital Asia (Private) Limited changed from 100% to 51% following partial disposal of 49% shares.

	2025 LKR	2024 LKR
Non Controlling Interest	168,157,494	193,057,912

Gearing

The Group's gearing ratio has increased from 44% to 54% during the year, primarily due to additional borrowings undertaken to fund new ground mounted solar projects.

	2025 LKR	2024 LKR
Debt	3,197,083,465	1,934,727,615
Equity	2,690,909,858	2,430,777,646
Debt + Equity	5,887,993,323	4,365,505,261
Gearing	54%	44%

WORKING CAPITAL AND LIQUIDITY

Trade Receivables

Trade receivables mainly consist of outstanding payments from the CEB for the sale of electricity. Currently, the debtor collection period has fallen below the usual 30-day credit settlement terms, indicating a more efficient and timely collection of payments. This marked improvement positively impacts the company's cash flow and financial stability

Below 30 days

30 to 60 days

61 to 180 days

Over 180 days

2025
LKR

2024
LKR

116,839,667

167,411,364

47,984,048

17,274,048

10,225,126

56,049,152

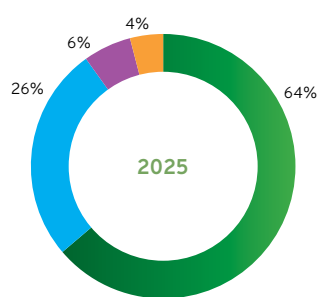
7,372,765

12,025,209

182,421,606

252,759,773

Trade Debtor Age Analysis

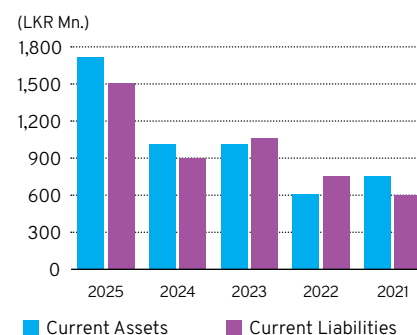


■ Below 30 days
■ 30 to 60 days
■ 61 to 180 days
■ Over 180 days

Net Current Assets Position

As of the reporting date, PAP's Net Current Assets (NCA) stood at LKR 189 Mn, reflecting a current ratio of 1.13 times, compared to 1.15 times in 2023/24. This indicates a healthy short-term liquidity position. The NCA includes cash and cash equivalents amounting to LKR 1,173 million, which will be used for new project construction activities. This robust liquidity ensures that PAP can comfortably meet its short-term obligations while maintaining financial flexibility.

Net Current Assets



Short Term Deposits and Cash

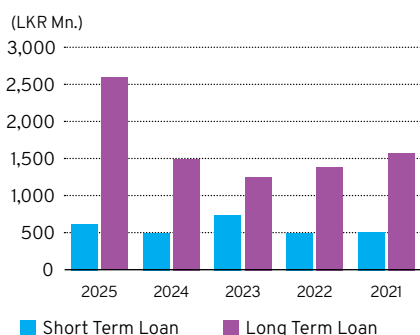
Cash and cash equivalents amounting to LKR 1,173 Mn (compared to LKR 470 Mn in 2023/24) consist of short-term investments with tenures below three months, alongside cash and bank balances.

The short-term investments, including fixed deposits and savings, have generated finance income that total LKR 37 Mn. This represents a substantial 85% increase over the previous year. The yield of 12% on short-term deposits provides average returns to the equity investors of the company, reflecting the effectiveness of the Group's investment strategy in maximising returns on available cash resources.

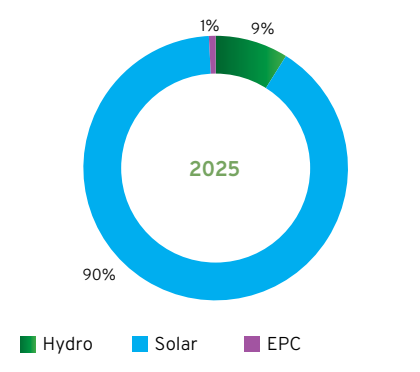
Debt Profile

The group's total borrowings increased by 65% to LKR 3.1 Bn, reflecting increased capital expenditure related to new construction of ground mounted solar projects. Borrowings funded 44% of the Group's assets during the year, short-term borrowings accounting for an increase of 19 % of total borrowings, compared to 25% in the previous year. Overall, the group's Debt/Equity ratio increased to 127% from 86% the previous year

Debt Profile



Borrowing by Sector



Investor Relationship

Panasian Power PLC is committed to maintaining transparent, constructive and ongoing dialogue with its shareholders, facilitated through

multiple engagement platforms including the Annual General Meeting, the publication of the Annual Report, quarterly reporting to the CSE as well as periodic press releases and announcements. Through our engagement we seek to provide meaningful and relevant information to facilitate informed decision making.

Shareholder Return

The group continued to deliver on its shareholder commitments. Shareholder returns as measured by earnings per share increased from LKR 0.12 to LKR 0.47 during the year, reflecting the increasing profitability. Meanwhile, net asset value per share increased from LKR 3.58 to LKR 4.04 depicting the growing value of the group's nonmonetised capital including innovation capabilities, deep rooted relationships with suppliers and communities, strong brand equity as well as our ability to attract top talent.

Share Performance

		2025	2024	Variance (%)
Net Assets Per Share	LKR	4.04	3.58	13
Dividend Per Share	LKR	-	0.20	(100)
Equity to Total Assets Ratio	%	37%	45%	(18)
Dividend Cover	Times	-	1.38	(100)
Dividend Pay out	%	-	75%	(100)
Dividend Yield	%	-	7%	(100)
Price Earning Ratio	Times	14.76	26.03	(43)
Price to Book Value	Times	1.60	1.00	60

VALUE CREATION DURING 2024/2025

As part of its commitment to corporate responsibility, the company ensures equitable distribution of financial value added among its stakeholders, not limited to investors alone. This Statement of Value Added Distribution provides insight into how the company's generated value is allocated among employees, shareholders, lenders and the government through taxes, as well as reinvestment in the company for sustainable growth. This transparent document underscores the company's dedication to balancing the interests of all stakeholders and fostering a sustainable business model that benefits the broader community.

	2024/2025 LKR	2023/2024 LKR	Variance %
Value Generated			
Revenue	1,542,727,800	1,490,346,698	4
Other income	13,647,138	8,132,933	68
Finance income	46,487,308	23,826,666	95
Impairment (loss) / reversal	7,444,027	960,976	675
Revaluation gain	12,103,207	23,965,067	(49)
Share profit of equity accounted investees	847,999	1,798,865	(53)
Total	1,623,257,478	1,549,031,205	5
Value Distributed			
Operational cost	620,229,537	657,204,932	(6)
Salary and wages	165,345,597	97,370,945	70
Payment made to fund providers	234,677,405	361,111,048	(35)
EPF & ETF	13,840,349	8,172,719	69
Corporate taxes	40,220,857	125,549,343	(68)
Expenses on CSR	6,833,166	6,593,859	4
Total	1,081,146,912	1,256,002,847	(14)
Value Retained			
Depreciation and amortization	220,801,574	193,368,614	(14)
Profit after tax	322,285,349	99,659,744	223

VALUE DISTRIBUTION ANALYSIS

Stakeholder	Deliverable	2025 LKR	2024 LKR	Variance %
Employees	Salaries, wages and other benefits	165,345,597	97,370,945	70
Government	Taxes and other statutory payment	54,061,206	133,722,062	(60)
Community	CSR activities	6,833,166	6,593,859	4
Lenders	Interest payments	234,677,405	361,111,048	(35)
Shareholders	Dividend	-	125,000,000	(100)
Partners in supply chain	Service charges and payment	620,229,537	657,204,932	(6)

Future outlook



Sri Lanka's renewable energy sector is poised for significant growth, driven by strategic reforms, international partnerships and technological advancements. However, addressing regulatory uncertainties and enhancing grid infrastructure will be crucial to achieving the nation's renewable energy goals and ensuring a sustainable energy future.



Electro Mechanical Equipment

LKR
956Mn

Civil Constructions

LKR
1,119Mn

Other Fixed Assets

LKR
450Mn

Solar Panels and Inverter

LKR
1,587Mn

Manufactured capital is a cornerstone of efficient energy generation, environmental, stewardship, regulatory compliance and the long-term sustainability of our company. We prioritize investment in physical assets and infrastructure, and embrace innovative technological components to produce renewable energy.



Our Approach

We are cognizant of the reliability of our manufactured capital for continued growth and are committed to optimizing this asset to retain industry leadership in renewable energy. With a strong asset base of 1.5Bn solar and 2Bn hydropower plants, our manufactured capital includes the head office and branch office structures and state of the art equipment that is vital for planning, executing and operating the many projects we own across the island. We carry a total installed capacity of 23.3MW and proudly look forward to the completion of seven new projects by mid-year.

Material Themes

- Service quality and responsibility
- Technical knowhow/ innovations



OPPORTUNITIES



Hydropower – Sri Lanka is privileged with eighteen rivers and has implemented several hydro-power projects.



Solar Power – High solar irradiance throughout the year and the government’s support for renewable energy.



Wind-energy – The island has approximately 1340Kms of coastal band-width with necessary wind power for this sector.



Bio-mass Energy – Predominantly an agri-economy, biomass and other agricultural waste offer an opportunity in producing bio-mass energy.



Government Support – The government of Sri Lanka is vigorously promoting the production of renewable energy.



Carbon-neutral Goals Sri Lanka aspires to this by 2050.

CHALLENGES

While the opportunities are many, there are inherent challenges to overcome, for a sustainable renewable energy future.

Policy Uncertainty – Poses unpredictability

Land availability – Limited availability of suitable land for infrastructure installation

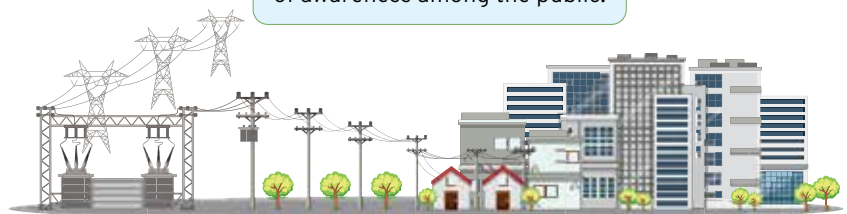
Environmental impacts – Renewable energy and solar power projects may disrupt the ecosystems and biodiversity.

Grid infrastructure – Existing grid infrastructure is limited in accepting higher quotas

Financial barriers – Recovering from a near-collapse macroeconomy, the country’s funding options are severely limited.

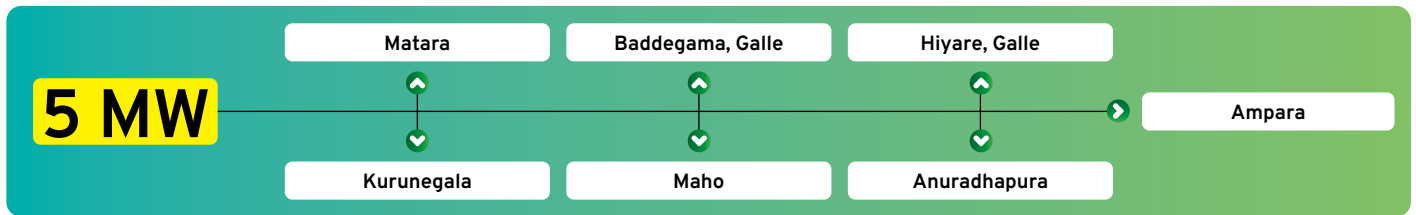
Technical expertise – The brain-drain in 24/25 era depleted the country’s intellectual resources.

Public awareness – Adoption rates can be sluggish due to lack of awareness among the public.



VALUE CREATED

We invested LKR 1.8Bn in new plants and maintenance of the existing plants, to ensure uninterrupted energy generation and upkeep of our manufactured capital.



CONTRIBUTION TO UN SDGS



Build resilient infrastructure, promote sustainable industrialization and foster innovation.



Ensure sustainable consumption and production patterns, which is key to sustain the livelihoods of current and future generations.

CAPITAL LINKAGES



Financial Capital

Generation of renewable energy at an affordable cost and price, ensures a sustainable operation for the company creating wealth that is invested in other capitals and consumption among the users.



Human Capital

Contributes towards generating employment and uplifting livelihoods.



Intellectual Capital

Training, upskilling, technical expertise and knowledge-sharing upgrades human capital and retains a repository of intellectual capital within PAP.



Social and Relationship Capital

The communities access affordable energy, while environmental sustainability is assured. Investment in community development helps build positive interactions with the communities and create awareness on renewable energy and its many benefits.



Natural Capital

Responsible usage of natural resources through the manufactured capital that employs cost saving mechanisms on many fronts, helps preserve an endangered planet.

PROFILE

Our manufactured capital portfolio includes hydro and solar power generation assets, with infrastructure spread across various regions. The key components of the portfolio are:

Hydropower Infrastructure:

1. Intake weir and headrace channel
2. De-silting tank and forebay tank
3. Spillway gate and restrooms
4. Penstock and powerhouse
5. Turbines and generators
6. Transformers and power lines
7. Voltage panel and crane

Solar Power Infrastructure:

- Ground-mounted solar PV arrays
- Maximum Power Point Tracking (MPPT) technology
- On-grid connection systems and substations

Operational Facilities:

- Maintenance workshops and storage facilities
- Administrative buildings and site offices
- Safety and monitoring systems, including CCTV and elephant fences

Ongoing Projects

We are currently in the process of delivering seven ground mounted solar projects by July 2025, generating 35 MW of renewable Energy.

METHODOLOGY

Comprehensive operational planning is required for optimized power generation, working within advanced strategic frameworks, that draw on data analytics to ensure optimum resource utilization. We adopted a quadripartite methodology to demonstrate precision execution and deliver on our promise of responsible stewardship.

Continuous Investment:	Data-Driven Decisions:	Responsible Stewardship:	Long-Term Vision:
We prioritize the optimization of existing plants through regular upgrades, advanced technologies and best practices in plant management	Utilizing data analytics allows us to identify areas for improvement and optimize energy production across our portfolio	By prioritizing long-term sustainability and responsible resource management, we demonstrate our commitment to good corporate citizenship	Our focus on manufactured capital reflects a commitment to sustainability and ensures our ability to meet future energy demands

Continuous Investment

Owning a strategically developed portfolio of 19 photovoltaic solar installations and 03 hydroelectric power plants, we have established a resilient framework for expansion, while delivering a total installed capacity of 23.3 MW.

- **Rigorous Monitoring:** Continuous monitoring of all machinery, infrastructure and equipment allows early detection of potential issues, minimizing the risk of unexpected failures.
- **Scheduled Maintenance:** PAP ensures all assets are kept in optimal working condition through regular maintenance schedules, including routine checks, repairs and preventive measures to extend the lifespan of equipment and infrastructure.
- **Timely Upgrades:** To maintain competitiveness and adaptability, PAP regularly upgrades its systems in response to technological advancements, ensuring infrastructure efficiency and future-proofing.
- **Minimizing Downtime:** Through predictive and preventive maintenance, downtime is minimized, which helps sustain consistent energy production and enhances operational efficiency.
- **Asset Reliability:** Reliability-focused practices ensure smooth operation of renewable energy projects, contributing to increased energy generation capacity and overall operational performance.

Engineering, Procurement, Construction (EPC)

EPC's expertise in installing new power plants, guarantees compliance with stringent benchmarks across all phases. This includes conceptual design, detailed planning, procurement and resource allocations. Our strong relationships with industry specialists facilitate supervision and quality assurance. The holistic, systematic and diligent approach to EPC operations, effectively mitigate operational risks, achieves project timelines and results in the delivery of high-efficiency, renewable energy infrastructure.

We completed various capacities totaling 472kW and are currently engaged in delivering a 920kW across three projects. We also collaborated closely with EPC contractors for :

- **Detailed Engineering and Design:**

PAP works with EPC contractors to develop site-specific designs, structural assessments and electrical layouts. These designs are crafted in line with international standards to ensure efficiency and long-term performance.

- **Procurement of High-Quality Materials:**

PAP ensures that all materials procured through EPC contractors meet stringent quality standards. This includes sourcing durable photovoltaic modules, robust penstock materials and reliable electrical components. Regular audits and supplier assessments are conducted to guarantee the integrity and longevity of the infrastructure.

Data Analytics

Our commitment extends beyond just preserving our current resources. Investing in smart tracking system, automated processes and state of the art technology to analyze data effectively contributed to improving energy production and early detection of issues. This also supported data driven decision making that lowered costs, mitigated risks, optimized production that was eco friendly and sustainable.

Responsible Stewardship

PAP emphasizes responsible infrastructure development with a focus on benefiting local communities. Key initiatives include:

- **Community Engagement and Consultations:**

We actively engaged with local communities to understand and address concerns regarding project impacts.

- **Local Labor Utilization:**

The company prioritizes hiring local labor to boost the local economy and create employment opportunities.

- **Environmental Protection Initiatives:**

We implemented several initiatives to minimize environmental impacts, including reforestation efforts and habitat preservation.

- **Infrastructure Improvements:**

We invested in local infrastructure, improving connectivity and safety for communities living near project sites.

Generating sustainable energy to ensure a protected future is a priority at PAP.

Skills Training

All our operational staff have been professionally trained to operate and maintain the electromechanical equipment safely and efficiently. We invest substantially in skills training to maintain high manufacturing standards and ensure the safety and reliability of our hydro and solar plants. The training programs and certifications followed by our technicians, engineers and production staff uphold industry best practices and ensure regulatory compliance.

Compliance

Our commitment to sustainable energy begins with efficient and safe construction, extending through to ongoing operations. All our hydro and solar plants comply with all rules and regulations specified in SPPA's and net metering agreements. Due to the hazardous nature of the generation process, companies also follow a range of health and safety precautions that ensure safe and hazard free operations.

As stewards of the natural environment, we acknowledge the significant impact our hydro and solar power operations may have on local eco systems and communities. Guided by sustainability principles and corporate responsibility we integrate environmental considerations from site selection to design and construction to operation and maintenance, thereby minimizing our environmental footprint.

Quality Assurance

Our operational process conforms to the principles of integrated quality and environmental systems and comply with

international standards of mini hydropower and solar operations.

Insurance Cover

All our fixed assets, except lands are insured against fire risk, including impact damage, and natural disaster at market value to mitigate operational risk. Further, the electronic equipment is insured against machinery breakdown and hazards.

Future Focus



We undertook the installation of seven new projects with the delivery timeline in mid-2025. With our capabilities, we are well on target to achieving the objective.

We are steadfast in our strategic investments to fortify our manufactured capital, as we adopt innovative and sustainable technologies, that enhance productivity. We are sensitive to the market dynamics and the role of the government and are strategically positioned to cater to Sri Lanka's expanding energy demands, but also widen our reach in the global renewable energy sector.

Penstock

A large pipe that directs water from a reservoir to a turbine in a hydroelectric plant.







Total Employees

107



New Recruitments

57



Employee Retention Rate

83%



Total Training Hours

205Hrs



Average Training hrs per Employee

2.05Hrs



Investment in Training (LKR Mn)

4.6Mn

Our employees are the asset that contributed to our successful journey since the incorporation of our company. Their dedication, loyalty and diligence in navigating the headwinds of the past few years were the cornerstones of a successful renewable power generation company, overcoming challenges and striding forward.





Our Approach

Attracting, developing and retaining talent is our approach to human capital, to drive sustainable growth and foster innovation. As a renewable power generating company, PAP is committed to adopting global best practices in nurturing our employees, based on transparent communication, creating an inclusive and safe workplace, while ensuring gender parity, at all levels. Anchored in a performance-driven culture, we invest significantly in training and development, to enhance employee productivity and support individual career progression.

Material Themes

- Talent attraction and retention
- Employee engagement and wellbeing
- Diversity, equity, and inclusion
- Leadership development and succession planning
- Ethical labor practices and compliance
- Organizational culture and values
- Innovations
- Brain drain

OPPORTUNITIES



Skilled Workforce

The country has a growing pool of engineers and technicians specializing in renewable energy, particularly in the solar and hydro sector



Experience in Renewable Energy Sector

Sri Lanka has a long-standing history in hydroelectric power generation, which has contributed to the development of significant local expertise in managing renewable energy projects. In recent years, the country has also expanded its focus to solar power, leveraging its high solar irradiance to implement both utility-scale and decentralized solar energy initiatives. This growing experience in solar complements the existing hydropower expertise, strengthening Sri Lanka's overall capacity in the renewable energy sector.



Government Initiatives

Policies aimed at increasing renewable energy's share in the national grid have encouraged investment and workforce development.



Private Sector Involvement

Independent Power Producers (IPPs) have played a significant role in expanding renewable energy projects, bringing in expertise and innovation.



Commitment to Sustainability

Sri Lanka has set ambitious targets, such as achieving 100% renewable electricity generation by 2050, which drives workforce development in the sector.

CHALLENGES

Skill-gaps and workforce training

Despite a growing national interest in renewable energy, Sri Lanka faces a shortage of specialized professionals in solar and hydro sectors. The current workforce is primarily trained in conventional energy systems, necessitating comprehensive retraining and upskilling programs to meet the evolving demands of the industry.

Limited Research and Development

The country lacks sufficient investment in R&D for renewable energy technologies. This limits innovation and the ability to develop locally adapted solutions, forcing reliance on imported technologies.

Lengthy approval process for proposed projects

Complex approval processes and uncertainty in policy landscape hinder the expansion of renewable energy projects. These slow down workforce deployments.

Financial Constraints

The high capital costs associated with renewable energy infrastructure development remain a major barrier. Limited access to financing restricts the scale of project development, which in turn affects job creation and the ability to attract and retain skilled professionals.

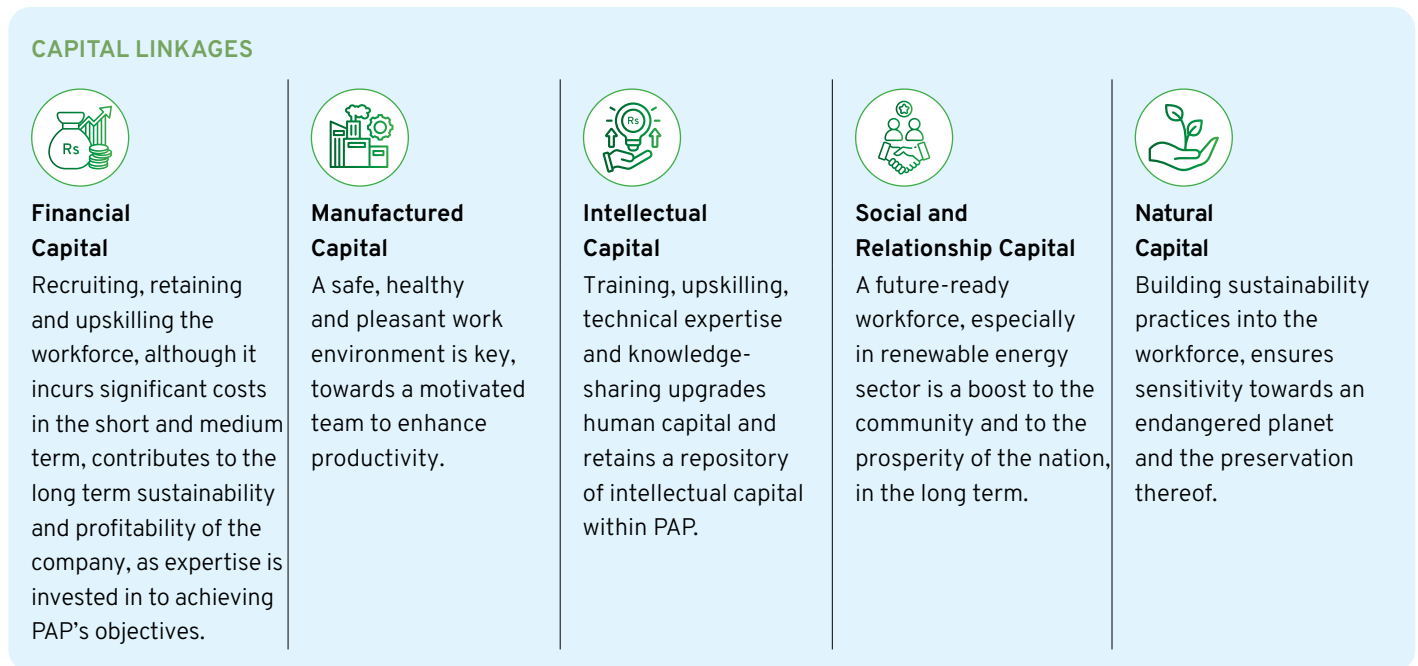
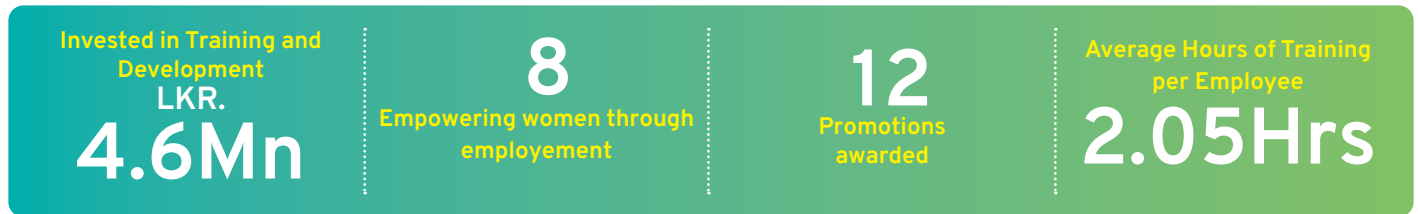
Grid Integration Challenges

Sri Lanka's existing power grid struggles to accommodate variable renewable energy sources like solar and wind. This creates operational inefficiencies and limits the demand for specialized labor in grid management

Limited Awareness and Public Engagement

A general lack of awareness regarding career opportunities in the renewable energy sector diminishes interest among youth and early-career professionals. Integrating renewable energy studies into educational curricula and expanding public outreach are essential to building a future-ready workforce.

VALUE CREATED



Grid Concurrence

A renewable energy system operating concurrently (in parallel) with the utility grid

MANAGING OUR HUMAN CAPITAL

GRI 406-1, 3-3

Our Human Resource policies and procedures align with industry best standards and move beyond the objective of profitability. We are an equal opportunity employer, offering employment in a non-discriminatory environment, promoting equity and inclusion, retaining worker dignity, mutual respect and with priority on occupational health and safety. A robust HR governance and policy framework supports in managing this asset, for the long term.

We continued to offer an industry-best value proposition to our employees beyond monetary rewards, to attract and retain high-caliber professionals who possess the necessary expertise in renewable power generation. To operate in a sustainable manner, capacity building for the long term is a strategic priority at PAP.

A dedicated HR team spearheads the HR department under the watchful guidance of the Chief Executive Officer (CEO), Board HR and Remuneration Committee. The department oversees all HR related functions which are established within a robust governance framework, to ensure high employee morale and motivation and optimize workforce potential. Central to this governance structure is the company's HR manual, which serves as an exhaustive resource encompassing all HR-related activities.

HR POLICY COMMITMENT

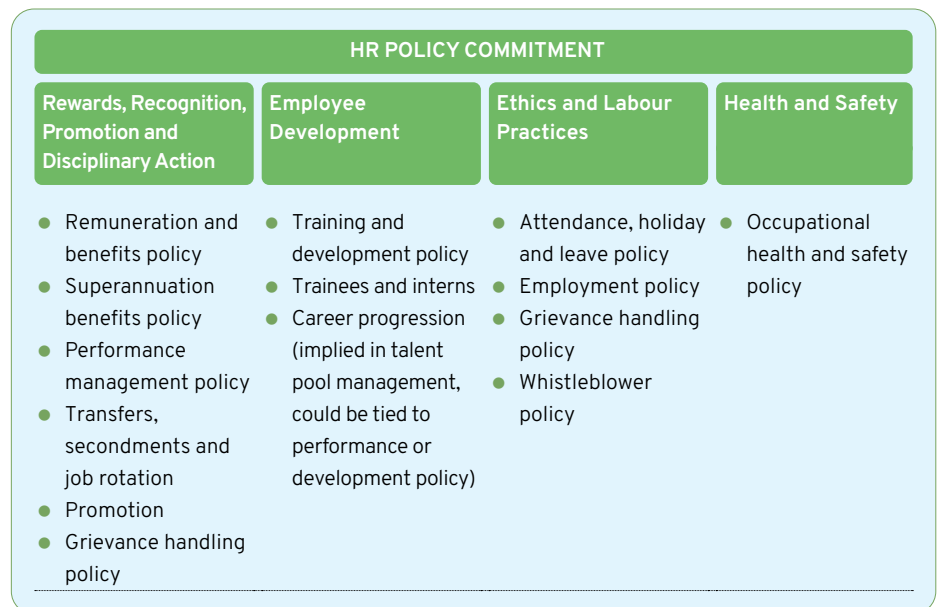
GRI 2-23

The Human Resources (HR) department is dedicated to maintaining the utmost levels of professionalism, equity and ethical conduct across all areas of human resource management. By establishing and enforcing comprehensive policies and

procedures, the department aims to cultivate a supportive and productive workplace environment. This approach is designed to foster employee growth, development and active contributions to the overall success of the organization.

Key components of our policy framework comprehensively address the following:

- **Employment Policy:** Recruitment, contracts and termination procedures.
- **Remuneration Policy:** Salary structure, incentives, bonuses and allowances.
- **Leave and Attendance policy:** Working hours, leave entitlements.
- **Performance Management Policy:** Appraisal systems, key performance indicators (KPIs) and feedback mechanisms.
- **Employee Wellbeing:** Health and safety, mental wellbeing and employee assistance programs.
- **Compliance & Governance:** Adherence to labor laws, stock exchange regulations and internal audit requirements.
- **Training and Development Policy:** Training programs, career growth frameworks and succession planning.



WORKFORCE COMPOSITION

GRI 2-7, 2-8

Our Team is comprised of 107 individuals who are the key source of our competitive strength, representing diversity in age and capabilities. In 2024/25, we recruited 57 employees, including 49 males and 8 females. There are two females in senior management.

As an equal opportunity employer, we do not discriminate against employees based on gender, age, religion, race or any other factor.

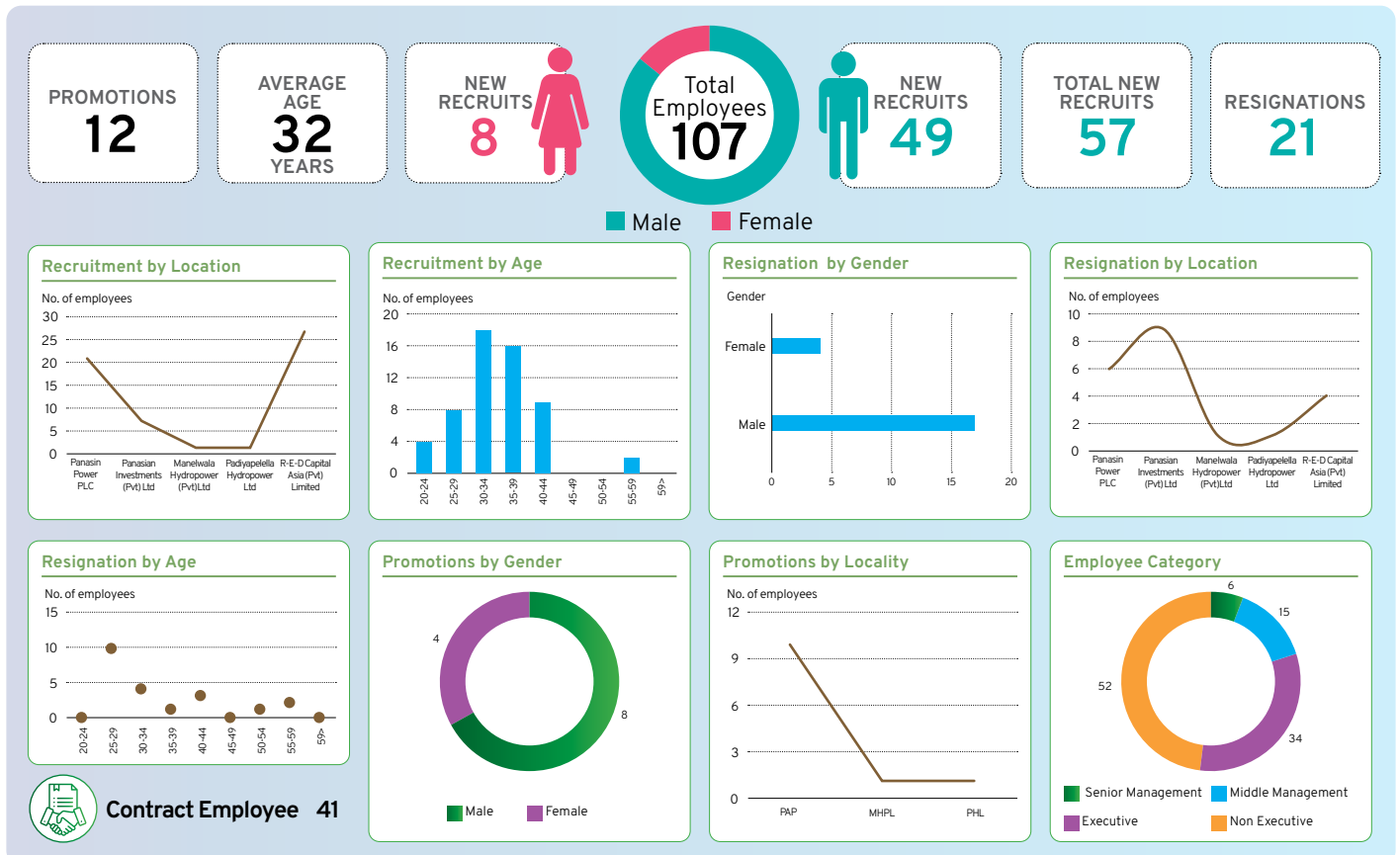
Employee Category	Under 30		30-50		Over 50		Total	
	Male	Female	Male	Female	Male	Female	Male	Female
Senior Management	0	0	3	2	1	0	4	2
Middle Management	0	0	9	3	3	0	12	3
Executive	10	3	14	6	0	1	24	10
Non Executive	13	2	31	0	6	0	50	2
Total	23	5	57	11	10	1	90	17

TEAM MOBILITY

GRI 202-1, 202-2, 401-1

We are committed to attracting talented professionals with the necessary skills and expertise through a robust recruitment process that upholds principles of equal opportunity, inclusivity and diversity. In line with our sustainable human resource practices, we prioritize internal talent for vacancy fulfillment, fostering career progression and employee development within the organization. The year 2024/25 is marked with mass-migration and brain-drain. We, however, were able to maintain a retention of 83% and recruit talent, while two senior management members were recruited from the local community.

57 new recruits joined the company in 2024/25, while 2 employees retired and a further 21 employees resigned.



RECRUITMENT AND RETENTION

To meet the evolving needs of the renewable energy sector, we implemented strategic workforce planning and targeted recruitment initiatives. Our approach focuses on attracting individuals with the technical skills and innovative mindset necessary to drive sustainable energy solutions. Competitive compensation, inclusive workplace culture and opportunities for professional growth are key components of our retention strategy. We also engage with educational institutions and vocational training centers to build a steady pipeline of young talent.

Managing, Developing and Progressing the Talent Pool

We utilize competency frameworks and succession planning to identify and develop high-potential talent. Career progression pathways, mentorship programs and leadership development workshops are integrated to nurture future leaders.

Beyond recruitment, we are committed to developing our internal talent through structured learning and development frameworks. We utilize competency-based models and succession planning tools to identify and nurture high-potential employees. Career progression pathways are clearly defined and we support continuous development through mentorship programs, leadership workshops and cross-functional learning opportunities. These efforts are designed to build a resilient and future-ready workforce aligned with our long-term organizational goals.

Managing the Talent Pool

Managing the talent pool involves systematically identifying, tracking and maintaining a pipeline of skilled employees to meet current and future business needs. This process includes



International Men's and Women's Day Celebration

talent identification through performance evaluations and leadership assessments. Succession planning ensures that key roles have prepared successors, while talent segmentation classifies employees based on their career stage and potential.

Developing the Talent Pool

Developing the talent pool focuses on enhancing employee capabilities through structured learning and career growth opportunities. This includes leadership development programs, mentorship and coaching to prepare high-potential employees for future roles. Training initiatives, both technical and soft skills-based, ensure continuous upskilling and cross-functional exposure to help employees diversify their experience.

Progressing the Talent Pool

Progressing the talent pool involves creating clear career pathways and ensuring employees have opportunities for advancement. Competency-based career progression ensures promotions and role transitions align with performance and leadership readiness. Talent reviews, promotion readiness assessments and structured career development plans help employees move forward, while aligning with the company's long-term strategic goals.

PERFORMANCE MANAGEMENT

GRI 404-3

Employee performance culminates in enhanced productivity, beyond possessing the necessary skills and experience. A structured two-way feedback scheme ensures comprehensive evaluation and allocated necessary training for continuous development of our employees. This allows for regular performance assessments, aligning the employees with corporate objectives and personal development. Well-defined metrics track progress, recognize achievements and reinforce career growth. Performance outcomes are directly linked to professional development, higher compensation structure and promotional prospects, creating an environment of accountability and career mobility.



Enhancing Employee Motivation 2025

Measurement is based on:

Measurable performance objectives and defined by a specific period

Technical, behavioral, professional and leadership competencies assigned for each job function

TRAINING AND DEVELOPMENT

GRI 404-1, 404-2, 3-3

Training Programmes Implemented in 24/25 – Onsite and Online Hybrid Mode	Total Investment – LKR 4.6Mn
	Total Number of Training Hours – Males 85 Hrs Females 120 Hrs
	Total Number of Employees Trained - 100
	Average Hours of Training Per Employee– 2.05
	Total Number of Females Trained- 17

Equipping our employees with the right skills with a view to enhancing productivity and build a strong succession line up with leaderships acumen is a strategic priority. We develop our human capital in both, technical and soft skill training, encompassing all our cadres.

REMUNERATION, RECOGNITION AND REWARDS

GRI 2-20, 2-22, 401-2

We offer an employee value proposition which is on par with the industry and in relevance to individual performance, expertise and productivity. Considering both the short term and long term career advancement, employees are also selectively allocated to leadership training and career progression initiatives, as a part of our succession planning. Outstanding contributions to the success of the Company are celebrated through annual award ceremonies with exclusive incentives.

GENDER PARITY

GRI 202-1, 401-3, 405-1, 405-2, 3-3

We are an equal opportunity employer, committed to a diverse, equitable and inclusive workplace. Progressing towards achieving gender parity and inculcating such values in the wider communities, is crucially important to the Company, which is transformed into actionables in many ways.

Equal Opportunities: Ensure unbiased recruitment, promotion and career development processes.

Pay Equity: Regularly review compensation structures to eliminate gender-based pay gaps.

Leadership Representation: Set targets to increase gender diversity and women empowerment in senior management and board-level positions.

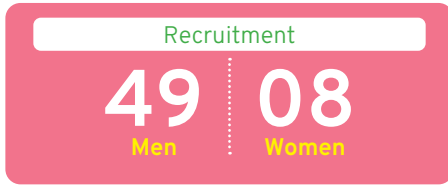
Training & Awareness: Provide unconscious bias training and promote inclusive leadership practices.

Monitoring & Reporting: Track gender representation metrics and report progress transparently.

Composition

Female employees are provided equality in all aspects of employment, at recruitment, promotions and leadership.





DIVERSITY, EQUALITY AND INCLUSIVITY

Diversity, Equality and Inclusivity are implemented by fostering a workforce that reflects a wide range of backgrounds, experiences and perspectives. This is achieved through inclusive hiring practices that actively seek out diverse candidates and ensure equal opportunities for all employees. The company also promotes pay equity by regularly auditing compensation structures and ensuring that all employees receive fair pay for their work, regardless of gender, race, or background. Furthermore, development opportunities such as leadership training and mentorship programs are made accessible to everyone to promote equal career advancement.

Managing Diversity, Equality and Inclusivity involve creating a culture of belonging, where all employees feel valued and respected.

EMPLOYEE HEALTH AND WELLBEING

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8, 403-9, 403-10, 3-3

The Health and Safety Policy clearly articulates the requirements to ensure a healthy and safe environment for all our employees and maintain rigorous controls and standards across all our premises, aligning with international best practices and regulatory stipulations. Ensuring workplace health and safety, we apply the necessary safety standards for ergonomic, biological, chemical and psychological impacts. Outdoor patient medical claims and a comprehensive health insurance are available to ensure continued health and safety of our human capital.

Work related Injuries

● Fatalities due to work-related injuries	Nil
● Recordable work-related injuries	Nil
● High consequence work-related injuries	Nil
● Total Recordable Incident Rate	Nil
● Fatality Rate	Nil
● Near-miss incident Rate	Nil

EMPLOYEE ENGAGEMENT MECHANISM

At Panasian Power PLC, we believe that engaged employees are the cornerstone of organizational success. Our employee engagement strategy is designed to foster a positive work environment, strengthen team cohesion and support the holistic development and wellbeing of our workforce. The HR department plays a proactive role in implementing diverse initiatives that address emotional, professional and social engagement.

We organize a variety of events throughout the year that promote inclusivity, build team spirit and celebrate employee milestones:

- **Women's Day and Men's Day Celebrations:** Recognizing the unique contributions of all genders to our workforce.
- **Farewell Events:** Honoring departing employees with gratitude for their service.
- **Birthday Celebrations:** Monthly celebrations to foster camaraderie and acknowledge individual milestones.
- **Christmas Party :** Social events that build team spirit and offer opportunities to unwind outside the workplace.
- **Annual Trip:** A highly anticipated team-building event that offers employees a chance to relax, rejuvenate and strengthen interdepartmental relationships in a casual, enjoyable setting.
- **Employee Appreciation for Tenure:** Recognizing and rewarding employees for their long-standing commitment and contributions to the company.
- **Diversity, Equity and Inclusion Programs:** We strive to cultivate an inclusive culture where every employee feels genuinely valued, respected and empowered to contribute their unique perspectives. By embracing diversity and promoting equity, we aim to create a workplace where everyone feels a true sense of belonging and is encouraged to thrive.
- **Employee Wellbeing Programs:** We offer comprehensive support for mental, emotional and physical health through a variety of wellness initiatives, including informative sessions, access to helpful resources and engaging activities, designed to promote overall wellbeing and resilience among our employees.
- **Structured Talent Development Programs:** Supporting internal mobility through training, leadership development and promotion opportunities.



PAP Annual Trip 2024



Renewable Energy Championship Cricket Tournament 2024

- **Pay Transparency and Compensation Reviews:** Conducted regularly to ensure fairness, competitiveness and alignment with industry standards.
- **Succession Planning for Critical Roles:** Ensuring career advancement opportunities and leadership continuity within the organization.
- **Flexible work arrangements and family friendly policies:** We are committed to fostering a work environment that prioritizes the holistic wellbeing of our employees—one that supports not just their professional responsibilities, but also their physical, mental and emotional health. Our goal is to create a culture where individuals feel valued, balanced and empowered both in and beyond the workplace.

Together, these initiatives contribute to a thriving, motivated and future-ready workforce aligned with our corporate values and long-term vision.

Child Labour/Forced or Compulsory Labour

GRI 3-3, 408-1, 409-1

We strongly denounce and do not engage in child labour or forced labour and have no reported incidents of such during the year.

Future Focus



PAP will focus on key areas of development based on sustainability principles, to ensure a future ready workforce and a competitive industry leader in renewable energy generation.

- **HR management system launch** - The introduction of a Digital Human Resources (HR) Management System will be a transformative milestone in the domain of HR management. This cutting-edge platform will support in revolutionizing traditional HR operations by integrating diverse functions such as recruitment, payroll administration, performance evaluation and employee development into a centralized, automated system.
- **Mental health awareness training** - Macroeconomic challenges pose a real threat to the mental wellbeing of a workforce and we will meaningfully address this by enhancing our support systems, to allow our employees an avenue for dialogue in a confidential setting.
- **Revamped onboarding experience** - We envisage this will ensure speedy recruitment and infusion of best talent in to our operations.
- **Employee suggestion platform** - Building on the currently available system, we aim to provide our employees an avenue to optimize their creativity in voicing their suggestions or be resourceful in innovation for mutual benefit.

- **Expansion of leadership development programs** – It is crucial that our succession plan is well developed and in place, for the sustainability of our operation.
- **Increased focus on digital skills and innovation training** – In an era where digital platforms are a force in any business, we will explore areas of optimal use of digitization to enhance productivity and streamline manual processes for time efficiency.
- **Enhanced female leadership representation** – This is a strategic priority to enhance women leadership and contribution to economic activity, which is a vital component of an economically recovering nation.
- **Strengthening wellbeing programs** – A high priority to ensure the health and safety of our employees, the current systems and processes will be evaluated for their strength and sustainability.
- **Deepening employee participation in sustainability projects** – Sustainability of our operations, the community and the planet is hinged upon the awareness and involvement of the human capital. We plan to create greater awareness in this respect to ensure a preserved environment for our future generations.



International Women's day 2025



PAP Staff birthday celebrations



AGM 2023/24



AGM 2023/24



PAP Christmas party 2024



PAP Team



Achievement of Rooftop solar projects



PAP Head office staff Site visits



58,364 MWh

energy supplied to the national grid

467

suppliers engaged

LKR
2,198 Mn
made as payments to suppliers

LKR
6.8 Mn
invested in CSR activities

The relationships and trust we have built with our stakeholders that include employees, investors, customers, communities and regulatory bodies, is a vital component to continue to operate a sustainable business.



Our Approach

With clear and transparent communication, value adding and meaningful engagement and creating long-term value for our stakeholders, we ensure we augment the strong relationships we have built over the years and explore avenues to grow our stakeholder network, for mutual benefit.

Material Themes

- Customer satisfaction
- Service quality and responsibility
- People proposition
- Employee wellbeing
- Relationship with business partners
- Managing environmental impacts
- Compliance
- Local communities

Power Purchase Agreement

A long-term contract between an energy producer and a buyer (such as a utility), specifying the terms under which energy will be sold.



OPPORTUNITIES



Government's focus on expanding renewable energy projects

As Sri Lanka focuses on 100% renewable energy by 2050, the company has great opportunity to work in partnership with the Government of Sri Lanka to offer clean and green energy



Community Engagement and Social Responsibility

PAP implemented many CSR projects in the villages around the project sites. It has also engaged in many community activities that has a tangible benefit outcome to the communities, enhancing its social capital and social license to engage in its operations.



Strategic Partnerships and Collaborations

The company has agency agreements with Sungrow Inverters and LONGi solar panels, strengthening partnerships with global energy leaders in renewable energy and improving its technological capabilities.



Sustainable Business Practices

ESG and sustainability practices attract ethical investors who are keen to invest in sustainable projects and build strong relationships with regulatory authorities.

CHALLENGES

Regulatory and Policy Uncertainty

Uncertainty in the policy landscape of the country affects investor confidence and long-term planning. Similarly, uncertainties in power purchase agreements and tariff structures impede continuity of operations.

Community and Environmental Concerns

Certain level of resistance is experienced in the implementation of some solar and hydro projects specially in the pre-development stage with communities concerned about land use, water usage and environmental and social impact.

Competition and Market Dynamics

Increasing competition in the renewable energy generation sector requires the company to differentiate itself through innovation, strategic partnerships and sustainable business practices.

Economic and Financial Constraints

Currency fluctuations and securing funding to maintain profitability remains a challenge, in the current economic constraints experienced by the country.

Public Perception and Trust

Consistent transparency and ethical business practices are needed to build trust with stakeholders, including investors, regulators and communities. Any negative publicity in the current scenario of social media connectivity, whether factual or otherwise, affects the company's reputation and stakeholder relationships.

VALUE CREATED



CONTRIBUTION TO UN SDGS



Affordable and Clean Energy



Decent Work and Economic Growth



Industry, Innovation and Infrastructure



Sustainable Cities and Communities



Responsible Consumption and Production

CAPITAL LINKAGES



Financial Capital

Leveraging social and relationship capital significantly bolster the relationships with stakeholders, building goodwill and trust, essential ingredients for a sustainable business operation for the long term. Retaining and building a strong brand reputation is key, to attracting investors and building strong collaborations with industry leaders, impacting the financial capital.



Manufactured Capital

Strong social and relationship capital ensures uninterrupted supply chain procurements for the maintenance and building of infrastructure, ensuring occupational health and safety and development of physical assets such as solar and hydroelectric power plants.



Intellectual Capital

Staying ahead of the competition in the renewable energy industry, connecting with globally accepted expertise, innovation, insights and technologies are of great significance. Strong social and relationship capital ensures inroads into such intellectual repositories, benefiting the operation for the long term.



Human Capital

Fostering strong relationships, ensuring human capital development and offering career growth and opportunities have a profound impact on the way human capital engages with the company business, creating a loyal and dedication team that works to achieve common objectives.



Natural Capital

Complying with the requirements to ensure an environmentally sound operation and responsible usage, creates a synergy between social and relationship capital and the commitment to preserving the natural capital, safeguarding the ecosystems and continuing with the social license to operate as an ethical entity.

MANAGING OUR SOCIAL AND RELATIONSHIP CAPITAL

Complying with the applicable laws and regulations is mandatory at PAP. We monitor the regulatory landscape closely and report on the compliance of our project sites in a timely and meticulous manner, investigating and addressing any incidents of non-compliance, in real time.

Customer Relations

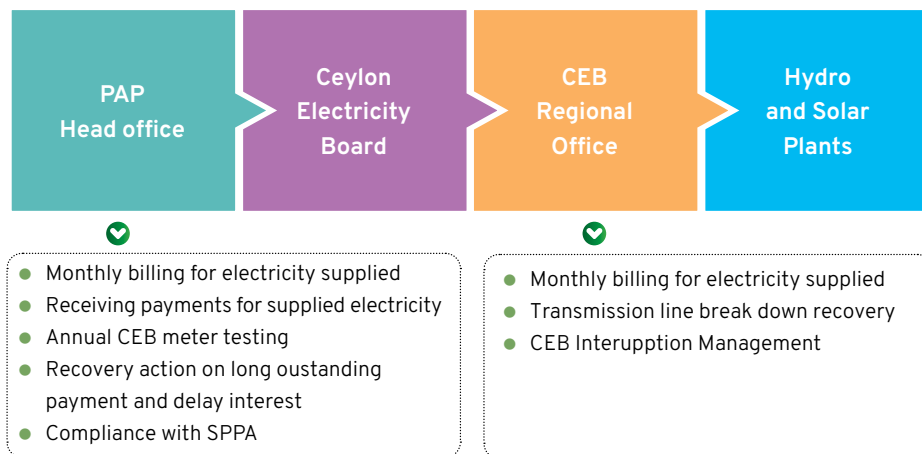
GRI 418-1

Our core function is generating electricity from renewable sources and selling energy to the National Grid and as such, the Ceylon Electricity Board (CEB) is our valued customer, with whom we maintain strong business relationships, while diligently abiding by the Power Purchase Agreement safeguarding its confidentiality and other ethical practices, inherent to the industry.

Our power plants play a vital role in boosting non-conventional renewable energy generation and making a significant impact on the National Grid. By actively engaging in sustainability initiatives, we contribute to the continual growth of the energy sector.

Each power generation project commences with the signing of a Standardised Power Purchase Agreement (SPPA) with the CEB. This agreement terms defines our relationship, outlining the CEB's requirements and conditions governing our supply of clean energy. Adherence to these stipulations is imperative for maintaining our license to operate a sustainable hydropower business.

Engagement Structure



Our fully equipped workshops handle all inverter repairs and our progress is recorded utilizing the Sungrow iSolar Cloud app, providing real-time updates. A highly qualified and well-trained expert team of engineers attend to all concerns or complaints raised by EPC customers, to ensure customer health and safety at all times.

Inverter

Converts DC electricity (from solar panels) into AC electricity (used in homes and the grid).



CUSTOMER SATISFACTION AND GRIEVANCE HANDLING

GRI 416-1, 416-2

We continued to maintain a commendable track record by adhering to CEB Grid Codes, focusing on complying with regulatory and statutory dictates and delivering high-quality electricity generation. We are proud to record that we have had no complaints in 2024, a testament to our unwavering collaboration and partnership with the CEB and its requirements. Any concern that is raised by CEB is handled immediately and resolved by the highest level at PAP.

A service engineer is on-site to make any necessary site-visits, where immediate attention is required, with the Sungrow team’s technical guidance. We focus on reducing down-time with our customer having uninterrupted access to reliable and efficient renewable energy. During the year, we did not receive any complaints related to product safety breaches. This is a testament to our stringent quality control measures and our commitment to delivering high-quality products and services. Accordingly, PAP has not incurred any fines or penalties in relation to product safety.

Engineering, Procurement and Construction Companies

The Engineering, Procurement and Construction (EPC) arm is a vital component of our operations, specializing in delivering end-to-end renewable energy solutions. The EPC division focuses on designing, procuring and constructing solar power projects, particularly rooftop solar installations for commercial and industrial clients. This segment plays a key role in advancing the company’s mission to promote clean and sustainable energy in Sri Lanka.

It is known for its innovative approaches, including the "roof rental model," where PAP installs solar plants on rented roof spaces, providing a cost-effective and environmentally friendly energy solution. This model allows clients to benefit from renewable energy without upfront investment, with options for ownership transfer after a specified period.

By adhering to international standards and leveraging cutting-edge technology, the EPC team ensures high-quality installations that maximize energy efficiency and sustainability. Their expertise not only supports the company’s growth, but also contributes to the broader goal of transitioning Sri Lanka to a greener energy future.

Business Partners



GRI 3-3, 414-1, 414-2

To operate a renewable energy in an uninterrupted manner, we have forged strong and sustainable business partnerships based on clear and transparent communication, trust, integrity and continuity. Carefully nurtured, our global and local suppliers provide the vitally needed services providing us with access to top-tier renewable energy infrastructure and local expertise.

Our established supply chain management procedure adds value, builds competitive advantage, optimises logistics and synchronises supply with demand. Given the nature of our business, we maintain a limited supplier base due to infrequent purchase.

As a responsible corporate citizen, we prioritise the ethical sourcing of both local and foreign suppliers, ensuring they align with our stringent quality standards and ethical business practices. While we do not employ a formal screening process for labour and human rights violations, we evaluate suppliers based on established criteria to maintain ethical standards. Leveraging our longstanding relationships and strong market reputation, we actively seek out suppliers who promote ethical and sustainable business practices, thereby safeguarding the integrity of our supply chain process. Most of our key suppliers hold certifications from international standards organisations that validate their adherence to best practices.

There have been no actual or potential negative impacts on society resulting from negative labour practices or human rights violations in the supply chain.

 Local Suppliers	 Foreign Suppliers
<p>The majority of our supplies are procured from local suppliers because we prioritise reputable local supplies whenever possible. This has resulted in substantial savings to the country in terms of outbound foreign exchange as well as improved business prospects for our local suppliers. Suppliers from local communities are given priority when sourcing local supplies, which fosters economic growth in project areas.</p>	<p>Spare parts for maintenance of our plant machinery and equipment are sourced from foreign suppliers, with ongoing engagement to ensure operational continuity.</p>
<p>No of Local Suppliers - 459 Value of total Purchases - 905,435,266</p>	<p>Further, most project equipment pertaining to construction of new ground solar projects are sourced from foreign suppliers. No of Foreign Suppliers - 8 Value of total Purchase - 1,292,621,932</p>
<p><i>The Company primarily utilised credit facilities for its supplies, with cash being reserved for specific transactions. As a standard practice, we ensure timely payment within the agreed credit period for all goods and services procured. Throughout the year, there were no disputes or issues concerning credit settlements</i></p>	



Exhibition of Construction power and energy expo 2024 at BMICH

Procurement Practices

We prioritize our collaboration with suppliers who align with our commitment to sustainability and who ensure ethical sourcing, addressing the minimization of environmental impacts across the supply chain. We denounce child labour, or forced or compulsory labour and carry out a strict supplier screening methodology to identify and mitigate any associated risks. Original Equipment Manufacturers (OEM) is our primary international supplier, who are dependable at delivering excellent renewable energy infrastructure.

A three-step approach is adopted in screening and on-boarding suppliers.

Selection	Oversight and Approval	Senior Management Oversight
Selection of suppliers in accordance with the guidelines set out under PAP's procurement process, which has been developed in line with global best practices.	Oversight and approval authority for procurement is held by PAP's Chief Executive Officer (CEO). Procurement authority is further delegated to the heads of departments on an individual basis accompanied with specified guidelines and authority limits.	PAP's Procurement Committee comprising the top management including the CEO, CFO/FM and Senior Manager – Technical, retains overall responsibility for efficient and cost-effective procurement.

Comprehensive Assessment

PAP's procurement guidelines are clear and stringent.

All suppliers	Suppliers are comprehensively assessed based on product quality, compliance standards, certifications, warranties, price competitiveness, delivery record and long-term availability of the spares.
Spare part suppliers	Only the manufacturer recommended parts are used, no quotes are required unless multiple suppliers are available.
Installation and commissioning inverters	We only work with SLSEA registered EPC companies but conduct our own due diligence to verify their credentials and to obtain independent assurance regarding their labour and environmental compliance track record.

THE COMMUNITY AND CORPORATE SOCIAL RESPONSIBILITY (CSR)

GRI 413-1, 413-2

As part of its operational framework, PAP is committed to integrating community sustainability and social responsibility into our business practices. Our core business, generation of renewable energy, promotes clean and green energy, which by itself is a hallmark of sustainable communities. Through our EMS system, we align ourselves with international standard of ISO 14001 to ensure our projects do not unduly inflict any significant damage to the environment.





Our corporate social responsibility (CSR) activities, sponsorships and donations are critically evaluated to determine their necessity prior to granting relief, to ensure that they do not constitute acts of bribery of any sort.

PAP abstains from making contributions to political parties, affiliates, or personalities, both domestic and foreign. This policy aligns with our commitment to business ethics and applies to employees at all levels, as well as the Board of Directors.





We initiated several CSR projects to enhance livelihoods and provide an inclusive living environment to the communities that surround us.

Access to Education				
Project	Description	Employee volunteerism (Hours)	Expenditure (LKR)	SDG focus
Providing school supplies	School supplies were given to school children in Walapane. Grass cutters were donated to Matara school	12 hrs	150,000	
Donation for schools	Various donations were given to schools ie, conducting sports meets and other functions	15 hrs	100,000	
Knowledge Sharing				
Project	Description	Employee volunteerism (Hours)	Expenditure (LKR)	SDG focus
Conduct awareness sessions	Conduct health, safety and environment training or awareness session to sub-contractors and surrounding communities ie, specially on fire and electrical safety and basic environmental principals such as land use, waste management or disposal and soil erosion.	8 hours per month	500,000	
Community Wellbeing				
Project	Description	Employee volunteerism (Hours)	Expenditure (LKR)	SDG focus
Build the irrigation anicut at Padiyapelella	Built an irrigation anicut to divert stream water to irrigate the paddy lands. It feeds 12 acres of paddy land and 10 families benefit	10 full days, 3 employees working on shift basis	350,000	 

Building Partnerships

Project	Description	Employee volunteerism (Hours)	Expenditure (LKR)	SDG focus
Supply of Desktop computers	Desktop computers supplied to Addalaichenai DS office	32 hrs	525,000	 
Donations to local authorities	Various donations to local authorities to conduct training sessions, staff mentoring sessions, for furniture and other equipment supplies, etc	60 hrs	600,000	 

Business Linked CSR

Project	Description	Employee volunteerism (Hours)	Expenditure (LKR)	SDG focus
Agrivoltaics farming	We commenced farming under solar panels to maximize resource utilisation and ensure food security of the nation. This program was designed to empower rural women, providing internship opportunities for agriculture bases and undergraduate students from universities.		Not yet quantified	   

CSR PROJECTS CONDUCTED



Construction of an anicut (small dam) at Watekgama to meet the water requirements of farmers in Owathanna and Kubagathanna paddy fields.



Donations to public



Donations to Hiripitiya temple



Supply of grass cutter machines to Matara school



Providing school supplies to school children at Walapane area



Supply of desktops to Addalaichenai divisional secretariat office



Donations to public

Relations

We prioritise engaging with our shareholders and diversifying investments while ensuring transparency and accountability. Shareholders have the right to clear accounting practices and can vote on crucial matters. They can also evaluate our governance, environmental and social practices. We are committed to legally and ethically interacting with our

shareholders, avoiding conflicts of interest and refraining from making political contributions for favours. Our goal is to offer attractive returns by adhering to a company dividend policy.

Industry Partnerships

Our memberships in professional organisations of the industry significantly enhance our networking

capabilities and offer numerous other benefits. They broaden our knowledge, grant access to market opportunities, facilitate the identification of potential partnerships and investments and keep us abreast of industry trends. Additionally, they foster cohesion on specific industry issues, making them invaluable resources for establishing our business in the local environment.

We are members of the following professional associations:

- Small Hydropower Developers Association (SHDA)
- The Ceylon Chamber of Commerce (CCC)
- The Employers' Federation of Ceylon (EFC)

INTERACTIVE GRIEVANCE MECHANISM

A Stakeholder Complaints Log, introduced at the project offices of each site, records any complaints against the company regarding significant actual or potential negative impacts on local communities from our operations. The log also encourages stakeholders to offer suggestions for improving current practices. All entries are responded to within 7 days and necessary actions, if required, are promptly taken.

During the current year, no grievances related to significant, actual or potential negative impacts on local communities were raised by communities or any other stakeholders.

ETHICAL BEHAVIOUR

The company has a policy on anti bribery and corruption, which has been communicated throughout the group and displayed at each power plant. These policies must be strictly adhered to by every employee, including board members. We routinely assess adherence to these practices and emphasise the importance of ethical behavior during monthly staff meetings at both the head office and the sites.

During the year under review, there were no incidents of anti-corruption and no operational activity was assessed for risks related to corruption. Additionally, the

company did not face any convictions or legal actions related to anti-competitive behaviour, anti-trust, or monopoly practices. Furthermore, neither our sole customer, suppliers, nor contractors took legal action against us for unethical practices.

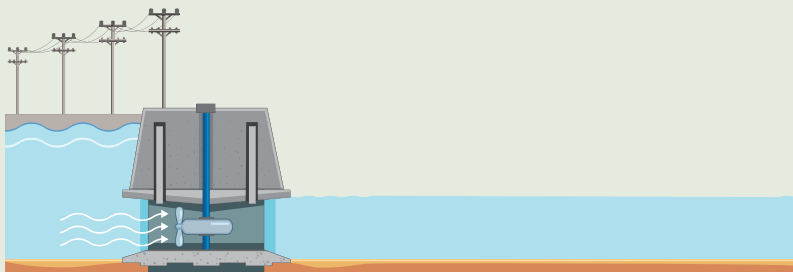
Future Focus



Our commitment to the community aligns with the foundational principles and practices of our ESG and sustainability. We are currently in the process of drawing up a comprehensive strategy linking these two areas and establishing a management committee to provide oversight.

We plan to continue with offering cost-effective and innovative power options to our customer base in Sri Lanka, by increasing solar and hydropower capacity, expanding rooftop solar projects, introducing advanced energy storage solutions and leveraging smart grid technology to optimize energy distribution thereby, contributing to.

Our growth agenda in the recovering economy is inter-twined with our commitment to delivering sustained value to key stakeholders such as customers, suppliers and the community at large. Our core strategic pillar customer-centricity will place special emphasis on delivering superior customer value.



ISO 14001

Investment in
Technology

LKR

18Mn

ISO 45001

Investment in Training and
Development

LKR

4.6Mn

At the core of our organization is a substantial repository of intellectual capital, encapsulating the collective knowledge, specialized expertise and innovative capacity of our workforce. The strategic management of this intellectual capital is pivotal in fostering groundbreaking innovation, promoting a culture of continuous professional development and sustaining our competitive advantage in a dynamic market landscape.



OUR APPROACH

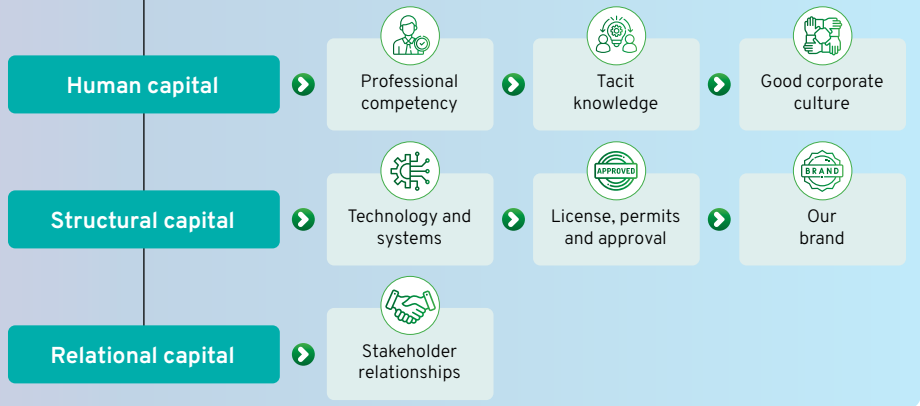
A priority at PAP is nurturing and advancing the competencies of our employees and upskilling them to stay adept with evolving skill sets required to enhance overall efficacy in power generating business. Soft skills are also of paramount importance to engage with the stakeholder universe. Harnessing the power of cutting-edge technology and integrating digital platforms augments our intellectual capital, consolidating our position as leaders in the renewable energy sector, maintaining a trajectory of industry excellence.

MATERIAL THEMES

- Technical Knowhow/ Innovations
- Brain drain
- People proposition



PAP's intellectual capital



All our sectors are connected by our fundamental strengths in research and development, technology and capabilities, which has fueled our aspirations to drive innovation in processes. We encourage new ideas through propagating a culture of learning which stimulates innovation and knowledge sharing.

OPPORTUNITIES

- Sri Lanka is blessed with eighteen rivers and has a minimum two seasons of acute rainfall which is a plus factor for hydropower projects.
- Sri Lanka has a long history of hydroelectric power generation, which has helped develop expertise in managing renewable energy projects.
- Policies aimed at increasing renewable energy's share in the National Grid have encouraged investment and workforce development.

CHALLENGES

While the opportunities are many, there are inherent challenges to overcome, for a sustainable renewable energy future.

- Policy Uncertainty - poses unpredictability
- Funding is still a challenge for Sri Lanka
- Lack of investment in advanced technologies and innovation

VALUE CREATED

- Invested LKR. **4.6Mn** in Training and Development
- Invested LKR. **6.8Mn** in CSR activities
- Invested LKR. **2.6Mn** in Safety
- Upgraded our operational excellence at a cost of LKR. **6Mn**
- Fostering partnerships and alliances for mutual benefit based on sustainable principles

CONTRIBUTION TO UN SDGS



Peace, Justice and Strong Institutions

Investing in upgrading the knowledge, technical skill and soft skills of our employees translate into greater understanding of how institutions and communities work together for the good of all.



Partnerships for Goals

The projects are built and operate with collaborative action of Public-Private and People Partnership (PPPP). We encourage and promote effective public-private and people partnerships, to build the experience and resourcing strategies of partnerships

CAPITAL LINKAGES



Financial Capital

Upgrading our tacit knowledge base, helps enhanced productivity and sustainable profitability.



Human Capital

Contributes towards generating employment and uplifting livelihoods.



Manufactured Capital

Upgraded knowledge base helps manage and maintain our Manufactured Capital in good order, for a safe and healthy workplace for optimum production.



Social and Relationship Capital

Enhanced levels of intellectual capital created long lasting bonds with other stakeholders, for a sustainable future.



Natural Capital

Awareness and training on managing the natural capital, is mandatory to ensure a preserved planet. Training investment is a primary trade off for good understanding of this foundational principle.

OUR BRAND

A pioneering brand in Sri Lanka since 2002, dedicated to delivering clean and sustainable energy, we have made significant strides to become a leading independent power producer, specializing in mini-hydropower and solar energy projects. We have set benchmarks in the industry by harnessing state of the art technology and expertise, as we continue to focus on operational excellence and innovation. We are committed to empowering communities by providing eco-friendly energy needs, as we align our company with Sri Lanka's National Energy Policy to expand the nation's renewable energy capacity.

TACIT KNOWLEDGE

Enhancing the core competencies is crucial for business excellence. We therefore, cultivate our tacit knowledge in a structured manner through training and development, fostering talent mobility to expand skills, motivate our workforce, encourage knowledge-share practices and implement leadership training to instill capabilities and competencies for those in the line of succession. Preservation and enhancement of this reservoir of tacit knowledge is foundational to PAP, underpinned by a robust employee value proposition designed to attract, retain and nurture talent.

METHODOLOGY

We cultivate and nurture our tacit knowledge in many ways.

Cultivating a learning culture	<p>Technical trainings</p> <ul style="list-style-type: none"> ● Mechanical training ● Electrical maintenance ● Machinery handling ● Occupational health and safety management system ● Environment management system <p>Other practical trainings</p> <ul style="list-style-type: none"> ● Fire drill and fire evacuation ● Hazard identification and elimination ● Environment, health and safety ● First aid
Mentorship for growth	Formal training is supported by personalized mentorship programmes that allocates site workers with experienced technical managers, transferring knowledge and building skill, in an interactive and supportive environment.
Open communication and wellbeing	Open communication is a norm at PAP, where we encourage our employees to voice concerns and address issues or seek support professionally or personally for their development.

For detailed information on Training and Development, please refer to Human Capital on page 62

CORPORATE CULTURE, ETHICS AND INTEGRITY

Our corporate culture is founded on integrity and ethics, integrating values, principles and behaviors expected of our workforce, from the top down. We are cognizant that the longevity of our company is dependent on the trust and confidence the stakeholders have placed in it, which are rooted in the intangible yet measurable presence of strong corporate governance and ethical execution of our strategy. We uphold these standards diligently, ensuring they are clearly communicated to our workforce, that relates to actionable efforts and generate sustainable results. This permeates across all our relationships and stakeholder interactions.

SYSTEMS AND PROCESSES

Continuous business process improvements delivering superior service in an efficient manner, are captured in the way we operate our business. Continually enhancing our processes to achieve peak efficiency, is central to operational excellence, with defined roles and collectively contributes to the overarching strategy.

TECHNOLOGY AND DIGITALIZATION

Technology and digitalization are the frontrunners of speedily moving a business to the future and that is keenly felt in transforming the energy sector, driving innovation, efficiency and sustainability. We continue to invest in engaging with technologies to work smarter, promoting a culture of digitization. This allows our workforce to be effective collaborators in their job functions, accessing information seamlessly and ensuring timely delivery of work routes, that converge to build our final product. Through these initiatives, we are enhancing productivity, reducing our environmental footprint and embracing the possibilities offered by the digital age.

In addition, smart technology allowed us to work in a paper-reduced environment and be time efficient through online platforms for meetings and discussions, while cloud storage helped us with easy access to files, from any location.

BUSINESS CONTINUITY PLAN

GRI 403-5

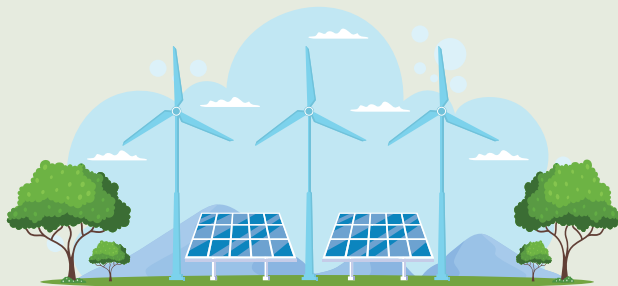
Continuity of critical business functions while emphasizing the protection and well-being of employees is crucial to us. To address potential serious disruptions or threats, a comprehensive Business Continuity Plan (BCP) has been developed, adhering to high fail-safe standards. This plan encompasses safeguards for employees, infrastructures, information systems and technological infrastructure. Additionally, regular training drills are conducted to familiarize employees with the necessary procedures, ensuring preparedness in the event of emergencies.

For a detailed account of occupational health and safety, please refer to Human Capital on page 62

Future Focus



We will continue to build the repositories of our intellectual capital, which is primarily the upskilling of our employees with the necessary knowledge and professional development. A high performing team will significantly contribute to the sustainability of PAP, while partnering the long-term goals of national development, in the energy sector. Furthermore, we will strive to advance technological integration across our operations, ensuring the optimization of systems and processes to meet the evolving needs of our employees and other key stakeholders.



Renewable Energy Generated

58.36 GWh

Generation

50

Trees replanted

43,556

MT of CO₂ reduction

40kg

Paper recycled

As renewable energy producers we heavily rely on the limited resources nature has endowed us with. Implementing and adhering to strict protocol therefore, as responsible users of this limited resource is a mandatory requirement with PAP.



OUR APPROACH

Environmental sustainability and mitigating environmental adverse impacts are a key criterion in our decision-making process, shaping our key performance indicators and guiding the evolution of business models. We believe in the saying, “If we surrender to earth’s intelligence, we could rise, rooted like trees” (Rainer Maria Rilke) and treat every aspect of this limited resource with the respect it mandates.

MATERIAL THEMES

- Managing environmental impact
- Water Management
- Climate Change
- Waste management
- Energy Consumption
- Biodiversity



OPPORTUNITIES

We focus on harnessing wind, solar, hydro and other natural resources to generate clean energy and are presented with several opportunities in this respect.



Water Resource

Sri Lanka is blessed with eighteen rivers and has a minimum two seasons of acute rainfall which is a plus factor for hydropower projects.



Experience in Hydropower

Sri Lanka has a long history of hydroelectric power generation, which has helped develop expertise in managing renewable energy projects.



Government Initiatives

Policies aimed at increasing renewable energy’s share in the national grid have encouraged investment and workforce development.



Solar Energy Expansion

The Government’s commitment to expanding the generation of solar energy helps us in investing in ground and rooftop solar installations, offering opportunities for businesses and individuals to rent out unused roof space for solar energy production.



Commitment to Sustainability

Sri Lanka has set ambitious targets, such as achieving 100% renewable electricity generation by 2050, which drives workforce development in the sector.

CHALLENGES

Environmental conservation and Management

Balancing energy generation with ecosystem preservation, especially in hydropower projects, requires careful planning.

Limited Research and Development

The country lacks sufficient investment in R&D for renewable energy technologies. This limits innovation and the ability to develop locally adapted solutions, forcing reliance on imported technologies.

Resource Availability

Seasonal variations in water flow for hydropower and sunlight intensity for solar energy impact efficiency. Climate change has severely affected the anticipated renewable resource availability in the recent past, for power generation.

Infrastructure and Investment Needs






Expanding renewable energy capacity requires significant investment in technology and infrastructure.

Limited Awareness and Public Engagement






A lack of widespread awareness in the community about land use and environmental impacts.



CONTRIBUTION TO UN SDGS

 <p>Clean Water and Sanitation</p> <p>Ensure availability and sustainable management of water and sanitation for all.</p>	 <p>Responsible Consumption and Production</p> <p>Ensure sustainable consumption and Production patterns.</p>	 <p>Climate Action</p> <p>Take urgent action to combat climate change and its impacts.</p>	 <p>Life Below Water</p> <p>Conserve and sustainably use the oceans, seas and marine resources, for sustainable development.</p>	 <p>Life on Land</p> <p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably managed forests, combat desertification and halt and reverse land degradation and halt biodiversity loss.</p>
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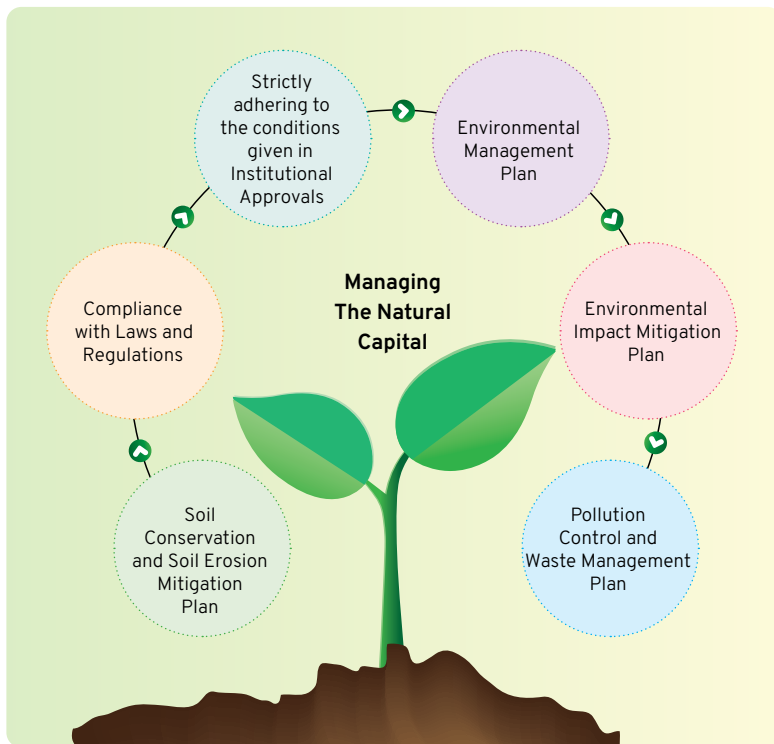
CAPITAL LINKAGES

 <p>Financial Capital</p> <p>Sustainable use of natural capital ensures long term cost saving and profitability, risk reduction and creates market opportunities.</p>	 <p>Manufactured Capital</p> <p>Responsible use of natural capital ensures resource efficiency, infrastructure longevity, regulatory compliance and innovation and sustainability.</p>	 <p>Intellectual Capital</p> <p>Helps in brand building and brand reputation, strategic decision-making, knowledge-sharing, innovation and research.</p>	 <p>Social and Relationship Capital</p> <p>Ensures community wellbeing, builds trust and collaboration, contributes towards economic equity and preservation of culturally and nationally important sites helps retain unique cultural and social identity of the country.</p>	 <p>Human Capital</p> <p>Contributes towards a healthy environment, stronger workforce, pleasant working surroundings and economic growth.</p>
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MANAGING OUR NATURAL CAPITAL

Our governance structure which encompasses systems, policies, procedures and processes are designed to manage responsible consumption of natural resources, with view to retaining sustainability that is essential for human wellbeing and the preservation of the planet. This is a holistic approach where we integrate international agreements, national regulations, local practices and community involvement to ensure responsible usage and stewardship and the way in which we mitigate environmental risks and threats to biodiversity. Data analytics, transparent communication, adaptive management strategies and robust monitoring mechanisms are encapsulated in our decision-making to ensure responsible usage of the natural capital.

Our strategy for managing the natural capital is based on a six-pronged plan.



KEY OBJECTIVES

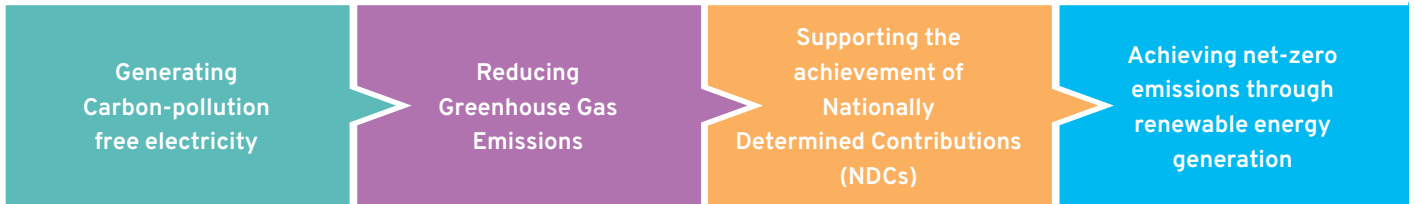
We continued with the key objectives we defined in 2023 and pursued our goals with vigor to achieve the desired outcomes.

Zero water-related issues	We continue to strive for zero complaints regarding water diversion / extraction
Pollution Prevention	Preventing oil spillages, land water and air pollution remains a top priority
Noise Reduction:	We're committed to maintaining noise levels below acceptable limits by CEA during hydropower plant and solar power plant operations.
Emergency Preparedness	Company's fire evacuation plan and training are in place to enhance safety.
Sustainable Waste Management	Our waste disposal system is up and running, with a focus on exceeding our 80% target for recycling and reuse.
Compliance and Community Respect	We're proud to maintain a zero record of public, neighbour, or legal body complaints, along with zero legal requirement violations
Biodiversity Protection	Minimising damage to both land and water flora and fauna remains a core objective.
Resource Efficiency	Our commitment to efficient electricity and water consumption continues. We actively identify and address areas where we can minimise unnecessary use

ENVIRONMENTAL MANAGEMENT SYSTEM (EMS)

EMS enables us to align our business activities with sustainability practices that enhance the environment. Our strict adherence to standards gained us ISO 14001:2015 certification, which we continued to uphold by applying the controls that were required to be maintained through our operational processes. Complying with rules and regulations embedded in the National Environmental Act and the requirements of the Central Environmental Authority (CEA), we implemented our projects and their upkeep, in line with the protocols set up without any non-compliance being reported in 2024.

While adhering to SDGs (Sustainable Development Goals) related to Natural Capital conservation as defined by the United Nations, we based our goals on this international framework, on NDCs (Nationally Determined Contributions) and the UNFCC Paris Agreement, a landmark international treaty on climate change.



GOVERNANCE

We have established a robust environmental governance framework to drive our management of the natural capital, which works in tandem with the requirements of the Sustainable Development Goal (SDGs). We have upheld strict compliance with all relevant laws and regulations, with no violations reported during the review period.

Please refer the section on Our Commitment to Sustainability at page 32 for a comprehensive account on our sustainability practices, that underpins the usage and preservation of our natural capital.

POLICY FRAMEWORK

To achieve our objectives, we work within a robust policy framework which also defines the procedure and the process involved, across our operations. These include the following and are reviewed periodically for relevance and where necessary, amended to incorporate current requirements and operational requirements.

- Policies and procedures
- Board level oversight
- Appropriate due diligence processes
- Responsible supply chain management
- Robust ESG reporting
- Transparency and risk management
- Business and tax strategy and governance
- New business and operating models

ENERGY MANAGEMENT

GRI 3-3

We work within a strong policy structure in managing energy consumption, allowing us to be a responsible corporate citizen in consumption and usage.

We continued to monitor and evaluate the energy consumption across our project sites, identifying areas for improvement.

ENERGY CONSUMPTION WITHIN THE ORGANIZATION

GRI 302-1, 302-2, 302-3, 302-4, 302-5 302-1

- 302-1 Energy consumption within the organization
- 302-2 Energy consumption outside of the organization
- 302-3 Energy intensity
- 302-4 Reduction of energy consumption
- 302-5 Reductions in energy requirements of products and services

FUEL USAGE

Fuel Type	Total litres	GHG Emissions (tCO ₂ e)
Petrol	1,198	3.23
Diesel	4,094	11.95

INITIATIVES IN 2024/25

Delegate staff as sustainable executive to collect data and calculate energy related emission and implement energy conservation techniques, objectives and targets.

WATER MANAGEMENT

GRI 3-3, 303-1,303-2,303-3, 303-4, 303-5



RESPONSIBLE CONSUMPTION

Optimizing the use of water efficiency, conserving water resources, ensuring the protection of natural water systems, thereby supporting environmental sustainability and ensuring community water security for the long term are the basis for or the key objectives of our water management policy.

GRI 303-3,303-4,303-5

Water Withdrawal by Source

Surface water	From streams for hydropower generation
Ground water	Tube wells
Sea water	Not applicable
Produced water	NA
Third party water	Water supply from NWSDB
Total water withdrawal	Data not available
Total water withdrawal from all areas with water stress	NA
Total water withdrawal from I. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	NA
II. Other water ($> 1,000$ mg/L Total Dissolved Solids)	NA

Water discharged by source – there is no waste water discharge due to project operations except household use

Surface water	Stream water discharged to stream after electricity generation
Ground water	NA
Sea water	NA
Third party water	Through municipal drainage system
Total water discharged	Data not available
Total water discharge to all areas with water stress	NA
Total water discharge to I. Freshwater ($\leq 1,000$ mg/L Total Dissolved Solids)	NA
Other water ($> 1,000$ mg/L Total Dissolved Solids)	NA

Year	Total (m3 Year)	GHG emissions (tCO ₂ e)
2024/25	487	0.191
2023/24	560	0.221

ENVIRONMENTAL AND SOCIAL IMPACT

GRI 303-2

Environmental and Social Impact

Our responsible water management plan is designed to ensure the efficient and sustainable use of water resources while minimizing environmental impact. This has contributed to the preservation of local ecosystems by preventing water pollution and maintaining natural water flow patterns.

To ensure environmental flow and prevent excessive water diversion, for continuous downstream water availability for local communities, protect aquatic habitat and biodiversity, we maintain recommended e-flow throughout the year. Seasonal shutdowns in dry periods helps to preserve natural water levels, reduce ecological disruptions and in the long-term support hydropower generation without harming local ecosystems.

From a social perspective, these efforts have ensured a stable water supply for nearby communities and helped reduce the risk of water scarcity during dry seasons, improving the resilience of both the environment and local populations. Through these sustainable practices, we continue to prioritize environmental conservation while positively impacting the well-being of society.

WASTE AND EFFLUENTS MANAGEMENT

GRI 3-3, 306-1,306-2,306-3,306-4,306-5

KEY HIGHLIGHTS

- No wastewater generation in our operations
- No discharge of water as we are in a renewable energy business that does not involve any liquid charge.
- Water is used for domestic consumption at sites, and the rest of the water is absorbed in soak pits.
- Water used for washing solar panels is either evaporated or absorbed into ground.

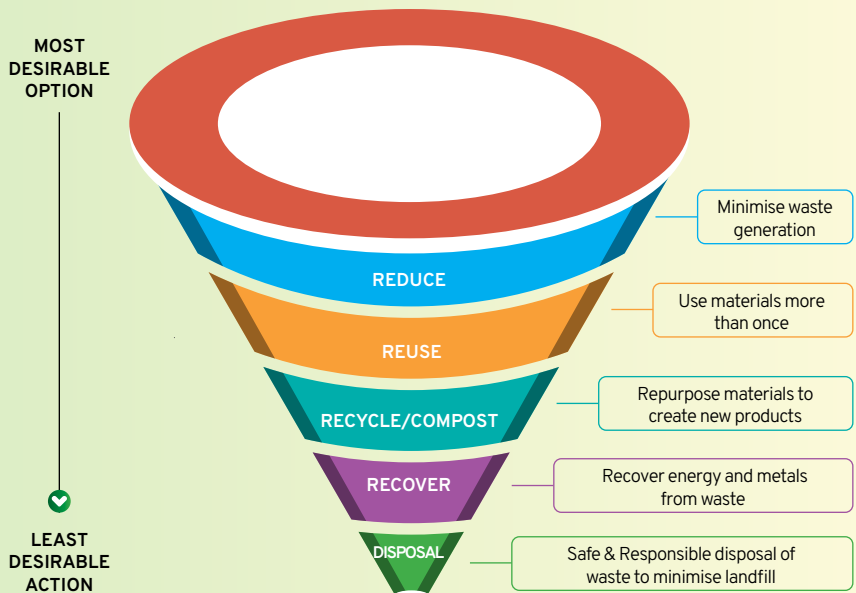
APPROACH TO WASTE MANAGEMENT

We focus on minimizing our waste generation by adopting 5R principles - Refuse, Reduce, Reuse, Recycle, and Repurpose, across our operations. We have established a robust waste management system that enables us to manage and dispose the waste generated, in a responsible and scientific manner. We have embedded industry best practices and waste management standards to ensure meeting and exceeding legal requirements. We train employees and engage them at all levels of waste management ensuring implementation of proper storage and disposal practices, and integration of waste management policies across all sites.

The waste management system ensures the minimization of environmental impacts, promoting resource efficiency contributing to community well-being through responsible waste identification, segregation, disposal and creating awareness as to the management of waste and effluents.

Our EMS system integrates waste disposal and recycling into its sustainability framework, adhering to stringent environmental standards, aligned with ISO 14001. This system ensures efficient waste management practices, including pollution prevention and resource optimization. PAP emphasizes minimizing environmental impacts during power generation and promotes biodiversity conservation. Through these initiatives, the company demonstrates its commitment to sustainable energy solutions and environmental stewardship.

The Waste Management Hierarchy



Waste Category		Waste Disposal Method
Hazardous Waste	Oil	Sent to authorised recyclers
	Empty Oil Drums	
	Oil-soaked Cotton Waste	
Non-hazardous Waste	Metal	Sold to recyclers or composted, depending on its nature
	Wood	
	Paper	
	Plastic	
	Food Waste	

WASTE GENERATED

Year	Total Kg	GHG emissions (tCO ₂ e)
2024/25	687	1.15
2023/24	432	0.72

WASTE BY DISPOSAL METHOD

GRI 306-4, 306-5

Waste Volume by Disposal Method		
Diverted from Disposal		
Re-used	Tons	NA
Recycled	Kg	Quantity of recycled papers 2023/24- 49kg, 2024/25 – 40 kg

Environmental and Social Impact

GRI 306-2

Our waste management initiatives have significantly contributed to reducing environmental pollution, conserving natural resources and promoting community well-being. By minimizing waste generation and enhancing recycling efforts, we actively support the circular economy. Moreover, the awareness campaigns have empowered employees and local communities to adopt responsible waste management practices, fostering positive social outcomes and improved public health.

EMISSIONS MANAGEMENT

GRI 305-1, 305-2, 305-3, 305-4, 305-5, 305-6, 305-, SASB, FB-AG-110a

PAP prioritizes emissions management as a core aspect of its environmental sustainability strategy, actively working towards reducing greenhouse gas (GHG) emissions through the adoption of clean energy technologies and renewable energy solutions. By aligning our operations with international standards, such as the Paris Agreement's Nationally Determined Contributions (NDCs), we contribute to achieving carbon neutrality by 2050. Additionally, the company implements robust environmental

policies, including pollution prevention measures and climate risk assessments, to minimize the environmental impact of power generation. Additionally, we are currently in the process of calculating organizational carbon footprint. Subsequently will work for accreditation (3rd party verification and certification) to publish organizational carbon footprint.

Key Activities

- Emission Source Identificaiton
- Data Collection and Monitoring
- Emission Calculation
- Data Analysis and Verification
- 3rd Party Verification
- Reporting and Documentation

Environmental and Social Impact

By systematically measuring and monitoring greenhouse gas emissions across our operations, we have gained valuable insights into our carbon footprint. This has enabled us to identify key emission sources and implement targeted reduction strategies reducing air pollution, and mitigating climate change impacts.

From a social perspective, our proactive emission reduction measures support healthier communities by minimizing

harmful pollutants that can affect public health. Additionally, by aligning with global climate goals and regulatory frameworks, we demonstrate our commitment to sustainable practices, enhancing trust among stakeholders.

BIODIVERSITY CONSERVATION

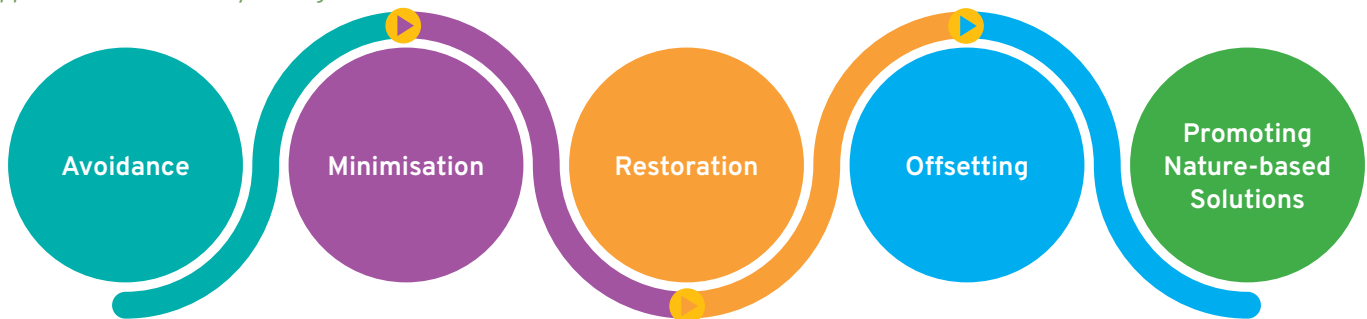
GRI 304-1, 304-2, 304-3, 304-4

As responsible stewards of the natural capital, we hold it as our duty to safeguard the ecosystems within our areas of operation. We conduct comprehensive biodiversity surveys across our lands, meticulously documenting the flora and fauna within our areas of stewardship.



Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	MHPs are located in wet zones, where the biodiversity value is high and IEE or EIA is conducted before project implementation, through suggested impact mitigation plan to address biodiversity value. Biodiversity value of the solar projects depend on the selected land, as mostly solar projects lands are barren and less in biodiversity value. Project is implemented though environmental recommendation from CEA.
Significant impacts of activities, products and services on biodiversity	Destruction in habitats, noise, water extraction. These impacts are addressed through environmental impact mitigation plan
Habitats protected or restored	We mostly conduct re-planting activities parallel to project implementation, which will help to compensate the tree removal for project implementation. le. Re- Planting Jack trees in Hiyare, Galle which is double in quantity of trees we removed for project implementation
IUCN red list species and national conservation list species with habitats in areas affected by operations	The species identification and categorization based on IUCN species conservation list are conducted and recorded in the IEE/ EIA report. Until now there is no red listed species identified in our project boundaries.

Approach to Biodiversity Management



Working within the applicable regulations, we conduct Environmental Impact Assessments (EIAs) and Initial Environmental Examinations (IEEs) when recommended by the project approving agency and as necessary, prior to commencing a project, to proactively identify and mitigate potential biodiversity, ecological and social impacts.

MATERIAL MANAGEMENT

GRI 301-1, 301-2, 301-3

Increasing the use of renewable material in the processing and packing process are a vital link in the sustainable production process. We strive to minimise the use of non-renewable material in our operations.

Packaging materials such as cardboard and polythene that are received with the imported goods for construction phase of

the project, are meticulously segregated and handed-over to the recyclers

PARTNERSHIPS FOR ENVIRONMENTAL SUSTAINABILITY

We continued partnering with the climate group accessing best industry practices and expertise and collaborate with academic institutions and research bodies to enhance our innovative technologies, focusing on how we use, protect and contribute towards preserving the natural capital, the core value in our line of business.

Future Focus



We will be committed to continue to ensure responsible usage of the natural capital and preservation of biodiversity within the areas under our stewardship and manage land usage with the preservation of the planet, as the core of our sustainable business operations.



Greenhouse Gas (GHG)

Gases like CO₂, methane, and nitrous oxide that trap heat in the Earth's atmosphere and contribute to global warming.



STEWARDSHIP AND GOVERNANCE

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Your Power,
Our Mission



L. H. A. L. SILVA

Independent, Non Executive
Director / Chairman

D. SOORIYAARACHCHI

Non Independent,
Non Executive Director

P. K. PATHMANATHA

Executive Director
/ Chief Executive Officer

L. K. A. H FERNANDO

Non Independent,
Non Executive Director



K. KAMBURADENIYA
Independent,
Non Executive Director

C. PIETERSZ
Independent,
Non Executive Director

N. RANATUNGA
Independent
Non – Executive Director

R. WEUDAGEDARA
Company Secretary

MR. L. H. A. L. SILVA

Independent, Non Executive Director / Chairman

Date of appointment to the Board

01.03.2022

Number of years on the Board 03

Details of other Directorships 16

Shareholding in the Company Nil

Nature of expertise

Leadership ✓	Electrical Engineering	Accounting and Finance ✓
Legal/Regulatory	People's Mgt ✓	Risk & Strategy ✓

Board sub committee membership

- Board Nominations and Governance Committee
- Board HR & Remuneration Committee
- Board Related Party Transactions Review Committee

Lakshman Silva embarked on his distinguished professional journey with the Department of Inland Revenue of Sri Lanka before joining the DFCC Banking Group in 1987. His commitment and expertise saw him seconded to the service of DFCC Vardhana Bank in 2003, where he assumed the pivotal role of Chief Operating Officer. His path within the organisation culminated in his appointment as the Chief Executive Officer/Executive Director in January 2010. Following this, he served as the Deputy Chief Executive Officer/Director of DFCC Bank PLC from October 2015 until his elevation to the position of Chief Executive Officer/Director in August 2017.

Until his retirement in December 2021, Mr. Silva held influential roles as the Chairman of DFCC Consulting (Pvt) Limited, Lanka Industrial Estates Limited and Synapsys Limited - key subsidiary

companies of DFCC Bank PLC. He also chaired Lanka Financial Services Bureau Limited and Sri Lanka Banks' Association (Guarantee) Limited. Additionally, he served as Chairman of Acuity Partners (Pvt) Limited, a significant joint venture company of DFCC Bank PLC and held leadership positions in Lanka Ventures Limited, LVL Energy Fund PLC and Director Lanka Clear (Pvt) Ltd.

Mr. Silva's commitment to the broader financial landscape is evident through his roles as a Board member of the Association of Development Financing Institutions in Asia and the Pacific (ADFIAP) and the Board of Management of the Sri Lanka Sustainable Energy Authority.

Currently, Mr. Silva contributes as an Independent Director at Seylan Bank PLC, Melstacorp PLC, Distilleries Lanka PLC, Fintech Consultancy (Pvt) Ltd, HNB Assurance PLC & as the Chairman of LankaPay.

His active engagement extends to being a member of the Stakeholder Engagement Committee of the Central Bank of Sri Lanka.

A Past President of the Association of Professional Bankers of Sri Lanka, Mr. Silva is a distinguished alumnus of the University of Kelaniya, holding a BCom (Sp.) degree and the Postgraduate Institute of Management of the University of Sri Jayewardenepura, where he earned his MBA. He is also recognised as an Associate Member of the Association of Development Financial Institutions of Asia & Pacific (ADFIAP).

MR. D. SOORIYAARACHCHI

Non Independent, Non Executive Director

Date of appointment to the Board

11.11.2014

Number of years on the Board 10

Details of other Directorships 08

Shareholding in the Company Nil

Nature of expertise

Leadership ✓	Electrical Engineering	Accounting and Finance
Legal/Regulatory	People's Mgt ✓	Risk & Strategy ✓

Board sub committee membership

- Board HR & Remuneration Committee
- Board Related Party Transactions Review Committee
- Board Nominations & Governance Committee

Deepal Sooriyaarachchi is, fellow of the Chartered Institute of Marketing UK and holds an MBA from the University of Sri Jayewardenepura and is an Accredited Master Coach and a Master Mentor.

He is a renowned Management Consultant, Speaker Trainer and an Author.

Before embarking on full time consultancy work, he was the Managing Director of AVIVA NDB Insurance PLC (now known as AIA Insurance).

He is an alumnus of the National University of Singapore, Asian Institute of Management and Stanford Business School USA.

Mr. Sooriyaarachchi serves as a Non-Executive Director in a number of listed entities including AIA Insurance Lanka, Siyapatha Finance PLC, Singer Sri Lanka PLC, Prime Lands Residencies PLC and Kelani Cables PLC. He is also a member

of the board of management of the Postgraduate Institute of Management (PIM) University of Sri Jayewardenepura. He is a consulting partner of Results Based Leadership Institute USA.

He is a Past President of the Sri Lanka Institute of Marketing and a Past Commissioner of Sri Lanka Inventors Commission.

MR. P. K. PATHMANATHA

Executive Director / Chief Executive Officer

Date of appointment to the Board	
18.05.2017	
Number of years on the Board	08
Details of other Directorships	26
Shareholding in the Company	Nil
Nature of expertise	
Leadership ✓	Electrical Engineering ✓
Accounting and Finance ✓	Legal/Regulatory ✓
People's Mgt ✓	Risk & Strategy ✓

Pathmanatha Poddwala is an engineer in profession with qualifications into business administration (MBA in Technology Management) and Management Accountancy, CMA (Aust). He counts over 21 years' experience in the field of engineering and management attached to leading conglomerates in which 14 + years in the field of renewable energy sector. He has expertise in development of renewable energy projects from project identifications, Feasibility study, financing, construction and operation and has proven track records in operation and maintenance of project assets. He has studied a large number of RE projects locally and internationally and worked as an expert in a number of due diligences of power company merges and acquisitions. Further, he serves as CDM

expert for a leading international audit firm as local expert.

Pathmanatha also counts over 8 years' experience as a senior lecturer for City & Guilds (UK) mechanical engineering curriculum. He is also an active member of Institution of Engineers Sri Lanka, Sri Lanka Energy Managers Association & CMA (Australia).

MRS L.K.A.H. FERNANDO

Non Independent, Non Executive Director

Date of appointment to the Board	
03.08.2021	
Number of years on the Board	03
Details of other Directorships	16
Shareholding in the Company	Nil
Nature of expertise	
Leadership ✓	Electrical Engineering ✓
Accounting and Finance ✓	Legal/Regulatory ✓
People's Mgt ✓	Risk & Strategy ✓

Board sub committee membership

- Board Audit and Risk Committee
- Board Nominations and Governance Committee
- Board HR & Remuneration Committee
- Board Related Party Transactions Review Committee

With extensive work in finance and management, Hiroshini Fernando accounts for nearly 30 years of experience across a broad spectrum of commercial sectors. She began her professional life at Kreston MNS & Co.- Sri Lanka Division, a correspondent firm of Grant Thornton International and a leading global firm of Chartered Accountants. Her tenure at Kreston MNS & Co. established her core expertise in accounting, auditing and

strategic finance with wide exposure to the inner workings of each area.

Given her well-rounded experience, she continues to be a source of adept insights and extensive knowledge to the Company and the Board, especially in maintaining financial transparency and matters of governance.

She is a Fellow member of the Institute of Chartered Accountants of Sri Lanka, Fellow member of the Institute of Certified Management Accountants of Sri Lanka and a Member of the Association of Chartered Certified Accountants UK. She was appointed to the Panasian Power PLC Board on 03rd August 2021.

Listed companies: Chief Executive Officer/Executive Director of R I L Property PLC and Non-Independent/ Non-Executive Director of United Motors Lanka PLC and Independent Non-Executive Director of DFCC Bank PLC. Others: Director of UML Heavy Equipment Limited, Unimo Enterprises Limited, Padiyapellella Hydropower Limited, Powergen one (Pvt) Limited and Rajarata Sustainable Development (Pvt) Limited, and Partner of A & T Associates. PAP SPGM Solar (Pvt) Ltd, PAP MHPL Solar (Pvt) Ltd, PAP EGSS Solar (Pvt) Ltd, PAP PTS Solar (Pvt) Ltd, R-E-D Capital Asia (Pvt) Ltd, PARKLAND Integrated Solutions (Private) Ltd, Solar One Asia (Pvt) Ltd

MR. K. KAMBURADENIYA

Independent, Non Executive Director

Date of appointment to the Board

03.08.2021

Number of years on the Board 03

Details of other Directorships 04

Shareholding in the Company Nil

Nature of expertise

Leadership ✓	Electrical Engineering ✓	Accounting and Finance
Legal/Regulatory ✓	People's Mgt ✓	Risk & Strategy ✓

Board sub committee membership

- Board Audit and Risk Committee
- Board Nominations and Governance Committee
- Board HR & Remuneration Committee

Kosala Kamburadeniya is a Chartered Engineer, a Fellow and an International Professional Engineer of the Institution of Engineers, Sri Lanka, a Chartered Professional of the Institution of Engineers Australia and a Chartered Member of Engineering New Zealand. He is also an Attorney-at-Law of the Supreme Court of Sri Lanka. He holds a B.Sc. Engineering honours degree from the University of Moratuwa, a Postgraduate Diploma in Industrial Engineering from the Open University of Sri Lanka and a Master of Business Administration from the University of Sri Jayawardenepura. He is the President-Elect of the Institution of Engineers Sri Lanka for the session 2024/25 and a Council member of the Engineering Council of Sri Lanka.

He is a senior member of the Institution of Electrical and Electronics Engineers (IEEE)USA, a member of the Institution

of Engineers (IET)UK, American Society of Heating, Refrigerating and Air-conditioning Engineers (ASHRAE) USA and Sri Lanka Energy Managers Association (SLEMA). Kosala is a certified Building Services Engineer and Arbitrator of the Institution of Engineers, Sri Lanka.

Kosala's 32 years of professional experience ranges from installation, Testing & Commissioning, Operations and Maintenance of Diesel Power Plants, Engineering Management, Lean Manufacturing & Process Improvement, setting up of start-up factories, Construction Projects Management and Consultancy service in Engineering Designs & Project Management.

He has served both semi-government and private Sector organizations, including Ceylon Electricity Board, Asia Power (Pvt) Ltd, MAS Holdings (Pvt) Ltd and Brandix Casual Ware (Pvt) Ltd. Presently, he holds the position of Managing Director/ Principal Consultant of K2 Consultants (Pvt) Ltd and Director positions of Quadd Solutions (Pvt) Ltd and Promap (Pvt) Ltd.

MS. C. PIETERSZ

Independent, Non Executive Director

Date of appointment to the Board

01.10.2022

Number of years on the Board 02

Details of other Directorships 07

Shareholding in the Company Nil

Nature of expertise

Leadership ✓	Electrical Engineering ✓	Accounting and Finance ✓
Legal/Regulatory	People's Mgt ✓	Risk & Strategy ✓

Board sub committee membership

- Board Audit and Risk Committee
- Board Nominations and Governance Committee
- Board Related Party Transactions Review Committee

Coralie is an associate member of the Institute of Chartered Accountants in England and Wales and a fellow member of the Institute of Chartered Accountants of Sri Lanka and of the Institute of Certified Management Accountants of Sri Lanka. She has a BSc (Hons) in physics from the University of Sussex and holds an MBA from Heriot Watt University, Edinburgh.

She counts over 25 years of senior level experience in corporate finance, accounting and auditing in both private and public sectors. She joined Finlays Colombo in 2010 as Finance Director and was also appointed as Finance Director of Hapugastenne Plantations PLC and Udapussellawa Plantations PLC in 2016 and held these roles until 2020. Prior to that she functioned as the Group CFO at Richard Pieris and Company PLC, a role that entailed

responsibility for the finance function of this diversified Group, which included five listed companies. Coralie currently holds directorships in several listed and unlisted entities.

MS. N. RANATUNGA

Independent Non - Executive Director

Date of appointment to the Board

15.01.2025

Number of years on the Board Nil

Details of other Directorships Nil

Shareholding in the Company Nil

Nature of expertise

Leadership ✓	Electrical Engineering	Accounting and Finance ✓
Legal/Regulatory ✓	People's Mgt ✓	Risk & Strategy ✓

Board sub committee membership

- Board Audit and Risk Committee
- Board HR & Remuneration Committee
- Board Related Party Transactions Review Committee

Niroshini Ranatunga (nee Wettasinha), has held a Key Management Position as Vice President/ Head of Legal at DFCC Bank PLC until December 2024. Previously, she was the Head of Legal at Hatton National Bank PLC, a position she held for several years having served the Bank for over 29 years until 2019.

A Corporate Lawyer with over 33 years of experience in the Banking and Financial Sector, carrying out the functions of the Legal Operations of the Banks handling documentation locally and for cross border transactions. She is a main resource person as a Corporate Advisory Personal and Litigation.

She is an Attorney at Law and a Notary Public, with over 38 years of experience as a Corporate and Litigation Lawyer in the Financial Sector, having entered the Bar in the year 1986. Prior to joining Hatton National Bank PLC in 1991, she had been working in the Legal firm of Abrahams & De Alwis, a leading law firm.

MRS. R. WEUDAGEDARA

Company Secretary

Appointed as the Company Secretary in 2021, Roshini Weudagedara currently serves as the Company Secretary for the Company and its subsidiaries. She also serves as a director in certain subsidiaries of PAP.

Roshini commenced her professional career at M/s Julius & Creasy, one of Sri Lanka's leading law firms, where she received comprehensive training in both the legal and company secretarial fields. Over the course of her career, she has overseen the company secretarial functions of a diverse portfolio of listed and unlisted companies, gaining wide-ranging experience in corporate governance and regulatory compliance.

She is an Attorney-at-Law and holds a Bachelor of Science degree in Biological Sciences from the University of Colombo. She also holds a Master of Business Administration (MBA) from the University of Suffolk.

BOARD OF DIRECTORS OF SUBSIDIARIES AND JOINT VENTURES

DIRECTORS NAME & COMPANY NAME	COMPANY REGISTRATION NO
PANASIAN POWER PLC	PV 9959 PB/PQ
MR. L. H. A. L. SILVA	
MR. D. SOORIYAARACHCHI	
MR. P.K.PATHMANATHA	
MR. W.W.M.S.B.K.G.KAMBURADENIYA	
MRS. L.K.A.H. FERNANDO	
MS. M.C. PIETERSZ	
MS. N. RANATUNGA	
MANELWALA HYDRO POWER (PVT) LTD	PV 10137
MR. L. H. A. L. SILVA	
MR. P.K.PATHMANATHA	
MR. W.A.I.R. PERERA	
PADIYAPELELLA HYDROPOWER LIMITED	PV 64694 PB
MR. L. H. A. L. SILVA	
DR. Z.A.M.THAHIR	
MR. P.K. PATHMANATHA	
MRS. L.K.A.H. FERNANDO	
PANASIAN INVESTMENTS (PVT) LTD	PV 84223
MR. L. H. A. L. SILVA	
MR. P.K. PATHMANATHA	
MS. R. WEUDAGEDARA	
LOWER KOTHTHMALE OYA POWER TWO (PVT) LTD	PV 81275
MR. L. H. A. L. SILVA	
MR. S.K.S.H.K. SURIYAARACHCHI	
MR. P.K. PATHMANATHA	
MR. Y. M. K. YAPA BANDARA	
MR. W.A.I.R. PERERA	
PAP SOLAR ONE (PVT) LTD	PV 128774
MR. P.K. PATHMANATHA	
MRS. R. WEUDAGEDARA	
POWERGEN ONE (PVT) LTD	PV128379
MR. L. H. A. L. SILVA	
MS. C. A. PERIES	
MR. P. L.C. JINADASA / T.D. PERERA	
MRS. L.K.A.H. FERNANDO	
ECO GREEN SOLAR SOLUTIONS (PVT) LTD	PV 129828
MR. L. H. A. L. SILVA	
MR. P.K. PATHMANATHA	
MR. Y. M. K. YAPA BANDARA	
MR. W.A.I.R. PERERA	
PANTHREE SOLARO ENERGY (PVT) LTD	PV 00202822
MR. L. H. A. L. SILVA	
MR. P.K. PATHMANATHA	
MR. W.A.I.R. PERERA	
SOLAR POWER GENERATION MATARA (PVT) LTD	PV 00205195
MR. L. H. A. L. SILVA	
MR. P.K. PATHMANATHA	
MR. W.A.I.R. PERERA	

DIRECTORS NAME & COMPANY NAME	COMPANY REGISTRATION NO
RAJARATA SUSTAINABLE DEVELOPMENT (PVT) LTD MR. P.K. PATHMANATHA MRS. L.K.A.H. FERNANDO	PV 00206952
FINERGREEN RAJARATA (PVT) LTD MR. P.K. PATHMANATHA MRS. S.K.M.D. WIJESEKARA	PV 00209489
PANASIAN POWER ZAMBIA LIMITED MR. L.H.A.L. SILVA MRS. L.K.A.H. FERNANDO MR. P.K. PATHMANATHA MR. A. MIYANADENIYA	120180009477
FINERGREEN GONNORUWA (PVT) LTD MR. P.K. PATHMANATHA MR. Y.M.K.Y. BANDARA	PV 00268543
FINERGREEN MATTALA (PVT) LTD MR. P.K. PATHMANATHA MRS. R. WEUDAGEDARA	PV 00268544
FINERGREEN RIDIYAGAMA (PVT) LTD MR. P.K. PATHMANATHA MRS. R. WEUDAGEDARA	PV 00268569
PANASIAN SOLAR (PVT) LTD (name changed w..e.f 08 May 2024) MR. L.H.A.L. SILVA MR. P.K. PATHMANATHA MRS. S.K.M.D. WIJESEKARA	PV 00270643
PAP MHPL SOLAR (PVT) LTD MR. P.K. PATHMANATHA MRS. L.K.A.H. FERNANDO	PV 00286329
PAP EGSS SOLAR (PVT) LTD MR. P.K. PATHMANATHA MRS. L.K.A.H. FERNANDO	PV 00286330
PAP SPGM SOLAR (PVT) LTD MR. P.K. PATHMANATHA MRS. L.K.A.H. FERNANDO	PV 00286331
PAP PTS SOLAR (PVT) LTD MR. P.K. PATHMANATHA MRS. L.K.A.H. FERNANDO	PV 00286332
R - E - D CAPITAL ASIA (PVT) LTD MR. P.K.PATHMANATHA MRS. L.K.A.H. FERNANDO	PV 00286382
SOLAR ONE ASIA (PVT) LTD MR. P.K. PATHMANATHA MRS. L.K.A.H. FERNANDO	PV 00296346



Standing left to right

H.A.R.S. DAYARATHNE
Assistant Site Manager

J.A.YASEEN
Sales Manager - Solar

D.A.N.M.ATHUKORALA
Assistant Manager Admin & Logistics

W.K.A.S.S.KURUPPU
Manager Human resources

P.A.J.A.DIAS
Accountant

R.C.AMARASINGHE
Project Manager

Seating left to right

Y.J.C.GUNATHILAKE
Senior Manager - Technical

P.K.PATHMANATHA
Chief Executive Officer

A.S. ARCHANA
Manager Environment Compliance And Tendering



Standing left to right

S.A.T.T.HEMACHANDRA
Electrical Engineer

P.M.D.PATHIRATHNA
Assistant Plant Manager

N.G.A.LAKMALI
Accountant

K.D.M.C.SIRIWARDENA
Project Manager

S.N.YAPA
Electrical Engineer

Seating left to right

D.N.HERATH
Head of Projects

E.A.D.L.D.EGODAWATHTHA
Finance Manager

S.M.M.SENARATNA
General Manager Risk, Compliance & Operations



Mr. L.H.A.L. Silva
Chairman

"For our company, governance is not a checklist, but a culture that ensures decisions are made in the best interests of all stakeholders, with clarity of purpose and a long-term view."

CHAIRMAN'S STATEMENT ON CORPORATE GOVERNANCE

On behalf of the Board of Directors, I am pleased to present the Corporate Governance Report of Panasian Power PLC (The Company) for the financial year 2024/25.

At the heart of good governance lies integrity, transparency, and accountability – principles that I believe must be deeply embedded in the way we lead and operate. For our company, governance is not a checklist, but a culture that ensures decisions are made in the best interests of all stakeholders, with clarity of purpose and a long-term view.

As the Chairman, I have remained committed to fostering an effective and engaged Board, one that provides robust oversight while supporting the Management in delivering our strategic objectives.

This has involved maintaining a strong focus on Board composition, continuous development and an open dialogue to ensure diverse perspectives are heard and considered.

The culture of our Board is one of openness and constructive challenge. We value every member's voice and I am pleased to note the active participation of our non-executive directors, whose independence and insight have significantly enriched our deliberations.

Our governance practices are well aligned with the company's values, policies, and procedures. This alignment is strengthened by a performance-driven culture where accountability is clearly defined and supported by appropriate incentives and measurement systems, reinforcing the behaviors and outcomes we seek to uphold.

I wish to confirm that in accordance with

1. section 9.1.3 of the Listing Rules, this report together with the annexures confirm the extent of compliance with the Corporate Governance Rules under the Listing Rules;
2. section 9.2.2 of the Listing Rules, to the best of my knowledge, there have been no material violations of the provisions of the Code of Ethical Business Conduct applicable to our employees, Directors, or the company during the year. Further, the company has not granted any exemptions or waivers to the adherence of the Code.
3. section 9.7.5 of the Listing Rules, all Directors, including the Chief Executive Officer, have submitted their declarations on fitness and propriety and continue to satisfy the fit and proper criteria stipulated in the Listing Rules issued by the Colombo Stock Exchange.
4. section 9.5.2 of the Listing Rules, all requirements relating to the policy on matters relating to the Board have been duly complied with.
5. section 9.8.5 of the Listing Rules, the Board of Directors made an annual

determination on independence of the Directors based on the declarations submitted by each director and other information available. The names of the directors who are deemed independent as at 31 March 2025 are duly disclosed in this report.

6. section 9.17 of the Listing Rules,
 - a. All Directors have declared all material interests in contracts involving in the Company and have refrained from voting on matters in which they were materially interested;
 - b. The Board has conducted a review of the internal controls covering financial, operational and compliance controls and risk management and have obtained reasonable assurance of their effectiveness and successful adherence therewith;
 - c. The Board has made arrangements to make ourselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions;
 - d. To the best of my knowledge, there are no relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority
7. section 9.14.8 (4) of the listing rules, the rules pertaining to related party transactions have been duly complied.

L.H.A.L. Silva
Chairman

04 June 2025

INTRODUCTION TO CORPORATE GOVERNANCE

At Panasian Power PLC, corporate governance is not a checkbox. It is a living system embedded in how we think, lead, and grow sustainably. It reflects our belief that good governance goes beyond compliance – it is about building resilient structures that create long-term value for all.

In an energy sector shaped by change, innovation and responsibility to the planet, we view governance as the mechanism that powers ethical transformation. It's how we balance purpose with performance and growth with accountability.

We have architected our governance framework around five dynamic pillars, each reinforcing our commitment to responsible leadership: Together, these pillars empower Panasian Power PLC to maintain integrity, reinforce trust, and drive stakeholder confidence.

Pillars	Description
Responsibility	Acting with intent and purpose in every decision we take.
Accountability	Being answerable for performance, actions, and outcomes.
Awareness	Staying attuned to risks, trends, and stakeholder expectations.
Impartiality	Promoting objectivity and fairness across all layers of decision-making.
Transparency	Communicating openly to build enduring trust.

GOVERNANCE STRUCTURE

At the core of our governance model is the Board of Directors, The Board provides strategic leadership, safeguards shareholder interests, and oversees the Company's performance and risk management.

To support its oversight role, the Board is assisted by four specialized sub-committees:

- Board Audit and Risk Committee (BARC)
- Board Related Party Transactions Review Committee (BRPTRC)
- Board Nominations and Governance Committee (BNGC)
- Board HR and Remuneration Committee (BHRC)

These committees operate under clearly defined terms of references and regularly report to the Board on key matters within their limit.

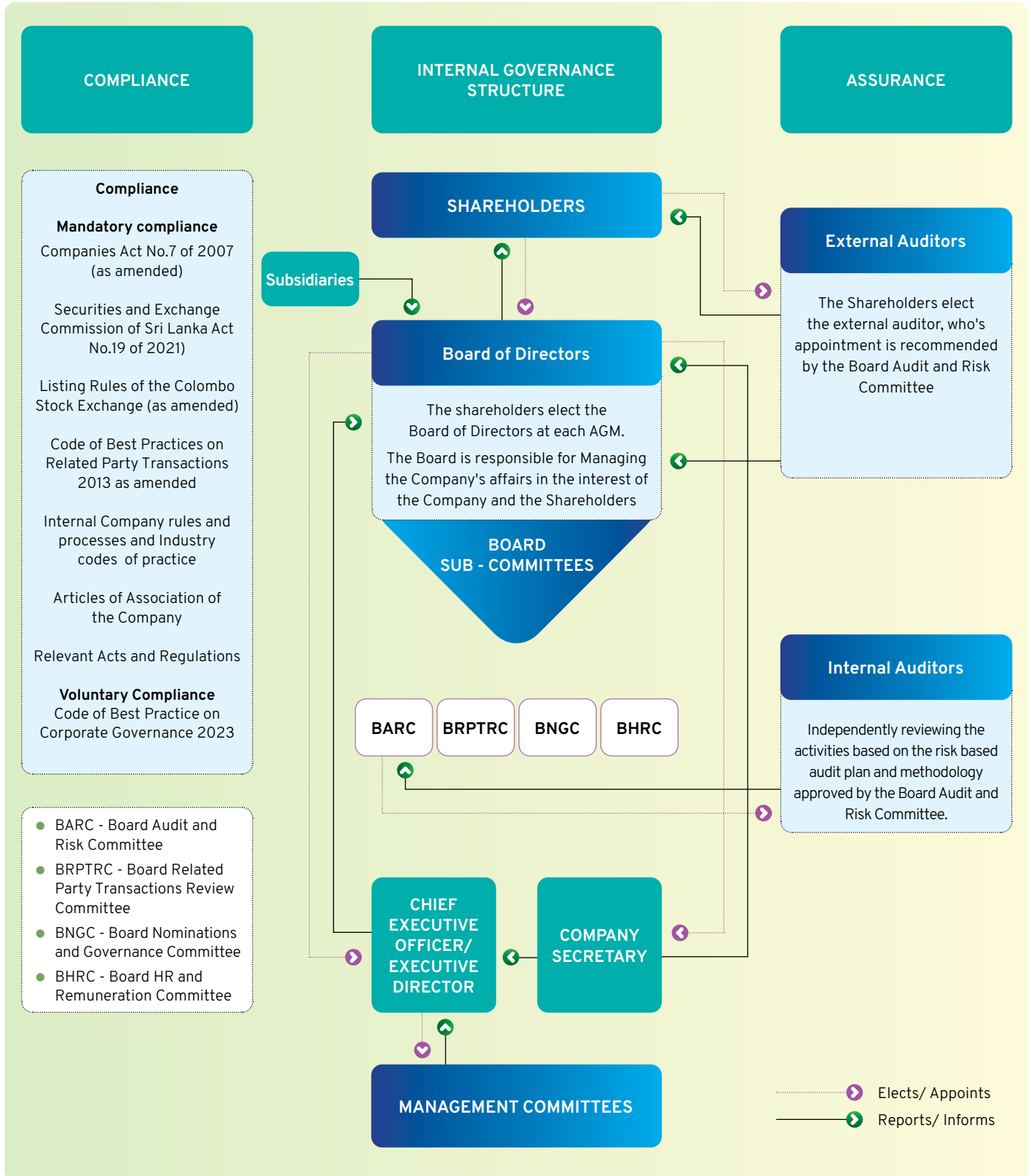
The Chief Executive Officer (CEO), appointed by the Board, is responsible for the day-to-day operations of the Company. Supporting the CEO are various Management Committees that focus on operational execution and performance.

The Company Secretary plays an integral role by advising the Board on governance matters, ensuring full compliance with statutory obligations, and serving as the bridge between the Board, regulators, and shareholders.

For internal assurance, our Internal Audit function operates independently and reports directly to the BARC. This ensures impartial assessments of internal controls and risk frameworks across the organization.

From an external assurance perspective, the External Auditors are appointed by the shareholders, following a recommendation from the BARC. Their independent audit opinions enhance financial integrity and provide assurance to shareholders and the broader market.

Panasian Power PLC's governance structure is continuously reviewed and refined to ensure alignment with evolving regulatory expectations, global best practices, and the strategic priorities of the Company .



OUR COMPLIANCE FRAMEWORK

PAP subscribes to a group wide governance framework which reflects our commitment to comply with relevant legislation and regulations as well as voluntary framework and standards as set below.

Mandatory compliance	Voluntary compliance	Internal
<ul style="list-style-type: none"> ● Companies Act No 07 of 2007 (As amended) ● Sri Lanka Accounting and Auditing Standards Act No.15 of 1995 ● Listing Rules of the Colombo Stock Exchange (As amended) ● Inland Revenue Act No.24 of 2017 (As amended) ● Customs Ordinance No.17 of 1869 ● Foreign Exchange Act No. 12 of 2007 ● Securities and Exchange Commission of Sri Lanka Act No.19 of 2021 ● Code of Best Practices on Related Party Transactions 2013 ● All other laws and regulations applicable to the business 	<ul style="list-style-type: none"> ● Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants 2023 (CG Code 2023) ● Global Reporting Initiative Standards. 	<ul style="list-style-type: none"> ● Article of Association ● Code of ethical business conduct for employees and Directors ● Terms of Reference of Board Sub Committees ● Risk Management policies and procedures ● Whistleblowing policy ● Policy on dealing with shares of the Group ● Policy on anti-bribery and corruption ● Policy on Board matters ● Policy on Board sub-committees ● Policy on Corporate Governance, Nominations and re-elections ● Policy on relations with shareholders and investors ● Policy on remuneration ● Policy on Corporate Disclosures ● Policy on risk management and internal control ● Policy on control and management of company assets and shareholder investments ● Policy on Environmental, Social and Governance sustainability ● Other policies and procedures

All policies mandated under section 9.2.1 of the Listing Rules listed above are in place and are also published on the Company website. Changes were made to the policy on board matters during the year.

BOARD OF DIRECTORS

The Board of Directors understand that strong corporate governance practices are a critical factor in the achievement of our corporate strategy,

The Board plays a central role in strategic oversight, ethical leadership, and risk management, while promoting a culture of integrity and accountability across the Group.

Board Balance

Structure and composition

Our Board comprises a diverse blend of skills, experience, and perspectives, enabling objective and effective decision-making. Directors dedicate significant time and bring independent judgment to Board and Committee deliberations, ensuring that business functions are executed responsibly and in line with stakeholder expectations.

The Board of Directors conducts the affairs of the company based on its diverse industry knowledge and experience and ensures that its composition is appropriate for the effective execution of its responsibilities. The inclusion of independent directors on the Board is essential to bring objectivity and transparency to the management and to the dealings of the Company.

As at 31 March 2025, the Board comprised of 7 directors, out of which 6 are non-executive directors. Out of the 6 non-executive directors, 4 were independent.

Changes in Board composition during the year 2024/25

As part of the Board's ongoing commitment to ensuring it has the right mix of skills and experience to effectively guide the company, the BNGC conducted a review against the established skills matrix. This review highlighted legal expertise as an area where additional strength would enhance the Board's collective capability. In response, and in keeping with our principle of continuous improvement, the Board appointed Ms. N. Ranatunga during the year to the Board.

Diversity and inclusion

The evaluation of the Board's composition takes a balanced view of diversity encompassing factors such as age, tenure, gender, professional expertise and independence to ensure a balanced and high-performing governance body.

Age Diversity

A broad age range among Directors fosters generational diversity in perspectives and leadership styles, contributing to balanced and forward-thinking governance.

Gender Diversity

We believe that maintaining diversity in gender representation contributes to a broader range of viewpoints, encourages more balanced decision-making, and reflects an inclusive governance culture.

Tenure Profile

Our Board comprises individuals with varied lengths of service, ensuring a healthy balance between continuity and renewal. This combination allows the organization to benefit from institutional knowledge while also welcoming fresh perspectives to support dynamic governance.

Independence

Independence remains a cornerstone of our governance philosophy. Independent Directors offer unbiased views and critical oversight, helping to ensure decisions are made objectively and in the best interest of the Company and its stakeholders.

Expertise

Board appointments are made with a focus on relevant experience and professional competence across key areas such as finance, strategy, legal, and industry-specific knowledge. This diverse expertise equips the Board to guide the company effectively in achieving its strategic objectives.

The size and skills composition of the Board is influenced by the demands of our diverse and complex business landscapes. An appropriate mix of skills, knowledge and experience ensures that the Board is collectively equipped to drive the Group's strategy and value creation. With the formation of the BNGC, the Board has delegated the responsibility of assessing the Board composition required to provide leadership to Panasian Power PLC and its subsidiaries.

Please refer page 98 for detailed profiles of the Directors.

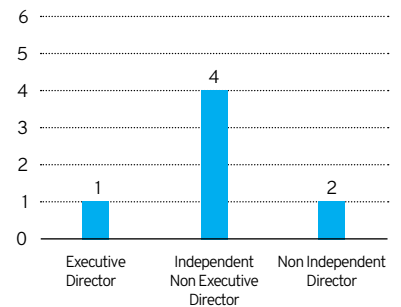
Skill matrix

Skills	Description	Number of directors on the Board
Core competencies	 Financial acumen	
	 Investments	
	 Strategy and business planning	
	 Leadership	
	 Corporate Governance	
	 Risk Management	
	 Legal	
	 People and culture	
Industry specific skills	 Industry knowledge	
	 Construction processes, project management, and property development	
	 Marketing and business development	
	 Corporate transactions	
Emerging trends	 Expertise in environmental, social, and governance (ESG) factors/ Sustainability	
	 International experience	
	 Technological proficiency/Digital literacy	

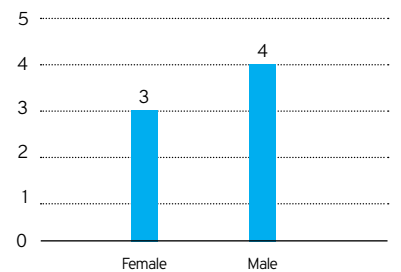
Financial acumen

Three out of seven Directors possess sound knowledge and experience in financial matters, equipping the Board with the ability to critically evaluate financial performance, interpret financial reports, and make informed decisions on budgeting, capital management, and investment. This collective strength supports the Company's commitment to maintaining financial discipline and strategic growth.

Board Composition

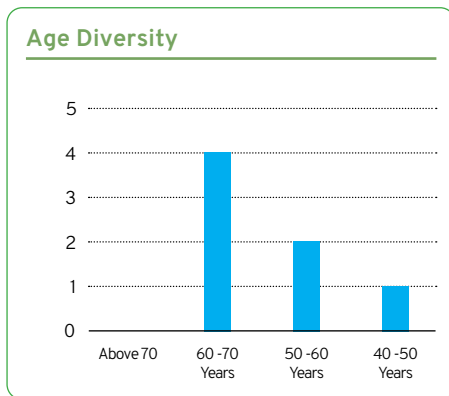


Diversity of Gender



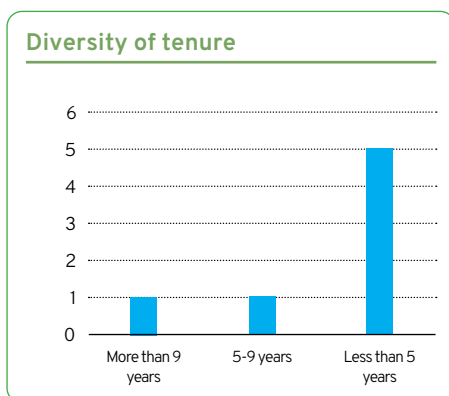
AGE DIVERSITY

With 43% of directors below the age of 60. The board is diverse in its age representation. Thereby combining both experience and fresh perspective.



Diversity of Tenure

Periodic introduction of new members brings in new perspectives and skills, while continuity and valuable industry expertise is retained through long standing directors.



Maintaining the independence element of the Board and fitness of directors

The number of independent directors on the Board are well above the minimum requirement specified by the CG Code 2023/ Listing Rules. Thus,

this provides a strong and independent element on the Board.

This is fundamental to good corporate governance as it facilitates the exercise of independent and objective judgment on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined.

Another important factor in Board appointments is ensuring that individuals meet the criteria on fit and proper to carry out their duties.

For a director to be deemed “independent”, such director is required to be independent of management and free of any business or other relationship that could materially interfere with or could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgment.

The assessment on independence is carried out by the BNGC annually and as and when the circumstances require. The Directors submit annual declarations and circumstances would then be assessed by the Committee. The Company Secretary is entrusted with the task of tabling the declarations. Thereafter, the Committee reviews the declaration completed by each director and assesses the independence and recommends its assessment to the Board. As an additional measure, the Company Secretary via quarterly declarations confirms if there have been any changes to the annual declaration.

In addition, a dedicated agenda item is included at Board meetings for members to disclose any updates to their external directorships.

Out of 6 non- executive directors, 4 are independent.

As at 31 March 2025, the following were determined as independent in accordance with the criteria under the Listing Rules:

- Mr. L. H. A. L. Silva
- Mr. K. Kamburadeniya
- Ms. C. Pietersz
- Ms. N. Ranatunga

The Board was satisfied that all directors met the fit and proper assessment criteria specified under the Listing Rules.

Board’s policy on other directorships

The Board has adopted a policy on external directorships to ensure that directors are able to dedicate sufficient time and attention to their responsibilities within the Company. The Company Secretary actively monitors compliance with this policy, including adherence to prescribed limits on the number of external board roles.

In evaluating candidates for Board appointments, the BNGC places strong emphasis on the individual’s capacity to commit adequate time to the role. This was a key criterion in the recent director selection process to ensure effective and responsible contribution.

The total number of Board seats held by each director as at 31 March 2025

Name of The Director	Number of directorships in Listed companies (Excluding PAP)		Number of directorships in unlisted (Excluding PAP)		Total number of directorships and list of companies	Total No. of Directorships	Material business relationships of the director or close family member with other directors
	Executive capacity	Non - executive capacity	Executive capacity	Non- executive capacity	Company list		
Mr. L. H. A. L. Silva	Nil	4	Nil	12	Finetech Consultancy (Pvt) Ltd Lanka Pay (Pvt) Ltd Subsidiaries of Panasian Power PLC Seylan Bank PLC HNB Assurance PLC Melstacorp PLC Distilleries Company of Sri Lanka PLC	16	Nil
Mr. D. Sooriyaarachchi	Nil	5	1	2	Lanka Shipping and Logistics (Pvt) Ltd Prime Land Residencies PLC Sati Human Development Institute (Pvt) Ltd AIA Insurance Lanka PLC Singer Sri Lanka PLC Siyapatha Finance PLC Medapp (Pvt) Ltd Kelani Cables PLC	8	Nil
Mr. P. K. Pathmanatha	Nil	Nil	21	5	Subsidiaries of Panasian Power PLC Galaxy Capital Limited Rovel Constructions (Pvt) Ltd** Hydrogen Power Solutions (Pvt) Ltd Suncore Solarcity (Pvt) Ltd Integrated Agro solutions (Pvt) Ltd	26	Nil
Mr. K. Kamburadeniya	Nil	Nil	1	3	K2 Consultants (Pvt) Ltd Quadd Solutions (Pvt) Ltd Promap (Pvt) Ltd	4	Nil

Name of The Director	Number of directorships in Listed companies (Excluding PAP)		Number of directorships in unlisted (Excluding PAP)		Total number of directorships and list of companies	Total No. of Directorships	Material business relationships of the director or close family member with other directors
	Executive capacity	Non - executive capacity	Executive capacity	Non - executive capacity	Company list		
Ms. L. K. A. H. Fernando	1	2	2	11	Subsidiaries of Panasian Power PLC United Motors Lanka PLC and it's subsidiaries DFCC Bank PLC R I L Property PLC and it's subsidiaries A&T Associates	16	Nil
Ms. C. Pietersz	Nil	4	Nil	3	Hemas Pharmaceuticals (Pvt) Ltd Bogala Graphite PLC Compass Advisory Services (Pvt) Ltd Tambapanni Academic Publishers (Pvt) Ltd Nations Trust Bank PLC* United Motors Lanka PLC R I L Property PLC CT CLSA Asset Management (Pvt) Ltd** CT CLSA Capital (Pvt) Ltd**	7	Nil
Ms. N. Ranatunga	Nil	Nil	Nil	Nil	Nil	0	Nil

*Appointed after the reporting period;

**No longer serve as a director;

The role and responsibility of the Board

The Board is responsible for providing strategic leadership and oversight to ensure the long-term success and sustainability of the Company.

- Formulate and oversee the implementation of business strategy;
- Appointment of chairman, senior independent director (where relevant), CEO and board sub committees;
- Ensuring that key management personnel have the required skills, experience, and knowledge to implement strategy;
- Oversee Succession Planning for leadership continuity;
- Approval of annual budgets and major capital expenditure;
- Ensure sound system for internal controls, risk management and information integrity;
- Ensure compliance with all legal, regulatory and ethical standards;
- Integrate stakeholder interests into corporate decision making;
- Ensure that businesses are developed in a sustainable manner and adopts integrated reporting frameworks

Distinct Roles of the Chairman and Chief Executive Officer

In adherence to sound corporate governance principles, the roles of the Chairman and Chief Executive Officer are clearly separated and held by two distinct individuals. This separation ensures a balance of authority and promotes effective oversight and decision-making. The Chairman is primarily responsible for leading the Board and ensuring its effectiveness, while the CEO oversees the day-to-day management and operations of the Company. Chairman, Mr. L. H. A. L. Silva is an independent non-executive director while Mr. P. K. Pathmanatha, CEO serves as an executive director.

Role of Chairman

The Chairman plays a pivotal role in leading the Board, ensuring it functions effectively and in the best interest of the Company and its stakeholders which include following functions.

Role of Chairman

- Lead the Board and preserve order and facilitate the effective discharge of Board functions;
- Take a leading role in the Company's drive to achieve and maintain a high standard of corporate governance with the full support of the directors, Company Secretary and the senior management;
- Encourage the effective participation of both non – executive and executive directors within their respective capabilities for Company's benefit;
- Develop the agenda in consultation with the CEO, directors and the Company Secretary, approves the agenda for the Board meeting and ensures sufficient allocation of time through discussion of agenda items;
- Ensure that the Board members receive accurate, timely information to enable them to make clear and sound decisions;
- Ensure regular meetings, the minutes of which are accurately recorded and where appropriate, include the individual and collective views of Directors;
- Facilitate and encourage discussions among all directors in decision making;
- Maintain a balance between non – executive and executive directors;

Role of Chief Executive Officer

- Lead the development of the Company's future strategy including identifying and assessing risks and opportunities for the growth of its business and reviewing the performance of its existing businesses;
- Run the day-to-day business within the authorities delegated to the CEO by the Board;
- Formulate, obtain approvals and implement the Company strategies;
- Lead the development of senior management within the Company, with the aim of assisting the training and development;
- Ensure that the Chairman is kept apprised in a timely manner of issues faced by the Company and any important events and developments;
- Continuously monitor and report to the Board on the performance of the Company;
- Ensure compliance with all applicable Laws and Regulations

Role of Company Secretary

The Company Secretary, Ms. R. Weudagedara, an Attorney-At Law was appointed by the Board in 2021.

The Company Secretary plays a pivotal role in supporting the effective functioning of the Board and ensuring adherence to the highest standards of governance. This includes ensuring that Board, sub-committee, and shareholder meetings are conducted in accordance with the Articles of Association, the Code of Ethical Business Conduct for Directors, and all applicable legal and regulatory requirements.

The Company Secretary facilitates the smooth flow of information between the Board and management, prepares meeting agendas in consultation with the Chairman, CEO, and other directors, and ensures that proceedings are accurately documented in the minutes. Additionally, the Company Secretary coordinates with management to ensure timely submission of board papers, maintains statutory registers, files statutory returns, and acts as a key point of contact with regulators and shareholders, fostering transparency and trust in the Company's operations.

Board induction and training

Board induction

The Company Secretary is responsible to ensure that the Director receives an induction, on joining the Board.

On appointment, the new director undergoes a comprehensive induction program to familiarize of the business and governance policies at PAP. New Director is provided with a comprehensive orientation pack consisting of all relevant external and internal regulations that the Director should be aware of. Formal meetings with the senior management are held, thereby facilitating Board interaction and independent access to the senior management. As a part of the induction process, site visits are also arranged upon request.

Training for new and existing Directors

The Board acknowledges the need for continuous development and expansion of knowledge and skills of new and existing Directors.

- Adequate knowledge sharing opportunities are provided on a continuous basis at the cost of the Company, in relation to general aspects of directorship as well as matters specific to the industry and the Company;
- The BNGC reviews and makes recommendations on the training and professional development programs to the Board;

- The annual self – assessment by directors also identifies if there are any training needs of directors
- As a part of the Company's continuing education process for directors, the Company Secretary circulates to the Board any articles, press releases to keep the Directors updated on current trends and issues.
- The Company Secretary also informs the Directors on the training avenues available, matters that are current and relevant to the Board's effective performance, which also include matters specific to the industry and the Company. These training programs may be conducted either by the Company's internal experts in the relevant field or by external agencies.
- From time to time, Board members are given insights into regulatory changes that may impact the industry, at Board Meetings.

Figure: Trainings conducted during the year

Area	Resource	Number of hours
Industry related		
Applicability on ESG	External	1
Regulatory related		
Briefing on Personal Data Protection Act	Internal	0.5
Briefing on amendments to the Listing Rules	Internal	0.5
Briefing on anti-bribery and Corruption	Internal	0.5
Incorporation on anti-corruption policies to corporates	External	3

Meetings

Process

The dates of Board and Board sub – committee meetings are scheduled well in advance at the beginning of the year. To assist directors in planning their attendance, the Company Secretary consults every director before fixing the dates for these meetings.

Frequency

Board meetings are usually held on a quarterly basis, unless business exigencies demand the convening of additional meetings.

Urgent matters are also referred to the Board via circulation, where in-person meeting is not feasible, however this is the exception, not the rule. Instances where decisions are made by way of circular resolutions, all relevant information pertaining to the resolution are sent along to enable the directors to clearly understand the purpose for which a resolution is being circulated. However, if a single director deems it necessary that such resolution must be declared at a board meeting and not by circulation, the Chairman shall put the resolution to be decided at a meeting.

As a practice of good governance, all resolutions which are passed during a quarter are tabled at the meeting subsequently by the Company Secretary, for the information of the Board.

Mode of holding meetings

Directors may join meetings via phone or video conferencing, in line with the Articles of Association and relevant TORs of the sub-committees.

Attendance Disclosure

The details of the number of Board meetings held in the year as well as the attendance of each Board member at those meetings are disclosed below:

BOARD AND SUB-COMMITTEE MEETING

Board

Name of Director	Attendance **
Mr. L. H. A. L. Silva - Chairman	11/12
Mr. P. K. Pathmanatha	11/12
Mr. D. Sooriyaarachchi	10/12
Mr. K. Kamburadeniya	11/12
Ms. L. K. A. H. Fernando	12/12
Ms. C. Pietersz	12/12
Ms. N. Ranatunga	2/2

** (Attended/Eligible to attend)

Board Audit and Risk Committee

Name of Director	Committee status	Attendance **
Ms. C. Pietersz	Chairperson	13/13
Ms. L. K. A. H. Fernando	Member	13/13
Mr. K. Kamburadeniya	Member	12/13
Ms. N. Ranatunga	Member	1/2
Mr. L. H. A. L. Silva*	Member	11/11

*resigned w.e.f 15 January 2025

** (Attended/Eligible to attend)

Board Related Party Transactions Review Committee

Name of Director	Committee status	Attendance **
Ms. N. Ranatunga	Chairperson	1/1
Mr L.H.A.L. Silva	Member	5/5
Mr. D. Sooriyaarachchi	Member	4/5
Ms. L.K.A.H. Fernando	Member	5/5
Ms. C. Pietersz	Member	5/5

** (Attended/Eligible to attend)

Board HR and Remuneration Committee meeting

Name of Director	Committee status	Attendance **
Mr. K. Kamburadeniya	Chairman	2/3
Mr. L.H.A.L. Silva	Member	3/3
Ms. L.K.A.H. Fernando	Member	3/3
Mr. D. Sooriyaarachchi	Member	2/3
Ms. N. Ranatunga	Member	N/A
Ms. C. Pietersz*	Member	3/3

* resigned w.e.f 15 January 2025

** (Attended/Eligible to attend)

Board Nomination and Governance Committee meeting

Name of Director	Committee status	Attendance **
Mr. K. Kamburadeniya	Chairman	5/5
Mr. D. Sooriyaarachchi	Member	3/5
Mr. L.H.A.L.Silva	Member	5/5
Ms. L.K.A.H.Fernando	Member	5/5
Ms. C. Pietersz	Member	5/5

** (Attended/Eligible to attend)

Meeting Documentation

The Company Secretary prepares detailed minutes, which are approved by the Chairman and then circulated to the Board for feedback. Differing views are recorded to ensure transparency.

Supply of information

Board members receive timely, structured, and relevant information to support effective decision-making. This process has been standardized and agreed upon by the Board.

Agendas and supporting documents are circulated at least seven days in advance to enable directors to prepare thoroughly.

Access to Independent Professional Advice

Directors are permitted to obtain independent professional advice when they disagree with the management or majority views on Board matters.

Such requests should be made through the Company Secretary, either verbally or in writing.

If in-house expertise is insufficient and external input is considered necessary by the Chairman and the concerned Director, the Board may approve the appointment of an independent expert. The company will bear the cost of this advice unless it is deemed to benefit the individual Director exclusively.

Performance evaluation of the Board and sub-committees

It is of importance that the Board periodically appraises its own performance, in order to ensure that it adequately meets its responsibilities as well as to facilitate continuous improvement individually and collectively.

The Board has implemented a process for assessing the effectiveness of the Board as a whole, effectiveness of its Board sub – committees and the contribution by each individual director to the effectiveness of the Board, on an annual basis.

The collective outcome thereafter was compiled and tabled at a BNGC meeting, which made recommendations to the Board on actions needed to be taken to improve the balance of skills, experience, independent, industry and company knowledge training for the directors and other factors pertaining to Board effectiveness.

The process for the performance evaluation of the Board which was followed during the year is as follows:

	Conducted by
Overall performance of the Board	All directors
<ul style="list-style-type: none"> ● Board Composition ● Board meetings ● Board function 	
Relationship with the Management	
Self-Evaluation by each Director	All directors
Performance Evaluation of the Board sub-committees	Chairman
Performance Evaluation of performance of the Chairman	All directors (Other than Chair)
Performance Evaluation of the Non-Executive Directors	Executive directors
Performance Evaluation of the Executive Directors	Non-Executive directors

Performance appraisal of the CEO

At the beginning of the Financial Year, the Board discusses and set financial and non-financial targets to be achieved by the CEO during the year, in line with the short, medium and long- term objectives of the Company.

In doing so, the Board will take into consideration the changes in the operating environment. The CEO is responsible to provide the Board with explanations for any adverse variances together with proposed actions to be taken. Remuneration is revised based on the performance. Areas identified for improvement are communicated to the CEO inclusive of any training needs, skills and any knowledge gaps.

As delegated by the Board, the evaluation of the CEO was conducted by the BHRC during the year. The BNGC ascertained that a suitable process is maintained for the periodic evaluation of the performance of the CEO to ensure that responsibilities are satisfactorily discharged.

Code of conduct for Directors and employees

The Board is committed to creating an ethically conducive culture and set the tone from the top. The Board has in place

a Code of Conduct and Ethics which all directors and employees are required to adhere to.

All employees receive training on compliance with the Code as a part of their induction and periodic refresher sessions are held.

The Company has in place a policy on dealing with shares of the Group applicable for directors and employees which sets out the procedure to be followed in case of share trading. In addition, during the year, all employees signed off a declaration that to the best of their knowledge they have complied with the provisions of the policy on dealing with shares of the Group.

Increasing Emphasis on Environmental, Social and Governance (ESG) Aspects

ESG-focused investing is gaining momentum globally as governments, funding agencies, and investors seek to minimize irresponsible corporate practices that harm the environment, infringe on human rights, and encourage corruption. Effective ESG policies are vital for attracting talent, retaining employee loyalty, and ensuring sustainable growth.

PAP believes that prioritizing ESG fosters a comprehensive analysis of performance, enabling a sustainable business model

that benefits all stakeholders. Efforts include managing natural resources, reducing environmental impact, enhancing stakeholder well-being, and ensuring robust governance. ESG metrics are regularly reviewed during decision making to stay ahead of developments and integrate ESG elements into strategy, operations, and reporting.

In collaboration with an international Audit firm, PAP is conducting detailed studies to develop ESG framework.

Following the release of IFRS S1 and S2 standards by International Sustainability Standards Board (ISSB) and their localization to SLFRS S1 and S2 by CA Sri Lanka, PAP is preparing for implementation of the standards. A consultant-led gap analysis will guide integration, supported by dedicated teams at group level.

Anti-bribery and corruption

The Company maintains a strict zero-tolerance policy against bribery and corruption. The Policy in place is applicable to all employees, contractors, and third parties associated with the organization. The Company is committed to complying with all relevant anti-bribery and corruption laws of Sri Lanka.

Delegation of authority and Board sub-committees

The Board has delegated some of its functions to the Board sub-committees in order to ensure the committees to focus on their delegated areas of responsibility. The Chairman of the Board does not hold the position as chair of any Board Committee in accordance with the provisions of Section 9.3.3 of the CSE Listing Rule 9.

Each sub-committee is comprising of its own governing instrument called as the Terms of reference. All the actions or decisions taken up at the sub-committee level has to be tabled and discussed at the main Board meeting.

List of Board sub-committees:

- Board Audit and Risk Committee
- Board Related Party Transactions Review Committee
- Board HR and Remuneration Committee
- Board Nominations and Governance committee

Please refer page 142 to 153 for the Board sub-committee reports.

Communication with shareholders

The Company maintains open and transparent communication with shareholders through various channels, including the Annual General Meeting (AGM), Annual Report, interim financial statements, a dedicated investor relations section on the corporate website, and timely announcements via the Colombo Stock Exchange (CSE).

The Annual Report provides a clear and balanced overview of the Company's financial health, performance, and future outlook, presented with a mix of narrative and visual elements to enhance clarity.

Shareholders may at any time able to contact Company Secretary by way of following channels, or in her absence they may reach out to the Chairman for any clarification.

Email address	Telephone number	Address
info@panasianpower.com	0114 501 200 / 0114 651 114	Level 04, BTL Shipping House, No 45/2, Braybrooke Street, Colombo 02, Sri Lanka.

The Company formalized the shareholder communications by way of a policy which is available on the Company website. The policy aims to facilitate shareholders' and Investors access to public information, promote active engagement and exercise their rights through effective communication channels established by the Company.

Communication of major issues and concerns

The policy details the process to be followed in case of major issues and concerns which is as follows:

- Shareholders or investors can raise their queries/concerns to the Board in writing via the Company Secretary.
- Upon receipt of any such communication, the Company Secretary shall immediately forward the same to the Board for their review.
- Upon thorough examination, the Board will deliberate on the concerns raised and approve the course of action to address these issues.
- Prompt feedback will be provided to the concerned shareholders or investors, either within a specified timeline or as soon as practically feasible, outlining the resolution or steps taken to address their concerns.
- The Company Secretary shall maintain records of all correspondence received.

STATEMENT OF COMPLIANCE UNDER SECTION 7.6 OF THE LISTING RULES OF THE COLOMBO STOCK EXCHANGE (CSE) ON ANNUAL REPORT DISCLOSURE

Mandatory provisions - Fully compliant

The table below summarizes the status of compliance with section 7.6 of the Listing Rules of the Colombo Stock Exchange on the contents of the Annual Report.

CSE Rule reference and description	Extent of compliance	Section reference in the Annual Report
7.6 Contents of the Annual Report		
(i) Names of persons who were directors of the Company during the financial year	√	Annual Report of the Board of Directors on page 166
(ii) Principal activities of the Company and its subsidiaries during the year and any changes therein	√	Annual Report of the Board of Directors on page 165
(iii) The names and the number of shares held by the 20 largest holders of voting and non-voting shares denominated in LKR and the percentage of such shares held as at the end of the financial year	√	Share information on page 251
(iv) The float adjusted market Capitalization, the public holding percentage, number of public shareholders and option under which the Company complies with the minimum public holding requirement	√	Share information on page 251
(v) A statement of each Directors' and Chief Executive Officer's holding in shares of the Company	√	Annual Report of the Board of Directors on page 167 Share information on Page 251
(vi) Information pertaining to material foreseeable risk factors of the Company.	√	Please refer the Risk Management report on page 154
(vii) Details of material issues pertaining to employees and industrial relations of the Company.	√	Please refer the Human Capital report on page 62
(viii) Extents, locations, valuations and the number of buildings of the land holdings and investment properties	√	Note 14 to the Financial Statements
(ix) Number of shares representing the stated capital	√	Note 27 to the Financial Statements
(x) A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	√	Share information on page 251
(xi) Market price related ratios and information	√	Share information on page 251

CSE Rule reference and description	Extent of compliance	Section reference in the Annual Report
(xii) Significant changes in the Company's or its subsidiaries' fixed assets, and the market value of land, if the value differs substantially from the book value.	√	Notes 14 to the Financial Statements
(xiii) Details of funds raised through a public issue, rights issue and a private placement during the year	√	Share Information
(xiv) Information in respect of Employee Share Ownership or Stock Option Schemes	Not Applicable	Not Applicable
(xv) Disclosures pertaining to Corporate Governance practices in terms of Section 9 of the Listing Rules	√	Corporate Governance /Note 35 of the Notes to the Financial Statements
(xvi) Related Party transactions exceeding 10% of the equity or 5% of the total assets of the Entity as per audited financial statements, whichever is lower	√	Corporate Governance /Note 35 of the Notes to the Financial Statements
(xvii) Disclosures pertaining to Foreign Currency denominated Securities, Sustainable Bonds, Perpetual debt Securities, Infrastructure Bonds and/or Shariah Compliant Debt Securities listed on the CSE	Not applicable	Not applicable

STATEMENT OF COMPLIANCE UNDER SECTION 9 OF THE LISTING RULES OF THE CSE ON CORPORATE GOVERNANCE

Mandatory provisions - Fully compliant

Listing rules reference	Requirement	Extent of compliance	Compliance Status
9.1	Corporate Governance Rules Extent of Compliance with Corporate Governance Rules	The extent of compliance with Corporate Governance Section 09 of the listing rules issued by CSE is tabulated below.	
9.1.3	A statement confirming compliance with Corporate Governance Rules		Complied
9.2	Policies		
9.2.1	Listed Entities shall establish and maintain the stated policies and disclose the fact of existence of such policies together with the details relating to the implementation of such policies by the Entity on its website	(a) Policy on the matters relating to the Board of Directors (b) Policy on Corporate Governance, Nominations and re-election (c) Policy on Shareholder and Investor Communications (d) Policy on Remuneration (e) Policy on Board sub-committees (f) Policy on Corporate Disclosures (g) Policy on anti-bribery and corruption (h) Policy on internal code of conduct (i) Policy on ESG (j) Policy on control and management of company assets and shareholder investments (k) Policy on Whistle blowing (l) Policy on risk management and internal controls	Complied Complied Complied Complied Complied Complied Complied Complied Complied Complied Complied
9.2.2	Waivers and exemptions from compliance with the Code of business conduct and ethics	At present there are no waivers and exemptions granted.	Not Applicable
9.2.3	Listed Entities shall disclose in its Annual Report:	All policies are in place and are published on the website. Changes were made to the policy on Board matters.	Complied
9.2.4	Requesting of policies by shareholders	The Company shall make available all such policies to shareholders upon a written request being made for any such Policy.	Complied
9.3	Board committees		
9.3.1	Establishment of Board committees	Below mentioned committees are in place: Nominations and Governance committee, HR and Remuneration Committee, Audit and risk committee, Related Party Transactions review committee	Complied
9.3.2	Board Compositions, Responsibilities and Disclosures	Please refer the Board sub-committee reports for the composition of the sub-committees , responsibilities and disclosures required in line with the Listing rules.	Complied
9.3.3	Chairperson of Board committees	The Chairman, Mr. L. H. A. L. Silva does not serve as the Chair in any of the board sub-committees.	Complied

Listing rules reference	Requirement	Extent of compliance	Compliance Status
9.4	Adherence to principles of democracy in the adoption of meeting procedures and the conduct of general meetings with shareholders		
9.4.1	Record maintenance on resolutions	The Company Secretary maintains records of all resolutions and information in respect of those resolutions (number of shares in respect of which proxy appointments are made, number of votes in favour/ against and abstained from voting). Copies of such records will be made available to CSE/SEC upon request.	Complied
9.4.2 a-c	Communication and relations with shareholders and investors	The company has in place a policy on communications and relations with shareholders and investors which is also available on the company website. In relation to communications with shareholders and investors, the designated contact person shall be the company secretary. The policy includes a process to make all directors aware of major issues and concerns of the shareholders.	Complied
9.4.2.d	Holding general meetings virtually	The Company will adhere to the guidelines issued by CSE on conducting virtual / hybrid shareholder meetings if the need arises to convene meetings virtually.	To be complied as and when it is required
9.5	Policy on matters relating to the Board of Directors		
9.5.1	Formal governing policy on matters relating to the Board of Directors	The policy covering the requirements indicated under rule 9.5.1 is in place	Complied
9.5.2	Disclosures in the Annual report relating to 9.5.1	The Company has fully complied with the requirements in the policy..	Complied
9.6	Chairperson and CEO		
9.6.1	Position of Chairperson and CEO	The Chairperson is a Non-Executive Director. The position of Chairperson and CEO is not held by the same individual.	Complied
9.6.2	Disclosure of non-compliance	Not applicable	
9.6.3 a-e and 9.6.4	The requirement for a SID	The need to appoint a SID has not arisen.	Not applicable
9.7	Fitness of Directors and CEO		
9.7.1	Appointment of fit and proper persons as directors and CEO.	The Board Nominations and Governance Committee has been delegated with the authority to ensure that the Directors and the CEO meet the fitness and proper criteria under the Listing Rules.	Complied
9.7.2 and 9.7.3	Fit and proper assessment criteria	When determining the fitness and proper of a director, the Board Nominations and Governance Committee takes the criteria laid out under rule 9.7.3 into consideration.	Complied

Listing rules reference	Requirement	Extent of compliance	Compliance Status
9.7.4	Annual declarations from Directors	Annual declarations from Directors confirming that each of them have continuously satisfied the fit and proper assessment criteria during the financial year and as at the date of confirmation as set out in Section 9.7.3 of listing rules were obtained.	Complied
9.7.5	Disclosures in the Annual report	Please refer the Corporate Governance report on page 108 for the disclosures.	Complied
9.8	Board Composition		
9.8.1	Board at minimum to consist of five (5) Directors	The Company is complied with the requirement as at the reporting date. The Board as at the reporting date comprised of 7 directors.	Complied
9.8.2	Minimum number of Independent Directors, (Min: 2 or 1/3 of total number, whichever is higher)	The Company is complied with the requirement as at the reporting date. The Board at the end of the reporting date comprised of 4 which were independent .	Complied
9.8.3	Criteria for determining independence	The Company is complied with the criteria for determining independence of a Director.	Complied
9.8.4			
9.8.5	Declarations	Each director submitted a signed and dated declaration of independence against the criteria specified in the Listing Rules based on which the Board made an annual determination as to the independence/non-independence of each director based on the recommendation of the Board Nominations and Governance Committee. The names of independent directors are disclosed in the Corporate Governance Report on page 108 If the Board determined that the independence of an independent director is impaired, an immediate market disclosure will be made.	Complied
9.9	Alternate Directors		
9.9 a-e	Appointment of Alternate Director	The requirements set out under rule 9.9 (a) - (c) have been incorporated into the Articles of Association of the Company. In the event alternate directors are appointed the requirements under rule 9.9 will be complied with. An immediate market disclosure will be made in the event of appointment of an alternate director. The attendance of an alterante director including a sub-committee meeting, will be counted for the purpose of the quorum.	To be complied as and when it is required
9.10	Disclosures relating to Directors		
9.10.1	Policy on maximum number of Directorships	The policy on Board matters will specify the maximum number of directorships a director is permitted to hold. The Company Secretary will closely monitor the same to ensure that the directors do not exceed the permitted limit.	complied

Listing rules reference	Requirement	Extent of compliance	Compliance Status
9.10.2	Appointment of new Directors	During the year, one director was appointed to the Board and immediate market disclosure was made covering the information under rule 9.10.2.	complied
9.10.3	Changes to the composition	Any changes to the committee compositions have been duly disclosed.	Complied
9.10.4	Disclosures in the annual report	Please refer the directors profiles and the Corporate governance report for details.	Complied
9.11	Nomination and Governance Committee		
9.11.1	Availability of Nomination and Governance Committee	The Board Nominations and Governance Committee was formed on 1 October 2023.	Complied
9.11.2	Formal procedure for appointment and re-election of Directors	The Committee maintains a formal procedure for the appointment of new Directors and re-election of Directors to the Board and the same was delegated to the Board Nominations and Governance Committee	Complied
9.11.3	Terms of reference	The Committee has adopted a Term of Reference which define the scope, authority and duties and matters pertaining to the quorum of meetings.	Complied
9.11.4(1) - (3)	Composition	Please refer the Board Nominations and Governance Committee report on page 150 for details on composition.	Complied
9.11.5	Functions	The Committee has documented the functions of the Committee in the Terms of Reference. All functions are effectively discharged by the Committee. Please refer Nominations & Governance Committee Report on page 150	Complied
9.11.6	Disclosures in the Annual report	Please refer the Board Nominations and Governance Committee report on page 150 for disclosures.	Complied
9.12	HR and Remuneration Committee		
9.12.2	Availability of a HR and Remuneration Committee	A Board Remuneration Committee is in place.	Complied
9.12.3 and 9.12.4	Remuneration Policy - Executive Directors/Non-Executive Directors	The Company has established this committee with the purpose of providing assistance to the Board of Directors in fulfilling their oversight responsibility to establish and maintain a formal and transparent procedure for developing remuneration policies on Directors including Executive Directors and for and employees including the CEO. The remuneration for non-executive directors is based on the principle of non -discriminatory pay practices to ensure that their independence is not impaired.	Complied

Listing rules reference	Requirement	Extent of compliance	Compliance Status
9.12.5	Terms of reference	The Committee has adopted a Terms of Reference which defines the scope, authority and duties and matters pertaining to the quorum of meetings.	Complied
9.12.6 (1) - (3)	Composition - Minimum of Three (3) Directors, out of which a minimum of two (2) members shall be Independent Directors	Please refer the Board HR and Remuneration Committee report on page 146 for details on composition.	Complied
9.12.7	Functions	The Committee has documented the functions of the Committee in the Terms of Reference. All functions are effectively discharged by the Committee. Please refer Board HR and Remuneration Committee Report on page 146	Complied
9.12.8	Disclosures in the Annual report	Please refer the Board Remuneration Committee report on page 146 for disclosures.	Complied
9.13	Audit and Risk Committee		
9.13.1	Audit and Risk Committee	Both the risk and audit functions are performed by the Board Audit and Risk Committee; which has been renamed as Board Audit and Risk Committee.	Complied
9.13.2	Terms of reference	The Committee has documented the functions of the Committee in the Terms of Reference. All functions are effectively discharged by the Committee. Please refer Board Audit and risk Committee Report on page 142	Complied
9.13.3(1) - (6)	Composition	Please refer the Board Audit and risk Committee report on page 142 for composition, meetings and other information.	Complied
9.13.4	Functions	The Committee has documented the functions of the Committee in the TOR. Functions are effectively discharged by the Committee. Please refer Board Audit and risk Committee Report on page 142	Complied
9.13.5	Disclosures in the Annual report	Please refer the Board Audit and risk Committee report on page 142 for disclosures.	Complied
9.14	Related Party Transaction Review Committee		
9.14.1	Availability of the Related Party Transactions Review Committee	A Board Related Party Transactions Review Committee is in place.	Complied
9.14.2	Composition	Please refer the Board Related Party Transactions Review Committee report on page 148 for composition.	Complied
9.14.3	Functions	The Committee has documented the functions of the Committee in the TOR. Functions are effectively discharged by the Committee. Please refer Board Related Party Transactions Review Committee Report on page 148	Complied

Listing rules reference	Requirement	Extent of compliance	Compliance Status
9.14.4(1)	Quarterly Meetings	Please refer page 119 on the corporate governance report for the committee meeting details. The minutes of all meetings are properly documented and tabled at the subsequent Board meetings for information.	Complied
9.14.4(2)	Access to knowledge or expertise to assess all aspects of proposed Related Party Transactions	The Committee ensures that they have or have access to knowledge and expertise to assess all aspects of the proposed Related Party Transactions. Under the Terms of Reference the Committee is empowered to seek appropriate professional and expert advice from a qualified person.	Complied
9.14.4(3)	Approval by Board of Directors	Where necessary, the Committee shall request the Board of Directors to approve the Related Party Transactions which have been reviewed by the Committee.	To be complied as and when required
9.14.4(4)	Conflict of interest	If a Director of the Listed Entity has a material personal interest being considered at a Board Meeting to approve a Related Party Transaction as required in Rule 9.14.4 (3), such Director shall not: <ul style="list-style-type: none"> 1) Be present while the matter is being considered at the meeting and; 2) Vote on the matter. 	Complied
9.14.5	Review of Related Party Transactions by Related Party Transactions Review Committee	The Committee takes into account the provision of the listing rules when reviewing related party transactions.	Complied
9.14.6 and 9.14.7	Shareholder approval and immediate discloses	Under section 9.14.6 and 9.14.7 - The Company ensures to obtain the shareholder approval by way of a special resolution for the related party transactions where necessary. No such requirement arose during the year. The Company ensures to make immediate market disclosures in respect of the related party transactions exceeding the thresholds specified under the Listing Rules. However no such requirement arose during the year.	To be complied as and when required
9.14.8	Disclosures in the annual report	Please refer Board Related Party Transactions Review Committee report on page 35 and Annual report on the Board of Directors for disclosures	Complied
9.14.9	Acquisition and disposal of assets from related parties	The Company ensures to comply with the Listing Rules when acquiring or disposing a substantial asset from/to a related party.	Complied
9.14.10	Exempted related party transactions	The related party transactions laid out in Listing Rule 9.14.10 does not fall within the ambit of the Listing Rules	Complied
9.17	Additional disclosures	Please refer the Chairman's message on page 22 for the additional disclosures	Complied

DISCLOSURE REQUIRED BY THE COMPANIES ACT NO. 07 OF 2007

Section Ref No	Requirement	Status	Level of Compliance
168 (1) (a)	The nature of the business of the group and the company together with any change there of during the accounting period	Complied	Page 165
168 (1) (b)	Signed Financial statements of the group and the company for the accounting period completed	Complied	Page 178
168 (1) ©	Auditors' report on financial statements of the group and the Company	Complied	Page 173
168 (1) (d)	Accounting policies and any changes there in	Complied	Page 182
168 (1) (e)	Particulars of the entries made in the interest register during the accounting period	Complied	Page 167
168 (1) (f)	Remuneration and other benefits paid to directors of the company during the accounting period.	Complied	Page 205
168 (1) (g)	Corporate donations made by the company during the accounting period	Complied	Page 204
168 (1) (h)	Information on the Directorate of the company and its subsidiaries during and at the end of the accounting period	Complied	Page 104
168 (1) (i)	Amounts paid/payable to the external auditors as audit fees for other services rendered during the accounting period	Complied	Page 204
168 (1) (j)	Auditors' Relationship or any interest with the Company and its subsidiaries	Complied	Page 168
168 (1) (k)	Acknowledgement of the contents of this report and signatures on behalf of the board	Complied	Page 7

Compliance with code of best practice on Corporate Governance 2017 issued by the Institute of Chartered Accountants of Sri Lanka.

Code Ref	Compliance and Implementation	Compliance
DIRECTORS		
A1. an effective Board should direct, lead and control the company	The Board meetings are held on a quarterly basis, at minimum and meet more frequently whenever it is necessary	Complied
A.1.1 Regular meetings, structure and process of submitting information	<ul style="list-style-type: none"> ● Financial and Operational information including progress on agreed key performance indicators and information on the external operating environment. ● Financial statements for the relevant quarter and year to date together with comparatives for corresponding period of the previous financial year and budgets ● Forecast performance for the financial year. ● A description of key risks including an assessment of their impact and likelihood of occurrence, assessment of the previous quarter, how the risks are managed and those accountable for monitoring or managing risk. ● Operational and Financial compliance statements confirming regulatory compliance and other matters considered necessary in accordance with policies of the group and board. ● The statements include information regarding breaches of internal controls or fraud detected during the period together with any action taken or confirm the absence thereof. ● Information on human resources, including appointments and resignations of directors and KMPs of the subsidiaries. ● Information on Capital Expenditures in the group ● Share trading of the Company and related party transactions by key management personnel. ● Documents to which the Company seal has been affixed. ● Resolutions passed by circulation on matters referred to the board. 	Complied
A.1.2 Role and Responsibilities of the Board	The Role and responsibilities of the Board are insert on page 108 and encompass those set out in code	Complied
A.1.3 Compliance with the laws of the country and approval to obtain independent professional advice	The Board collectively and directors individually act in accordance with laws and regulations of the country applicable to the business enterprise. In discharging their duties, the directors seek independent professional advice from external parties when-ever necessary at the expense of the Company.	Complied
A.1.4. Access to advice and service of Company Secretary	<p>All directors have access to the advice and services of the Company secretarial function, which provides support on board procedures, compliance with rules and regulations, directions, and statutes, keeping and maintaining minutes and relevant mandatory records of the group.</p> <p>The appointment and removal of the company secretary rests with the board.</p>	Complied

Code Ref	Compliance and Implementation	Compliance
A.1.5 Independent Judgment of Directors	Please refer CG report on page 108 for details.	Complied
A.1.6 Dedicate adequate time and effort to matters of the Board and the Company	Sufficient time is allocated before the meeting to review board papers and calls for additional information and clarification including follow up on issues consequent to the meeting. Hence, the directors are able to familiarize themselves with business changes, operations, risks and controls which ultimately help them to satisfactorily discharge their duties and responsibilities to the Company.	Complied
A.1.7 Calls for resolutions	Any single director may call for a resolution to be presented to the board where he feels it is in the interest of the company.	Complied
A.1.8. Board induction and Training	Please refer CG report on page 108 for details	Complied
A.2 Chairman and Chief Executive Officer (CEO)	The position of chairman and Chief Executive officer are held by two individuals.	Complied
A.3 Chairman's Role	Please refer CG report on page 108 for details	Complied
A.3.1 Conduct of Board Meetings	Please refer CG report on page 108 for details.	Complied
A.4. Availability of Financial Acumen	Refer Principle A.4. in Corporate Governance Report.	Complied
A.5. BOARD BALANCE		
A.5.1. Majority of Non-Executive Directors	Please refer CG report on page 108 for details.	Complied
A.5.2. Independent Non Executive Directors	Please refer CG report on page 108 for details.	Complied
A.5.3. Independence of Directors	Please refer CG report on page 108 for details.	Complied
A.5.4. Annual declaration by directors	Please refer CG report on page 108 for details.	Complied
A.5.5. Annual determination of Independence	Please refer CG report on page 108 for details.	Complied
A.5.6 Alternate Directors	No alternate directors were appointed during the year under review.	Not applicable
A.5.7 Senior Independent Directors	Need to appoint Senior Independent directors didn't arise during the year	Not applicable
A.5.8. Senior Independent Director's (SID) meeting with other directors	Not applicable	Not applicable
A.5.9 Chairman meetings with Non Executive Directors	The Chairman meets with the NED's without the presence of the Executive Directors on a needs basis, and there are open lines of communication between members of the Board. The need did not arise during the year.	Complied
A.5.10. Recording of concerns in the Board Minutes	All concerns raised by the Directors about the matters of the Company which cannot be unanimously resolved have been duly recorded in the board minutes in sufficient detail	Complied

Code Ref	Compliance and Implementation	Compliance
A.6 Supply of Information	<p>The Chairman ensures that all Directors are briefed on issues arising at Board Meetings by requiring management to provide comprehensive information including both quantitative and qualitative information for the monthly Board meetings 7 days prior to the Board/Sub-Committee meetings. The Directors have free and open access to Management at all levels to obtain further information or clarify any concerns they may have. They also have the right to seek independent professional advice at the Company's expense and copies of advice obtained in this manner are circulated to other Directors who request it. Any Director who does not attend a meeting is updated on proceedings prior to the next meeting through:</p> <ul style="list-style-type: none"> ● Directors who are unable to attend meetings physically have the opportunity to participate through digital platforms. • Formally documented minutes of discussions. ● By clarifying matters from the Board Secretary. ● Separate discussions at start of meeting regarding matters arising for the previous meeting. ● Archived minutes and Board papers accessible electronically at the convenience of the Directors. <p>Directors also have an open invitation to attend the meetings of the Management Committees and can interact with Senior Management after Board meetings. Directors are provided with monthly reports on performance, minutes of review meetings and such other reports and documents as necessary. Minutes of meetings are circulated with the Board packs for the next monthly meeting within the agreed time.</p>	Complied
A.7 APPOINTMENT TO THE BOARD		
A.7.1 & A.7.2 Appointment to the Board	Please refer CG report on page 108 for details	Complied
A.7.3. disclosure of new Appointment	Please refer CG report on page 108 for details	Complied
A.8. Re -Election	Please refer CG report on page 108 for details	Complied
A.8.1 & A.8.2 Re -election of Directors	Please refer CG report on page 108 for details	Complied
A.8.3. Resignation	Written communications are provided to the Board by Directors who resign prior to completion of his appointed term.	To be complied as and when required

Code Ref	Compliance and Implementation	Compliance
Appraisal of Board Performance		
A.9.1, A.9.2 & A.9.3 Annual performance evaluation of Board and its sub Committees	Please refer CG report on page 108 for details	Complied
A.10 Annual report to disclose specified information regarding directors	Description	Page Reference
	Profile of Board Members	100
	Membership of sub committees and attendance at board and subcommittee meetings	142
	Remuneration paid to directors	205
	Related party transaction and other business interests	237
A.11. Appraisal of Chief Executive Office	Please refer CG report on page 108 for details	Complied
B. DIRECTORS' REMUNERATION		
B.1 Remuneration Procedure	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
B.1.2 & B.1.3 Remuneration Committee	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
B.1.4 HR and Remuneration of the Non Executive Directors	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
B.1.5. Consultation of the chairman and access to professional advice	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
B.2 The level and make up of remuneration	Please refer the Board HR Remuneration Committee report on page 146 for details	
B.2.1 & B.2.2 Level of Remuneration for Senior Management Executives	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
B.2.3. Positioning Company remuneration levels relative to other companies	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
B.2.4 Performance related elements of remuneration for senior management executives	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
B.2.5 Executive Share Options	Not applicable	Not applicable
B.2.6 Designing performance related remuneration	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
B.2.7 & B.2.8 Compensation, Commitments in the event of early termination and dealing with early termination	Not applicable	Not applicable

Code Ref	Compliance and Implementation	Compliance
B.2.9 Level of Remuneration for Non-executive Directors	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
B.3 Disclosure of the remuneration	Please refer the Board HR Remuneration Committee report on page 146 for details	Complied
C. RELATIONS WITH SHAREHOLDERS		
C.1 Constructive use of AGM and conduct of General Meetings		
C.1.1 Notice of the annual General Meeting and General Meetings	A copy of the Annual Report including Financial Statements, Notice of Meeting and the Form of the Proxy are sent to shareholders 15 working days prior to the date of the AGM, as requested by statute, in order to provide the opportunity to all the shareholders to attend the AGM	Complied
C.1.2 Separate resolution for all separate issues at the annual general meeting	A separate resolution is proposed for each issue at the AGM.	Complied
C.1.3 Use of Proxy	The Company counts all proxies lodged on each resolution and the percentage of votes for and against each resolution	Complied
C.1.4 Response to queries at the annual general Meeting	The chairman ensures that the chairman of the sub committees are available to answer questions at the annual general meeting	Complied
C.1.5. Procedure of voting at the Annual General Meeting	The procedure governing voting at the General Meeting is circulated with the Notice of Meeting	Complied
C.2 COMMUNICATION WITH SHAREHOLDERS		
C.2.1 to C.2.7 Communication with shareholders	<p>The Company encourages effective communication with the shareholders and answers queries and concerns of shareholders through the Company Secretary, Corporate website and CSE website.</p> <p>The methodology of communication with shareholders is multi-faceted to ensure the accuracy of information disseminated and the timeliness of dissemination</p> <p>The contact person for shareholder communication is the Company Secretary.</p> <p>The Company Secretary maintains a record of all correspondence received and will deliver such correspondence to the Board or individual Director as applicable. The Board or individual Director, as applicable, will respond appropriately to all validly received shareholder correspondence and will direct the Company Secretaries to send the response to the particular shareholder</p>	Complied
C.3 Disclosure of major transactions	Transactions, if any, which materially affect the net asset base of Panasian Power PLC, will be disclosed in the Quarterly / Annual Financial Statements.	To be complied as and when required

Code Ref	Compliance and Implementation	Compliance
D. ACCOUNTABILITY AND AUDIT		
D.1. Financial Reporting		
D.1.1 Publishing of annual report including financial statements	The Board has presented the annual report which includes the Financial Statements of the Company and Group that are true and fair, balanced and understandable and prepared in accordance with LKASs and SLFRSs to regulators as well as presented interim and other public price sensitive information in a balanced and understandable way as required by statutory requirements. The Annual Report is partially compliant with integrated reporting standards.	Complied
D.1.2 & D.1.3 Balanced and understandable information	The Board is aware of its responsibility to present regulatory and statutory reporting in a balanced and understandable manner and a statement to this effect is given in the Statement of Directors' Responsibility on page 171 confirming this position. In preparing annual and quarterly Financial Statements, the Company complies with the requirements of the; Companies Act No. 07 of 2007 Sri Lanka Accounting Standards and Listing Rules of the Colombo Stock Exchange.	Complied
	Refer the "Responsibility Statement of Chairman, Chief Executive Officer and Finance Manager" on page 172 of the Annual Report	
D.1.4. Directors' Report in the annual report	The Declarations required to be made by the Board are given in the Annual Report of the Board of Directors (refer page 165)	Complied
D.1.5. Statement of Directors' and Auditor's responsibility for the Financial Statements	The statement of Directors' responsibility in preparation of the Financial Statements is given on page 171 while the independent auditors report on pages 173 to 174 state the Auditors' responsibility for the Financial Statements	Complied
D.1.6. Management Discussion and Analysis	Management discussion and analysis and Financial Review is given on pages 30 to 86 of this report. The risk management report is given on pages 154 to 161. The capitals are discussed on pages 48 to 94 of this report. These together discuss.	Complied
	Business model; Industry structure and developments; opportunities and threats risk management; internal control systems and governance; stakeholder relationships;	
D.1.7. Summoning an EGM to notify serious loss of Capital	The Directors ensure that if in the event the net assets of the Company fall below 50% of the value of the Company's shareholders funds an Extraordinary General Meeting will be convened to notify the shareholders of the position and the remedial action will be taken	Not applicable
D.1.8. Related Party Transactions	The transactions entered into by the Company with the related parties is disclosed on Note 35 of the Financial Statements	Complied

Code Ref	Compliance and Implementation	Compliance
D.2. RISK MANAGEMENT AND INTERNAL CONTROL		
D.2.1 Directors to review internal Controls	The internal audit function is outsourced to BDO, who reports to the Board Audit and risk Committee.	Complied
D.2.2 Internal Audit Function		
D.2.3 Review of effectiveness of the risk management and internal audit function	The Audit and risk Committee monitors, reviews, and evaluates the effectiveness of the risk management and internal control system including the internal controls over financial reporting. The Audit and risk Committee report is given on pages 142 to 145 and the Directors' Statement on Internal Control is on page 169.	Complied
D.2.4 Responsibility of Directors	The Directors take responsibility for maintaining a sound system of internal controls.	Complied
D.3 AUDIT AND RISK COMMITTEE		
D.3.1. Composition of Audit and risk Committee	Please refer the Board Audit and risk Committee report on page 142 for more details.	Complied
D.3.2 Duties of the Audit and risk Committee	Please refer the Board Audit and risk Committee report on page 142 for more details.	Complied
D.3.3. Terms of reference of the Audit and risk Committee	Please refer the Board Audit and risk Committee report on page 142 for more details.	Complied
D.3.4. Disclosures of the Audit and risk Committee	Please refer the Board Audit and risk Committee report on page 142 for more details.	Complied
D.4 Audit and risk committee	Please refer the Board Audit and risk Committee report on page 142 for more details.	Complied
D.5 RELATED PARTY TRANSACTIONS REVIEW COMMITTEE		
D.5.1 Disclosures of Related Party Review Committee	Please refer the Board Related Party Transactions Review Committee report on page 148 for more details.	Complied
D.5.2. Composition of Related Party Transactions Review Committee	Please refer the Board Related Party Transactions Review Committee report on page 148 for more details.	Complied
D.5.2 Terms of Reference of the Related Party Transactions Review Committee	Please refer the Board Related Party Transactions Review Committee report on page 148 for more details.	Complied
D.6 CODE OF BUSINESS CONDUCT AND ETHICS		
D.6.1 Disclosures on presence of code of business conduct and ethics	The Company has adopted a Code of Business conduct and ethics and the Directors and Key Management Personnel are committed to the code and the principles contained therein.	Complied
D.6.2. Reporting of price sensitive information	The Company has established policy and process to ensure that material and price sensitive information is immediately disclosed to the Colombo Stock Exchange immediately after relevant decisions are made by the Board of Directors.	Complied

Code Ref	Compliance and Implementation	Compliance
D.6.3 Disclosure of share information of Key Management Personnel	A policy is in place and any share transactions done by a Board Director shall be immediately disclosed to the Company Secretary. The Company Secretary will inform such transactions to the Colombo Stock Exchange.	Complied
D.6.4. Whistle blowing policy	There is a whistle-blowing policy in place. There were no noncompliance reported during the year under review.	Complied
D.6.5. Conducting Training on the code of business conduct and ethics	Regular training sessions are given to employees on the code of business conduct and ethics including to those who newly join the Company as part of induction training, and require confirmation of compliance at least on annual basis from all employees.	Complied
D.6.6. Process for companywide dissemination of the policy, training arrangements, violations/non compliances		
D.6.7 Affirmation from chairman	Please refer the Chairman's message on corporate governance on page 108 for more details.	Complied
D.7. CORPORATE GOVERNANCE DISCLOSURES		
D.7.1 Disclosures of Corporate Governance	The Corporate Governance Report sets out the manner and extent to which the Company has complied with the principles and provisions of the code	
E. INSTITUTIONAL INVESTORS		
E.1 Shareholder Voting	The Company is committed to maintaining good communications with investors. The Annual General Meeting provides the forum for shareholders to express their views.	Complied
E.2. Evaluation Of Governance Disclosures	When evaluating the governance arrangements particularly, in relation to the Board structure and composition, institutional investors are encouraged to give due weight to all relevant factors drawn to their attention	Complied
F. OTHER INVESTORS		
F.1 Individual shareholders	Individual shareholders, investing or divesting directly in shares of the Company are encouraged to carry out adequate analysis and seek the independent advice in such decisions	Complied
F.2 Individual shareholders voting	All shareholders are encouraged to participate at meetings of the company and a form of proxy accompanies each notice providing shareholders who are unable to attend such meeting the opportunity to cast their vote	Complied

Code Ref	Compliance and Implementation	Compliance
G. INTERNET OF THINGS AND CYBERSECURITY		
G.1 Identify connectivity and related cyber risks	Non complied	Non complied
G.2. Appoint a COO and allocate budget to implement a cybersecurity policy	Non complied	Non complied
G.3 Include cyber security in board agenda.		
G.4 Obtain periodic assurance to review effectiveness of cybersecurity risk management	Non complied	Non complied
G.5 Disclosure in annual report	Non complied	Non complied
H. ENVIRONMENT, SOCIETY AND GOVERNANCE		
H. Sustainability Reporting	<p>Sustainability principles are embedded in our business operations and considered in formulating our business strategy and reported in a holistic manner throughout this report. Information required by code is located as follows.</p> <ul style="list-style-type: none"> ● Principle 01 – Reporting of Economic sustainability on page 56 ● Principle 02 – Reporting on environment on pages 86 the Capital Management report ● Principle 03 – Reporting on Labor Practices on Pages 62 of the Capital Management Report ● Principle 04 – Reporting in Society on pages 72 of the Capital Management Report ● Principle 05 – Reporting on Product responsibility on page 82 of capital management report ● Principle 06 – Reporting on stakeholder identification, engagement and effective communication on pages 34 ● Principle 07 – Sustainable reporting on page 32 	Complied



REPORT OF THE BOARD AUDIT AND RISK COMMITTEE



C. Pietersz

Chairperson of the Board Audit and Risk Committee

Dear shareholders

As the chairperson of the Board Audit and Risk Committee (BARC/Committee) (Formally known as the Board Audit Committee), on behalf of the other committee members, I am pleased to present to you the Board Audit and Risk Committee report of Panasian Power PLC, for the year 2024/2025.

As required by section 9.13.5 of the Listing Rules of the Colombo Stock Exchange and the Code of best practice on corporate governance issued by the Institute of Chartered Accountants of Sri Lanka 2023 (CG Code 2023), this report details the way the duties and responsibilities of the Committee were discharged, during the year under review.

INTRODUCTION AND PURPOSE:

The Committee assists the Board in discharging its responsibilities and exercises independent oversight over financial reporting, the adequacy of internal control systems, management and monitoring of risk, performance and effectiveness of internal audit, compliance with laws, regulations, and implementation of the whistleblowing policy and. makes recommendations on the appointment of the external auditors.

As the Committee had been overseeing the risk management function as part of its responsibilities, the Board resolved to

formally reflect this expanded scope by renaming the Committee as the Board Audit and Risk Committee with effect from 1 October 2024.

COMMITTEE COMPOSITION:

The Committee composition as at 31 March 2025 is as follows:

Name	Nature of Directorship	Committee status	Date of appointment
Ms. C. Pietersz	Independent Non – Executive	Chairperson	6 October 2022
Ms. L. K. A. H. Fernando	Non-Independent Non – Executive	Member	6 October 2022
Mr. K. Kamburadeniya	Independent Non – Executive	Member	6 October 2022
Ms. N. Ranatunga	Independent Non – Executive	Member	15 January 2025

The Committee comprises exclusively of non-executive directors and the majority on the Committee are independent.

Chairperson, Ms. C. Pietersz, is a fellow member of the Institute of Chartered Accountants of Sri Lanka.

Changes to the Committee composition:

Mr. L. H. A. L. Silva who served on the Committee as an independent non-executive director during the year, ceased to be a member with effect from 15 January 2025.

TERMS OF REFERENCE (TOR)

The Committee has a Board approved TOR dealing with its authority and duties and carefully designed to discharge the Committee's purpose. The TOR of the Committee was reviewed during the year as part of the periodic governance review process.

The review aimed to ensure that the TOR remains relevant, comprehensive and aligned with evolving regulatory expectations and industry's best practices.

MEETINGS

In terms of the TOR of the Committee, the BARC is required to meet on a quarterly basis. However, the Committee meets more regularly as determined by the Chairperson of the Committee or as requested by any member of the Committee. The quorum for the meetings requires the majority of those in attendance to be independent directors.

The Committee held 13 meetings during the year, including on a quarterly basis prior to recommending the financials to be released to the market.

The CEO, Finance Manager, other members of the Management and the internal and external auditors attended meetings by invitation.

Name of Director	Committee status	Attendance **
Ms. C. Piertesz	Chairperson	13/13
Ms. L. K. A. H. Fernando	Member	13/13
Mr. K. Kamburadeniya	Member	12/13
Ms. N. Ranatunga	Member	1/2
Mr. L. H. A. L. Silva*	Member	11/11

*resigned w.e.f 15 January 2025

** (Attended/Eligible to attend)

PRIVATE SESSIONS WITHOUT THE EXECUTIVE MANAGEMENT

The Committee meets the internal auditors without the presence of the Management on a regular basis to discuss any matters that the Committee or the internal auditors believe should be discussed separately.

Once a year, the Committee meets with the external auditors, without Management present and additionally at the Committee's discretion or at the external auditor's request. The Committee holds a private meeting with the Finance Manager on an annual basis and on a needs basis to discuss any matters pertaining to financial reporting and any other areas.

Four private sessions were held with the internal auditors and two were held with the external auditors, during the year under review. The Committee also held two private meetings with the Finance Manager.

SECRETARY TO THE COMMITTEE

Ms. Roshini Weudagedara - Company Secretary functions as the Secretary to the Committee.

REPORTING TO THE BOARD

The proceedings of the BARC meetings are regularly reported to the Board via the Committee Chair's report and minutes outlining proceedings, outcomes and recommendations.

FINANCIAL REPORTING

The Committee reviewed and discussed with the Management and the external auditors, the quarterly and annual financial statements, prior to their publication.

The Committee also discussed with the external auditors and the Management any matters communicated to the Committee by the external auditors in their reports on the audit for the year and monitored the progress made by the Management in resolving the issues raised by the auditors.

DECLARATION FROM THE CEO AND FINANCE MANGER

The Committee obtained and reviewed the assurances received below in line with 9.13.4 (1) (iv) of the Listing Rules. Assurances from:

- a. CEO and the Finance Manger that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances.
- b. CEO and other Key Management Personnel (KMPs) regarding the adequacy and the effectiveness of the Company's risk management and the internal control systems.

INTERNAL AUDIT

At the direction of the Committee, the internal audit function has been outsourced to M/S. BDO Partners.

The scope of authority and responsibility of the internal audit function is documented in the Internal Audit Charter.

At the beginning of the year, the internal audit plan, based on an assessment of risk, is submitted to the Committee for their review and approval. The BARC then reviews the coverage of the audit plan, to ensure that the scope of the review on internal controls covers all significant operating procedures in the Company's business model.

The internal audit team carried out audits in accordance with the pre-approved audit plan and reported to the Committee, on a quarterly basis. Where appropriate, the Committee recommended re-audits of certain processes and may expand the scope as required.

The Committee assessed the independence of the internal audit function to ensure that it continues to operate objectively and free from undue influence.

EXTERNAL AUDIT

M/S Ernst & Young, Chartered Accountants (Ernst & Young) (approved by the SEC) have acted as the Group's External Auditor since 2022. There was no change in the audit partner.

The BAC reviewed the Auditors' Declaration regarding their independence, confirming compliance with the Code of Conduct and Ethics of the CA Sri Lanka.

In line with the policy on the engagement of the external auditor to supply non – audit services which was reviewed during the year, Finance Manager is required to table and obtain the approval for details of any non – audit services obtained during the year. There were no non-audit services obtained during the year from Ernst and Young. The Committee is satisfied that the independence and objectivity of the independent external auditors, Ernst & Young has not been impaired.

Having considered the engagement letter, the Committee approved and recommended to the Board the audit fees for the current engagement. Prior to the recommendation of the re – appointment of the external auditor, the management and the BARC conducted an evaluation on the external auditor.

The Committee recommended to the Board the reappointment of Ernst & Young, as External Auditors for the Financial Year ending 31 March 2026, subject to the approval of the Shareholders at the Annual General Meeting.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Committee is entrusted with overseeing the Company's risk management function, thereby ensuring dedicated and integrated governance without the need for a separate committee.

The Committee assesses the adequacy and effectiveness of the Company's internal controls and risk assessment. A risk-based audit approach was adopted in planning the internal audit to identify the effectiveness of the internal control procedures in place and significant risks were reviewed by the Committee. The Committee assessed the effectiveness of the Company's internal controls by reviewing the reports submitted by the internal audit and the external auditors' Management Letter.

The Committee reviewed the risk management framework, practices and key risk indicators as well as the defined roles and responsibilities. The Committee also reviewed the processes in place for identification, measuring, controlling, monitoring of significant risks. The Company and subsidiaries have identified and documented key risks to the business and related mitigating controls.

Please refer the 154 on pages 161 for more details.

COMPLIANCE

The Committee exercised diligent oversight over compliance matters. This included reviewing reports from the Management to assess the effectiveness of compliance monitoring systems and ensured that the robust process was in place to ensure adherence to laws and regulations.

Additionally, it carefully examined findings from regulatory examinations and auditor observations. The Committee oversaw the communication of the Code of Conduct to employees and monitored their compliance.

Although the effective date for full compliance has been extended, the Company has proactively decided to

implement adequate measures to ensure alignment with the requirements of the Data Protection Act. For this purpose, the services of a third party to perform a Privacy Impact Assessment (PIA) covering the business departments of PAP, have been enlisted.

In relation to the implementation of the S1 and S2 climate-related disclosures, the Company enlisted the services of a third party to perform a gap analysis and to facilitate the development of an ESG framework for the Company.

WHISTLE BLOWING

The Company's whistleblowing policy continued to be implemented and is intended to serve as a communication channel introduced as an integral part of corporate fraud risk management.

The Committee revisited the current arrangements in place for communicating the whistleblowing policy to employees and was satisfied.

PROFESSIONAL ADVICE AND ACCESS TO MANAGEMENT

The Committee is empowered by the Board to obtain, at the Company's expense, any outside legal or other professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers it necessary for the fulfillment of its duties.

EVALUATION OF THE COMMITTEE

The Committee conducted a performance assessment to evaluate its effectiveness.

CONCLUSION

The Committee is satisfied that internal controls and procedures in place for assessing and managing risks are adequately designed and operate effectively and is of the view that they

provide reasonable assurance that the Company's assets are safeguarded and that the financial statements of the Company are reliable.

The Company's external auditors and internal auditors have been effective and independent throughout the year.

The Committee confirms compliance with Sri Lanka Accounting Standards (LKAS / SLFRS) issued by CA Sri Lanka, the Listing Rules, CA 2007, SEC Act, and any other relevant regulations governing financial reporting.

On behalf of the Board Audit and Risk Committee.



C. Pietersz

Chairperson of the Board Audit and Risk Committee

04 June 2025
Colombo

REPORT OF THE BOARD HR AND REMUNERATION COMMITTEE



K. Kamburadeniya

Chairman of the Board HR and
Remuneration Committee

Dear shareholders

As the Chairman of the Board HR and Remuneration Committee (Formerly known as the Board Remuneration Committee), on behalf of the other committee members, I am pleased to present to you the Board HR and Remuneration Committee report of Panasian Power PLC, for the year 2024/2025.

As required by section 9.12.8 of the Listing Rules of the Colombo Stock Exchange, this report details the manner in which the duties and responsibilities of the Committee were discharged, during the year under review.

INTRODUCTION AND PURPOSE:

The purpose of the Board HR and Remuneration Committee (BHRC/ Committee) is to provide assistance to the Board of Directors in fulfilling their oversight responsibility to establish and maintain a formal and transparent procedure for developing remuneration policies on Directors including Executive Directors and for and employees including the CEO.

During the year, the scope of the Committee was enhanced beyond its original mandate of developing remuneration policies to include oversight of wider human resource matters. This enhancement reflects the Company's commitment to fostering a supportive

and effective workplace by prioritizing employee well-being, talent development and organizational effectiveness.

COMMITTEE COMPOSITION:

The Committee composition as at 31 March 2025 is as follows:

Name	Nature of Directorship	Committee status	Date of appointment
Mr. K. Kamburadeniya	Independent Non Executive	Chairman	11 August 2021
Mr. L. H. A. L. Silva	Independent Non Executive	Member	6 October 2022
Mr. D. Sooriyaarachchi	Non Independent Non Executive	Member	11 August 2021
Ms. L. K. A. H. Fernando	Non Independent Non Executive	Member	11 August 2021
Ms. N. Ranatunga	Independent Non Executive	Member	15 January 2025

The Committee composition comprise exclusively of non-executive directors and 3 members are independent. The composition does not include executive directors.

Chairman, K. Kamburadeniya is an independent non-executive director.

Changes to the Committee composition:

Ms. C. Pietersz who served on the Committee as an Independent non-executive director during the year, ceased to be a member with effect from 15 January 2025.

TERMS OF REFERENCE (TOR)]

The Committee has a Board approved written TOR dealing with its authority and duties and carefully designed to discharge the Committee's purpose.

In alignment with the enhanced oversight function related to human resource matters, aimed at fostering a supportive environment that prioritizes employee well-being and organizational effectiveness, the TOR of the Committee was amended accordingly during the year.

MEETINGS

In terms of the TOR of the Committee, the Committee meets at least once a year and at such other times as the Chair or members of the Committee shall require.

The CEO attends meetings by invitation.

The Committee held three (03) meetings during year.

PERFORMANCE EVALUATION OF THE CHIEF EXECUTIVE OFFICER

In line with its oversight responsibilities, the Committee conducted a bi-annual assessment of the Chief Executive Officer's performance against pre-defined Key Performance Indicators (KPIs).

The evaluation focused on strategic, operational, and leadership outcomes and the results were reported to the Board of Directors to support accountability and continuous performance improvement.

DIRECTORS' EMOLUMENTS

The Directors' emoluments are disclosed in Note 10 to the Financial Statements.

PROFESSIONAL ADVICE

The Committee is authorised by the Board to obtain, at the company's expense, any outside legal or other professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary for the fulfilment of its duties.

EVALUATION OF THE COMMITTEE

The Committee carried out a self-evaluation. The Board was satisfied with the Committee's performance during the truncated period and that its remit and scope was sufficient.

On behalf of the Board HR and Remuneration Committee



K. Kamburadeniya
Chairman of the Board HR and Remuneration Committee

04 June 2025
Colombo

Name of Director	Committee status	Attendance **
Mr. K. Kamburadeniya	Chairman	2/3
Mr. L.H.A.L. Silva	Member	3/3
Ms. L.K.A.H. Fernando	Member	3/3
Mr. D. Sooriyaarachchi	Member	2/3
Ms. N. Ranatunga	Member	N/A
Ms. C. Pietersz*	Member	3/3

** (Attended/Eligible to attend)

* resigned w.e.f 15 January 2025

SECRETARY TO THE COMMITTEE

Ms. Roshini Weudagedara - Company Secretary functions as the Secretary to the Committee.

REPORTING TO THE BOARD

The proceedings of the BHRC meetings are regularly reported to the Board via the Committee Chair outlining proceedings, outcomes and recommendations.

The minutes of BHRC meetings are also tabled at successive Board meetings, for informational purposes.

REMUNERATION POLICY

The remuneration policy of the Company is driven by two principles:

- To reward in a manner that ensures that both employees and directors are properly incentivized and motivated to perform in the best interests of the Company in the long term;
- To provide the level of remuneration required to attract and retain personnel of sufficient caliber;

Accordingly, the remuneration is designed in such a way to ensure fair remuneration to all members of the staff and the remuneration is linked to the achievement of individual objectives which are aligned to the short-term and long term objectives of the Company.

The remuneration of the non-executive directors is fixed considering factors including market benchmarks to ascertain prevailing industry standards, the directors' responsibilities within the Company, the time commitment required for board duties and the company's financial performance and sustainability.

The proposals relating to remuneration are arrived at, in consultation with the Chairman and the CEO, if it is deemed necessary. No Director is involved in deciding his own remuneration. The policy on remuneration provides a framework and outline principles for determining the remuneration for both employees and non-executive directors.

REPORT OF THE BOARD RELATED PARTY TRANSACTIONS REVIEW COMMITTEE



N. Ranatunga

Chairperson of the Board Related Party Transactions Review Committee

Dear shareholders

As the chairperson of the Board Related Party Transactions Review Committee, on behalf of the other committee members, I am pleased to present to you the Board Related Party Transactions Review Committee report of Panasian Power PLC, for the year 2024/2025.

As required by section 9.14.8 of the Listing Rules of the Colombo Stock Exchange and the Code of best practice on corporate governance issued by the Institute of Chartered Accountants of Sri Lanka 2023 (CG Code 2023), this report details the manner in which the duties and responsibilities of the Committee were discharged, during the year under review.

INTRODUCTION AND PURPOSE:

The purpose of the Board Related Party Transactions Review Committee (BRPTRC/Committee) is to provide assistance to the Board of Directors in fulfilling their oversight responsibility for the following:

- Evaluate and consider transactions with related parties (other than those exempted) of the Company as defined by Section 9 of the Listing Rules of the Colombo Stock Exchange before they are undertaken, in order to ensure that related parties are treated on par with other shareholders and other stakeholders of the Company.

- Ensure that necessary processes are in place to identify, approve, disclose and monitor related party transactions according to the provisions contained in the Board approved Manual for related party transactions pertaining to the Company.

COMMITTEE COMPOSITION:

The Committee composition as at 31 March 2025 is as follows:

Name	Nature of Directorship	Committee status	Date of appointment
Ms. N. Ranatunga	Independent- Non Executive	Chairperson	15 January 2025
Mr. L. H. A. L. Silva	Independent – Non Executive	Member	28 June 2022
Mr. D. Sooriyaarachchi	Non – Independent Non Executive	Member	11 August 2021
Ms. L. K. A. H. Fernando	Non – Independent Non Executive	Member	28 June 2022
Ms. C. Pietersz	Independent - Non Executive	Member	1 October 2023

The Committee composition comprises exclusively of non-executive directors and 3 members are independent.

Chairperson, Ms. N. Ranatunga is an independent non-executive director.

TERMS OF REFERENCE (TOR)

The Committee has a Board approved written TOR dealing with its authority and duties and carefully designed to discharge the Committee's purpose.

The TOR of the Committee was reviewed during the year as part of the periodic governance review process.

MEETINGS

In terms of the TOR of the Committee, the BRPTRC meets on a quarterly basis.

The CEO and the Finance Manager attends meetings by invitation.

The Committee convened five meetings during the period under consideration.

Name of Director	Committee status	Attendance **
Ms. N. Ranatunga	Chairperson	1/1
Mr. L. H. A. L. Silva	Member	5/5
Mr. D. Sooriyaarachchi	Member	4/5
Ms. L. K. A. H. Fernando	Member	5/5
Ms. C. Pietersz	Member	5/5

** (Attended/Eligible to attend)

SECRETARY TO THE COMMITTEE

Ms. Roshini Weudagedara - Company Secretary functions as the Secretary to the Committee.

REPORTING TO THE BOARD

The proceedings of the BRPTRC meetings are regularly reported to the Board via the Committee Chair outlining proceedings, outcomes and recommendations. Where necessary, the Committee requests the Board of Directors to approve the related party transactions under review and in such instances, the Board approval is obtained prior to entering into such transaction.

The minutes of BRPTRC meetings are also tabled at successive Board meetings, for informational purposes.

POLICIES AND PROCEDURES

A Board approved Procedure Manual on Related Party Transactions is in place with the objective to establish a frame work for the Company for identification of related parties and their transactions.

Identification of RPs

Related parties are identified in accordance with the criteria set out in the Sri Lanka Accounting Standards (LKAS 24) as well as the Listing Rules.

In terms of the Manual, the Finance Manager is entrusted with the responsibility to identify and update the list of related parties, as and when an event occurs.

The Company adopts a disclosure based approach in identifying related parties.

Reporting and reviewing related party transactions

The Company has set up a process which enables the Company to generate data on related party transactions, throughout the Company's ERP system.

All related party transactions (other than those exempted) are submitted to the Committee prior to entering into the transaction.

All recurrent related party transactions are submitted to the Committee on a quarterly basis for review. The Committee has established guidelines to follow, when reviewing these recurrent related party transactions.

The Committee when reviewing related party transactions looks at the objective, economic and commercial substance over legal form and technicality.

The Company Secretary will make the necessary market disclosures in respect of transactions with identified related parties that trigger shareholder or Board approval, as well as those requiring immediate disclosure.

The internal auditors will ensure that related party process is carried out according to the established procedure manual and applicable laws.

PROFESSIONAL ADVICE AND ACCESS TO MANAGEMENT

The Committee ensured that it had access to sufficient knowledge and expertise to assess all aspects of the transaction. To this extent, the Committee is empowered to obtain, at the Company's expense, any outside legal or other professional advice and to secure the attendance of outsiders with relevant experience and expertise if it considers necessary for the fulfilment of its duties.

CONFLICT OF INTEREST

If a member has a personal material interest in a matter being considered or a related party transaction involves directly or indirectly one of the members of this Committee, the conflicted member

informed the Committee immediately and excused himself at the meeting. Such member was not present while the matter was being considered at the meeting, unless for the express purpose of providing information to the Committee at the request of the other members and abstained from voting on the matter.

PERFORMANCE EVALUATION

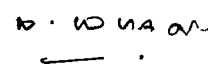
The Committee carried out a self-evaluation. The Board was satisfied with the Committee's performance during the period and that its remit and scope was sufficient.

DECLARATION

Other than those exempted, all transactions with related parties entered into during the year 2024/25, were reviewed by the Committee and the observations were duly communicated to the Board. For this purpose all relevant facts and circumstances of the proposed transactions were provided to the Committee by the Senior Management.

During the year under review, the Company has complied with the related party transactions rules set out in Section 9 of the Listing rules. An affirmative statement of compliance with the rules pertaining to related party transactions by the Board of Directors is included on page 167 of this annual report.

On behalf of the Board Related Party Transactions Review Committee



N. Ranatunga

Chairperson of the Board Related Party Transactions Review Committee

04 June 2025
Colombo

REPORT OF THE BOARD NOMINATIONS AND GOVERNANCE COMMITTEE



K. Kamburadeniya

Chairman of the Board Nominations and Governance Committee

Dear shareholders

As the Chairman of the Board Nominations and Governance Committee I am pleased to present to you the Board Nominations and Governance Committee report of Panasian Power PLC, for the year 2024/2025.

As required by section 9.11.6 of the Listing Rules of the Colombo Stock Exchange and the Code of best practice on corporate governance issued by the Institute of Chartered Accountants of Sri Lanka 2023 (CG Code 2023), this report details the manner in which the duties and responsibilities of the Committee were discharged, during the year under review.

INTRODUCTION AND PURPOSE:

The Board Nominations and Governance Committee (the Committee or BNGC) is delegated by the Board with the authority to review the Board's composition and to formulate and implement a transparent process of Board recruitment, make recommendations to the Board on the appointment of directors and Board sub-committee members and assess the independence of directors.

The BNGC is also responsible for succession planning for directors and senior executives and the oversight of matters relating to corporate governance.

COMMITTEE COMPOSITION:

The Committee composition as at 31 March 2025 is as follows:

Name	Nature of Directorship	Committee status	Date of appointment
Mr. K. Kamburadeniya	Independent – Non Executive	Chairman	1 October 2023
Mr. D. Sooriyaarachchi	Non Independent – Non Executive	Member	1 October 2023
Mr. L. H. A. L. Silva	Independent – Non Executive	Member	1 October 2023
Ms. L. K. A. H. Fernando	Non Independent – Non Executive	Member	1 October 2023
Ms. C. Pietersz	Independent – Non Executive	Member	1 October 2023

The Committee composition comprises exclusively of non-executive directors, out of which 3 members are independent directors. The composition does not include executive directors.

The Chairman, Mr. K. Kamburadeniya is an independent non-executive director.

TERMS OF REFERENCE (TOR)

The Committee has a Board approved written TOR dealing with its authority and duties and carefully designed to discharge the Committee's purpose.

The TOR of the Committee was reviewed during the year as part of the periodic governance review process. The review aimed to ensure that the TOR remains relevant, comprehensive and aligned with evolving regulatory expectations and industry best practices.

MEETINGS

In terms of the TOR of the Committee, the Committee meets at least once a year and at such other times as the Chair or members of the Committee shall require.

The Committee convened five meetings during the period under consideration.

Name of Director	Committee status	Attendance **
Mr. K. Kamburadeniya	Chairman	5/5
Mr. D. Sooriyaarachchi	Member	5/5
Mr. L.H.A.L.Silva	Member	5/5
Ms. L.K.A.H.Fernando	Member	5/5
Ms. C. Pietersz	Member	5/5

** (Attended/Eligible to attend)

REPORTING TO THE BOARD

The proceedings of the BNGC meetings are regularly reported to the Board via the Committee Chair outlining proceedings, outcomes and recommendations.

The minutes of BNGC meetings are also tabled at successive Board meetings, for informational purposes.

SECRETARY TO THE COMMITTEE

Ms. Roshini Weudagedara - Company Secretary functions as the Secretary to the Committee.

BOARD DIVERSITY

The BNGC assessed the Board composition against the pre-defined criteria of skill and knowledge requirements to ascertain whether the collective knowledge and experience of the Board matches the strategic, governance and business demands of the Company. Please refer page no 112 for more details on board composition and diversity consideration. The assessment of the Board composition comprehensively addresses aspects of diversity and inclusion, including age, tenure, gender, expertise and independence, ensuring a balanced and effective board composition.

The Committee is satisfied that the Board continues to be of adequate size and composition to suit the current scale of its operations and has an appropriate balance of skills, knowledge, experience and diversity to enable it to effectively

discharge its duties. The Committee has time-effectively focused on Board refreshment giving due consideration to vacancies arising and Board effectiveness assessments.

As a Committee, we are confident the current Board's skill set also ensures the ability to oversee management and contribute to the development of strategy. The Committee considers maintaining at least gender-parity as significant to its long-term diversity perspective.

PROCESS FOR BOARD APPOINTMENTS/ RE-ELECTIONS/RE-APPOINTMENTS

The Committee has a formal documented policy in place where all appointments, re-elections/re-appointments are assessed against pre-defined criteria for suitability.

In appointing directors, the Committee considers whether candidates bring complementary skills and experience aligned with the Board's needs. Key factors include sound business judgment, a strong track record in governance, the ability to provide effective oversight and a demonstrated commitment to fulfilling Board duties. Those proposed as Independent Non-Executive Directors must meet the independence requirements under the Listing Rules.

In considering a Director for re-election, the Board evaluates their ongoing time commitment, attendance, and active participation in meetings. The Director's skills, knowledge, and expertise are assessed against the Board's skills matrix and the strategic needs of the Group. For Independent Directors, any factors affecting independence or objectivity are reviewed. The Director's overall contribution, including alignment with the Company's strategic goals and impact on its growth and stability, is also taken into account.

The findings of the board composition related assessment were taken into account in case of new board appointments and when incumbent directors came up for re-election/re-appointment.

In terms of the articles of association, one third (1/3) of the directors (other than executive and nominee directors) who have been longest in office are required to retire by rotation.

According to the assessment, the Committee recommended the following directors for election/ re-election at the AGM.

Name of Director	Role in Board sub-committee	First date of appointment	Last re-appointment date	Details of directorships including those held within the past 3 years in listed entities	Relationships between the director/CFM with other directors, Company, shareholders having more than 10% in the Company
Mr. K. Kamburadeniya	BHRC – Chairman BNGC – Chairman BARC- Member	3 August 2021	28 June 2022	Please refer page 115 for details on directorships.	Nil
Ms. N. Ranatunga	BRPTRC- Chair BHRC – Member BARC - Member	15 January 2025	N/A	Principle commitments during the past three years VP/Head of Legal at DFCC Bank PLC	Nil

DETERMINATIONS ON DIRECTOR INDEPENDENCE

An independent Board has the benefit of providing objective judgement and constructive challenge to the viewpoints presented by management. Non-executive directors' independence is assessed upon appointment, annually and if at any other time circumstances warrant reconsideration.

Over the year, the Committee made recommendations to the Board as to determinations of director independence including in case of new appointments.

Additionally, the Committee offered insights when necessary regarding the potential impact of proposed related party transactions on a director's independence.

Please refer page 108 for the details of independent directors as at 31 March 2025.

EXTERNAL APPOINTMENTS

The Board has a written policy as regards the maximum number of other appointments that directors should hold. Before recommending new appointments to the Board, the Committee considers other demands on candidates' time. Once appointed any proposed additional external appointments are also reviewed by the Committee to ensure that the additional demands are within the threshold imposed.

Considering reviewed and updated directors' interests, the Committee is satisfied that each director has sufficient time to discharge their duties, taking into consideration their external appointments and commitments.

PERFORMANCE EVALUATION

The Committee guided the design and conduct of the annual reviews of the Board, sub-committees and governance professionals including the Company Secretary, for effectiveness and performance.

The board conducted a performance evaluation for the year 2024/25. The outcome was tabled, at a BNGC meeting for recommendations.

The Committee carried out a self-evaluation. The Board was satisfied with the Committee's performance during the truncated period and that its remit and scope was sufficient.

The BNGC established that a suitable process encompassing expectation setting, guidance and assessment is maintained for periodic evaluation of the performance of the CEO. For year 2024/25 this evaluation was conducted by the Board HR and Remuneration Committee as delegated by the Board.

BOARD INDUCTION AND TRAINING

Induction programs encompass both institutional document-packs and one-on-one interactions. The orientation has been designed to supplement existing practices whereby a continuing understanding of the business is developed through appropriate business engagements for non-executive directors such as interactions with employees, site visits and corporate events worked into the annual cycle of Board meetings. The Committee oversaw that induction programs have been conducted for the new appointees to the Board including on corporate governance, Listing Rules, securities market regulations and other applicable laws and regulations.

The senior executives of the Company and subsidiaries are invited, as appropriate, to Board meetings to make presentations on their areas of responsibility. Internal senior leaders and external specialists may also impart their knowledge to the Board through presentations, roundtable discussions and other sessions.

The Board was also provided regular briefings to ensure that directors are kept up to date on relevant legal and governance developments or changes, best practice developments and changing commercial and other risks.

Please refer the 154 on page 161 for details.

PROCESS TO INFORM INDEPENDENT DIRECTORS OF MAJOR ISSUES RELATING TO THE COMPANY

To uphold corporate governance best practices, it's essential to keep independent directors informed of major issues within the Company. This involves regular updates through board meetings and timely communication of urgent matters between meetings. Directors also receive detailed reports and relevant documentation and have direct access to the management for clarification or additional information as needed.

CORPORATE GOVERNANCE

The Committee reviewed the Company's governance structure and processes, ensuring alignment with Listing Rules, regulatory requirements and industry best practices.

The Committee also received reports from management regarding compliance with the corporate governance framework, including adherence to the Listing Rules and other relevant laws.

SUCCESSION PLANNING

The Committee meticulously oversaw the succession planning process for Key Management Personnel (KMPs), actively developing strategies and identifying training and development needs for the individuals earmarked for succession.

Declaration

During the year,

1. An annual update on Corporate Governance, Listing Rules, securities market regulation and other applicable laws has been provided to the Directors;
2. The Directors have met the criteria for independence as outlined in the Listing Rules of the Colombo Stock Exchange;
3. Compliance with the Listing Rules on Corporate Governance Rules has been ensured.

On behalf of the Board Nominations and Governance Committee



K. Kamburadeniya

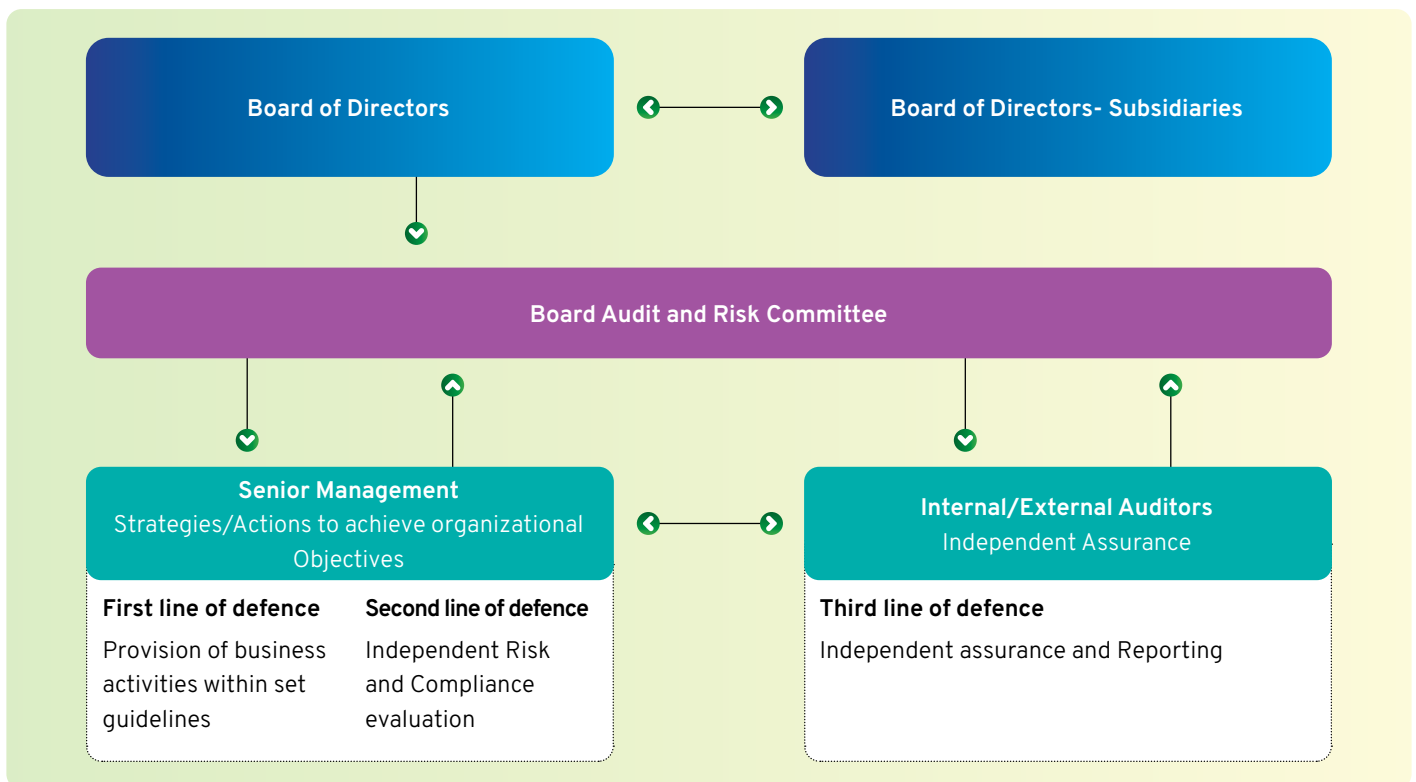
Chairman of the Board Nominations and Governance Committee

04 June 2025
Colombo

COMMITMENT FOR RISK MANAGEMENT

Panasian Power Plc is committed to taking measures to implement evolving tools available for the management of risks on a short, medium and long-term basis, strengthening its internal policies, processes, procedures and structures applicable to all the business units of the group companies. This ensures that the company keeps pace with the challenges arising from its business and regulatory environment.

The company adopts its risk governance framework across all its business units consistently using the three lines of defence model. It divides responsibilities and functions related to risk management into three distinct lines, each with its own role and purpose:



The first line of defence is the front line of business units that are engaged in operations of the organization. It is the responsibility of the relevant heads of the departments to ensure that the business functions of the relevant units are performed as per the policies, procedures and processes of the organization. Their responsibility is to identify, access and manage the risk as an integral part of their business operations.

The second line of defence consists of the risk management and compliance department of the organization. They exercise oversight into the business activities performed by the business units ensuring compliance with the set guidelines, policies and procedures are the primary responsibilities while providing overall insight into the overall risk management of the organization.

The third line of defence is the Audit function including both internal and external. They review and assess the functions of the first line and the second line to ensure that the operations are performed as per the policies, processes and the procedures. This function is independent and the reporting lines are on the Board Audit and Risk Subcommittee to ensure that the risk of the business is appropriately managed and the set rules and regulations are adequately adhered to.

The Risk Management Process



Risk Identification

This is the first step in the risk management process where the company has to identify the current and potential risks that may arise because of changes in the internal and external business environments. The risks identified at this level will pose a possible impact on the existing level of operations and the strategic direction.

The risk culture of the organization is such that all the employees irrespective of their level of engagement are involved in this process of risks identification. The board of Directors and the Board appointed Sub Committees identify the possible strategic risk and its impact on the overall risk profile of the organization.



Risk Assessment

The identified risks are categorized into broad risk categories for the assessment process. The assessment of the risks is performed by the identified Risk Owners using the Risk Model developed internally. The scores are assigned for these identified risks considering the impact level and the likelihood and thereafter tabulated the risk profile into a matrix to determine the overall level of risk that particular risk category imposes on the business of the entity.



Risk Mitigation

This involves the treatment of identified risks. Developing risk mitigation strategies is a team effort that leads to either accepting, transferring, reducing or avoiding the assessed risk. The risk categories with high-risk profiles are prioritized over the low risk profile risk categories. At this level, new risk control mechanisms are introduced, existing controls are reviewed and enhanced, new policies are introduced, business continuity plans and disaster recovery plans are briefed up etc.



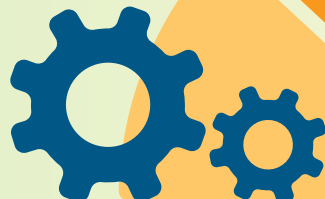
Monitoring and Control

The risk and compliance teams are responsible for monitoring and collaborating closely with the business units to manage the risk. Periodic visits to power generating units and training programs will be done to improve the overall risk culture of the organization. The risk mitigation plans are prepared on 30 September and 31 March every year for proper monitoring and control.



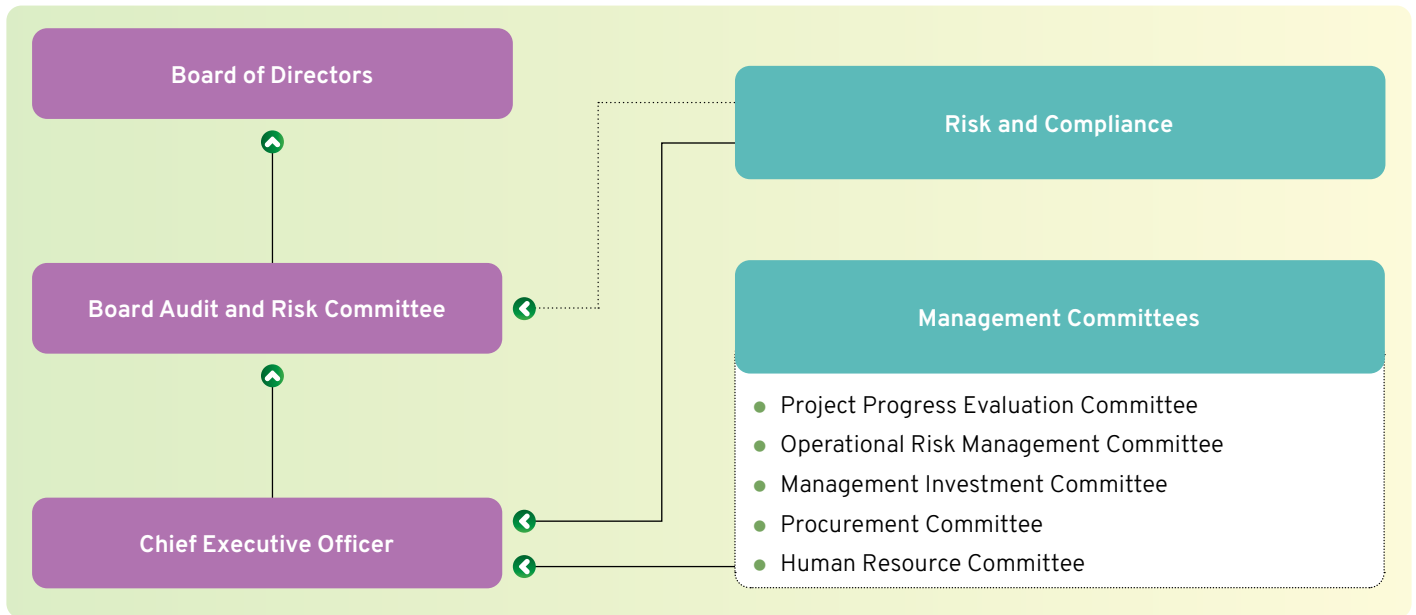
Reporting

The validated risk assessments plans are submitted to the senior management, the BARC and the Board of Directors for their information and review.



Risk Management Structure

The risk management structure of the company has been formulated to facilitate the independent decision-making process across the organization. The committees have been established at Board levels and the management levels. The risk management structure is detailed below.

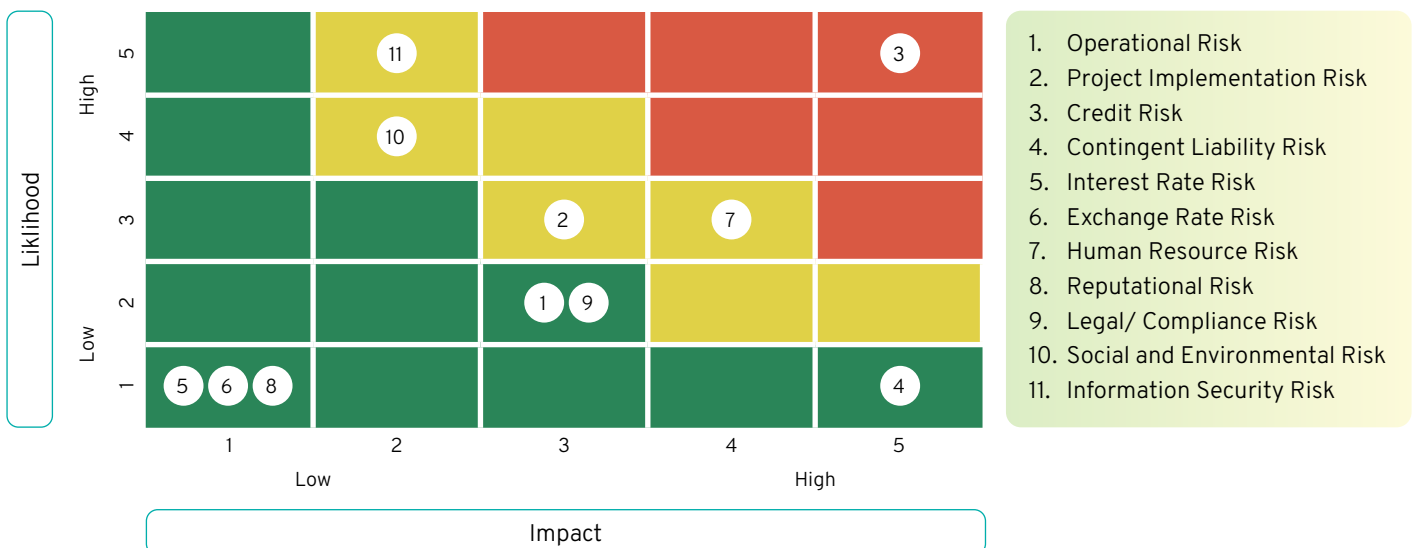


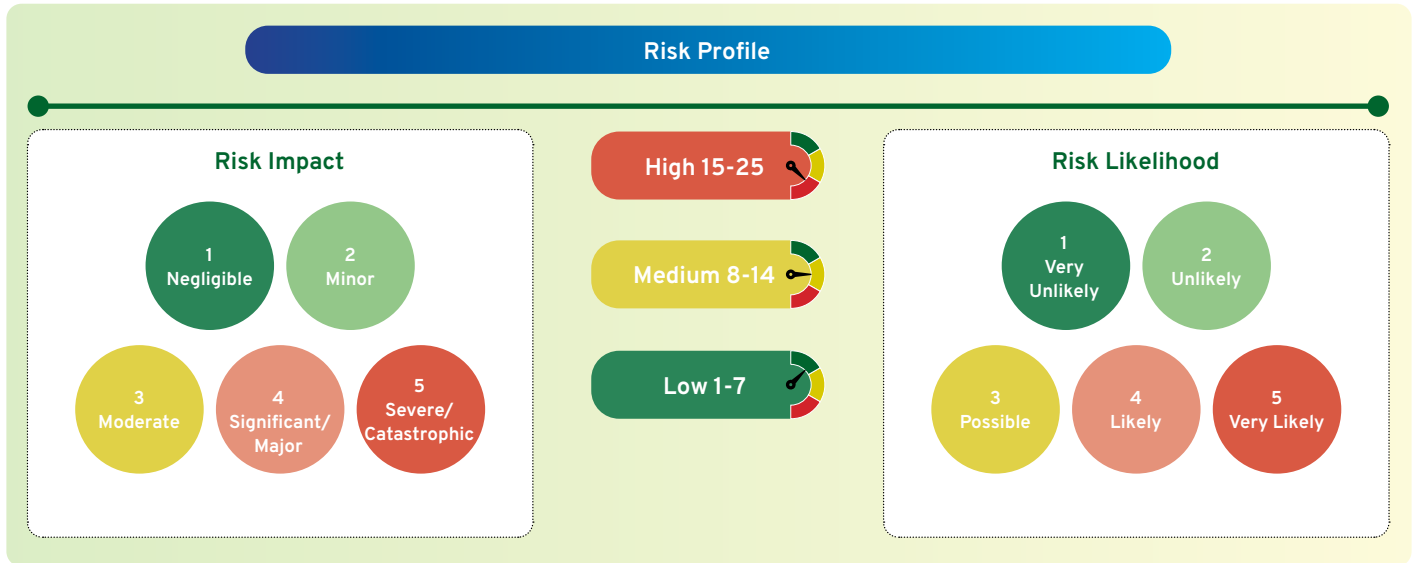
RISK APPETITE

The risk appetite levels under each group of companies are based on the Board approved business plan. Any tolerance limits over and above the Board approved limits will be with the discretion of the approval of the Board.

KEY RISK CATEGORIES AND HEAT MAP

The company is exposed to a wide array of risks both financially and non-financially as detailed below. The evaluated risks are mapped into the heat map considering the level of impact that they pose on the business.





Top Risks of 2024/25

No	Risk Category	Consequences	Risk Mitigation Approach	Risk Impact Level	Risk Likelihood	Risk Profile
1	Operational Risk (Manufacturing Capital)	<ul style="list-style-type: none"> Machinery down time due to technical faults/ Shortage of spare parts at sites Loss of energy supply to the CEB due to power line disruptions. Labor shortage, safety issues Government Regulatory changes/ Limitations in the grid Social unrest Technological Obsolescence Compliance Issues with the Government Agencies Natural disasters 	<ul style="list-style-type: none"> The best suited technically superior machinery is selected at the time of installation and proper maintenance procedures are followed during the operations. These will minimize the machine down time at sites. Additionally, frequently used spare parts stocks are maintained at sites and other spares are maintained centrally to minimize the machinery down time. A close relationship is maintained with the spare parts suppliers both locally and internationally. A close relationship is maintained with the CEB officials in the locality to inform any disruption to the supply line and to get the line up and connect with the grid within a reasonable time to continue the supply of generated power. Mini hydro sites are provided with necessary resources to operate on a 24-hour basis. However, solar sites are manned mainly in the daytime to support generation and the urgent maintenance work. The health and safety officer of the company visits sites scattered across the country to ensure the health and safety aspects of the employees. The HR Dept. of the company also maintains a close relationship with the staff in remote places to ensure the wellbeing of the employees. 	3	2	6

No	Risk Category	Consequences	Risk Mitigation Approach	Risk Impact Level	Risk Likelihood	Risk Profile
			<ul style="list-style-type: none"> The imbalance reported in the national grid, especially in the daytime of the low consumption days, is a concern to all solar generating plant owners. The company is closely monitoring the developments in the industry and takes part in forums to make representations to the regulators. A close rapport is maintained with the local authorities and the pressure groups in the locality to manage any kind of unrest that may arise due to any negative impact on society or the environment. Technical obsolescence is inevitable in the fast-developing space. The critical spare parts stocks are maintained and at the same time, a close relationship is maintained with the suppliers locally and internationally. It is not possible to plan for natural disasters. However, precautionary measures are taken wherever possible to mitigate the damage from natural disasters. A business continuity plan and a disaster recovery plan have been in place to mitigate this risk. 			
2	Project Implementation Risk (Manufacturing Capital)	<ul style="list-style-type: none"> Delayed project timelines, lead to penalties, change in agreed terms or even termination of contracts. Increased costs due to time overruns etc may lead to budgetary constraints and conflicts with sub-contractors. Potential loss of stakeholder confidence, impacting future partnerships and investments. Restructuring of financial facilities to fall in line with the revised cash flows. Enforcement of guarantees / securities. 	<ul style="list-style-type: none"> Conducting regular progress reviews to identify and address bottlenecks early. Use fast tracking and crashing techniques to effectively catch-up delayed activities. Set clear guidelines and milestones for contractors and ensure effective collaboration through periodic meetings. Ensure supply chains and logistics are well coordinated with the project activities to avoid down time. Regulatory compliance through proactive audits and readiness assessments. Keep a tab on expenses and always compare with the budgets and use earned value management to analyse the project performance and progress. Report the progress of the project to all the stakeholders to improve transparency and actively engaged the cross functional teams to avoid siloed operations. Develop robust and a detailed project schedule, linking resources using tools like Primavera P6 or MS Project for efficient tracking and allocation of funds to improve clarity and transparency. 	3	3	9

No	Risk Category	Consequences	Risk Mitigation Approach	Risk Impact Level	Risk Likelihood	Risk Profile
3	Credit Risk (Financial Capital)	<ul style="list-style-type: none"> Possible working capital issues/ financial distress Disruption to operation Inability to service bank debts Reduction of Net Profit of the company 	<ul style="list-style-type: none"> Maintain a healthy relationship with CEB Recover delay Interest charges as per PPA Maintain 03-months debt service reserve with each bank. Closely follow up the market dynamics. 	5	5	25
4	Contingent Liability Risk (Financial Capital)	<ul style="list-style-type: none"> Adverse impact on company profitability and cashflow in case there are claims on corporate guarantees and/or bank guarantees Reputational damage Legal implications due to guarantee claims. Adverse impact on future projects and partnerships 	<ul style="list-style-type: none"> All contracts are executed after obtaining legal clearance. Maintain sufficient bank facilities to accommodate performance bond requirement/ guarantee extensions/ enhancements. Negotiate facilities with banks after careful evaluation of funding requirements. Obtaining proper internal Approvals. Strict security measures are implimented to protect the machinery and equipment imported with the issuance of the custom gurantees. 	5	1	5
5	Interest Rate Risk (Financial Capital)	<ul style="list-style-type: none"> Adverse variance in interest rates leads to an increase in borrowing costs thereby impacting on the profitability of the business. The increase in financing costs will result in higher cash outflows. Fluctuating interest rates may result in projects being less economically attractive and viable. If a Company is unable to secure favorable financing terms, some projects may not be initiated or might be delayed, which could harm the company's growth prospects. 	<ul style="list-style-type: none"> Long term lending to capital expenditure to be negotiated at fixed rates or variable rates with a cap. Negotiate a mix of variable and fixed term lending. Dealing with multiple banks. Facilities to be negotiated without the Liquidated Damages clause. Negotiate non-debt funding options (e.g., green bonds, government grants, or equity financing) to reduce reliance on debt for financing projects. 	1	1	1
6	Exchange Rate Risk (Financial Capital)	<ul style="list-style-type: none"> The new Project development mainly relies on equipment and technology from foreign suppliers (e.g solar panels, batteries). Fluctuations in currency values can make these imports more expensive. Company profitability can be reduced due to significant exchange loss Import equipment may become costly compared to market rates due to adverse variance in exchange rate. 	<ul style="list-style-type: none"> All import LCs with signat and usance terms are established with forward bookings. 	1	1	1

No	Risk Category	Consequences	Risk Mitigation Approach	Risk Impact Level	Risk Likelihood	Risk Profile
7	Human Resource Risk (Human Capital)	<ul style="list-style-type: none"> Loss of Institutional Knowledge and Expertise Reduced Employee Morale and Engagement Decreased Productivity Increased Workload on Remaining Staff Reputational Impact 	<ul style="list-style-type: none"> Improve Retention Programs Conduct Regular Employee Feedback Sessions . Offer Competitive Compensation and Benefits Invest in Career Development Implement employee wellbeing 	4	3	12
8	Reputational Risk (Intellectual Capital)	<ul style="list-style-type: none"> Losing brand value Losing new businesses/ Difficulty to attract new customers/ Investors Negative Publicity or Crisis Financial damage/ losses Difficulty in raising equity/ debt for new projects 	<ul style="list-style-type: none"> Proactive Communication- Engage with stakeholders early and often, keeping them informed about the company's plans and addressing their concerns. Transparency and Accountability- Be transparent about the company's operations and take responsibility for any negative impacts. Environmental and Social Responsibility- Prioritize environmental and social responsibility in all aspects of the company's operations Stakeholder Engagement- Engage with stakeholders throughout the project lifecycle, addressing their concerns and building trust Monitoring and Evaluation- Continuously monitor the company's reputation and evaluate the effectiveness of its risk management strategies Routinely update the financial institutions / regulators about the progress of the ongoing projects 	1	1	1
9	Legal and Compliance Risk (Social and Relationship Capital)	<ul style="list-style-type: none"> Financial penalties Reputational damage Project delays or shutdowns Interruptions in project operations Revenue losses Impact on ability to attract investors and partners The cost for the legal consultation and other legal expenses Loss of staff time and other expenses 	<ul style="list-style-type: none"> Transparency and Accountability- Promoting transparency and accountability in operations to build trust with stakeholders Public-Private Partnership or Community Engagement- Engaging with local communities early in the project development process to address potential land use conflicts and build support for projects Expertise and Resources- invest in expertise and resources to navigate the complex regulatory landscape and ensure compliance Keep proper documentation for proving compliance Adherence to laws and regulations Company complies with the country's relevant laws and legislations. Every 3 months the management submits the compliance statement of rules and regulations applicable for business to the Board of Directors. Clear Title established through legal process before acquisition of immovable properties. 	3	2	6

No	Risk Category	Consequences	Risk Mitigation Approach	Risk Impact Level	Risk Likelihood	Risk Profile
10	Social and Environmental Risk (Natural Capital)	<ul style="list-style-type: none"> ● Reputational damage ● Non-compliance with legal and regulatory frameworks of the country ● Affect company's long-term business sustainability ● Project delays or suspensions ● Interruptions in project operations or shutdowns ● Increases in project cost and project operational cost ● Revenue loss 	<ul style="list-style-type: none"> ● Due Diligence- Identify and assess potential risks early on Develop and implement systems for assessing and mitigating risks ● Transparency and Accountability- be transparent about company's social and environmental performance and take responsibility/ corrective action for any negative impact ● Sustainability Initiatives- Implement policies and practices that promote sustainability and corporate social responsibility ● Stakeholder Engagement or boost public-private partnership ● Continuous monitoring of approved conditions and proactively update the regulators 	2	4	8
11	Information Security Risk (Intellectual Capital)	<ul style="list-style-type: none"> ● Work disruptions due to equipment malfunctioning. ● Loss of confidential data due to hardware failures. ● Confidential data leakages to external parties. ● Cyberattacks ● Technological Obsolescence 	<ul style="list-style-type: none"> ● The IT services have been outsourced to several external parties with agreements. The said agreements contain SLAs regarding key areas covered under these agreements. ● All staff have been provided with access to Cloud base storage and advised them to save confidential company data on the said cloud base storage. ● There are instances where the company officials are required to send equipment to third party service providers for the maintenance and repair work. The agreements entered with these third-party service providers contain a clause in the agreement for the non-disclosure of company information. ● All company owned hardware equipment is protected by virus guards to mitigate the risk of cyberattacks. ● The above-mentioned agreements to hire hardware with external parties have entered with a definite period thereby having room to address the technological obsolescence. 	2	5	10



Your Power,
Our Future.

FINANCIAL REPORTS

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Inner Back - Cover Corporate Information

Interim Financial Statements (Interim Financial Statements are published as per rule 7.4 of the Colombo Stock Exchange)

Interim financial statements for the three months ended on 30 June 2024	Approved on 07 August 2024
Interim financial statements for the six months ended on 30 September 2024	Approved on 05 November 2024
Interim financial statements for the nine months ended on 31 December 2024	Approved on 10 February 2025
Interim financial statements for the year ended 31 March 2025	Approved on 26 May 2025

Audited Financial Statements

Audited financial statements for the year ended on 31 March 2025	Approved on 04 June 2025
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Dividends

Interim dividend for the year ended on 31 March 2025	Paid on 06 May 2025
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Annual General Meeting

23 Annual General Meeting	27 June 2025
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ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF COMPANY

The Directors have pleasure in presenting the 23rd Annual Report together with the Audited Consolidated Financial Statements of the Panasian Power group for the year ended 31 March 2025.

GENERAL

This report also considers the requirements of the Companies Act No. 07 of 2007 (as Amended) (CA 2007), the relevant listing rules of the Colombo Stock Exchange (CSE) (as amended) (Listing Rules) and Recommended reporting and corporate governance best reporting practices, such as the rules on Code of Best Practices on Related Party Transactions (2013) issued by the SEC, Code of Best Practice on Corporate Governance 2023 issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) (CG Code 2023) to the extent of business exigency as required by the company and are also guided by recommended best accounting practices.

The management of the Panasian Power PLC have prepared and reviewed the integrated annual report and submitted the same to the Board Audit and Risk Committee who recommended the same to the Board of Directors for approval. Accordingly, the annual report of the company including the annual report of the Board of Directors was adopted by the Board of Directors on 04 June 2025.

The required number of copies of the company's Annual Report will be submitted to the relevant regulatory authorities within the stipulated time.

LEGAL STATUS

The company was incorporated on 22nd April 2002 under the name of Panasian Power PLC. The shares of the company were listed on the Colombo Stock Exchange on 07 January 2011.

PRINCIPAL ACTIVITIES OF THE COMPANY

The principal activities of the company are the generation and sale of Hydroelectricity to the Ceylon Electricity Board.

There had been no significant changes in the nature of the activities of the company and its subsidiaries during the year under review.

PRINCIPAL ACTIVITIES OF THE SUBSIDIARY COMPANIES

The principal activities of the subsidiaries are the generation and sale of Hydroelectricity and Solar electricity to the Ceylon Electricity Board and Engineering, Procurement and Construction of rooftop solar power plants and sale of solar panel and inverters.

There had been no significant changes in the nature of the activities of the subsidiaries during the year under review.

CHANGES TO THE GROUP STRUCTURE BUSINESS REVIEW

A review of the company and its subsidiaries' performance during the financial year is given in the Chairman's Statement, CEO's review and in the operation review on the pages 22 to 27 of the annual report. These reports form an integral part of the Directors report and provide a fair review of the performance of the Panasian Power group during the financial year ended 31 March 2025.

Adoption of the sustainability disclosure standards (SLFRS S1, SLFRS S2) which are issued by International Sustainability Standards Board. The application and implementation of these standards will be effective for the first 100 listed entities of the Colombo Stock Exchange, based on respective entities' market capitalization as of 01 January 2025 are required to adopt for annual reporting periods beginning on or after 01 January 2025. Therefore, 2024/2025 Financial Year aforesaid standard will not be applicable.

FINANCIAL STATEMENTS

The Financial Statements of the company and the Panasian Power group are set out on pages 175 to 181 of the Annual Report.

AUDITOR'S REPORT

The Auditor's Report on the Financial Statements is given on pages 173 to 174 of the Annual Report.

MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the Financial Statements are given on pages 182 to 198 of the Annual Report.

GOING CONCERN

The group has prepared the financial statements for the year ended 31 March 2025 on the basis that it will continue to operate as a going concern.

In determining the basis of preparing the financial statements for the year ended 31 March 2025, based on available information, the management has assessed the prevailing macroeconomic conditions and its effect on the group companies and the appropriateness of the use of the going concern basis.

It is the view of the management that there are no material uncertainties that may cast significant doubt on the group's ability to continue to operate as a going concern. The management has formed a judgment that the company, its subsidiaries, joint ventures have adequate resources to continue in operational existence for the foreseeable future driven by the continuous operationalization of risk mitigation initiatives and monitoring of business continuity and response plans at each business level along with the financial strength of the group.

In determining the above, significant management judgment, estimates and assumptions, the impact of the macroeconomic uncertainties, including exchange rate volatilities, supply chain disruptions, foreign exchange market limitations and interest rate volatilities have been considered as of the reporting date and specific considerations have been disclosed under the notes, as relevant.

Financial Statements have accordingly been prepared based on the “Going Concern” concept.

STATED CAPITAL

The total stated capital of the company as at 31 March 2025 was LKR 1,030,000,000/- (2024- LKR 1,030,000,000/-) represented by 625,000,000 ordinary shares.

There were no changes in the stated capital of the company during the year.

REVENUE

Revenue generated by the company amounted to LKR 143,991,817/- (2024 - LKR 106,050,125/-), whilst the revenue of the group amounted to LKR 1,542,727,800/- (2024 - LKR 1,490,346,698/-).

The contribution from different business segments is provided in note 07 to the financial statements on page 201.

DONATIONS

The group and the company made donations during the year amounting to LKR 6,833,166/- and LKR 1,702,634/- respectively (2023/24 - group: LKR 6,593,860/-, company - LKR 573,000/-).

PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

The group and the company incurred LKR 222,874,674/- and LKR 14,525,259/- respectively (2023/24 - Group: LKR 40,810,504/- company: LKR 4,076,605/-) on acquisition of property, plant and equipment, details of which are available in note 14 to the Financial Statements.

The investment in intangible assets by the company/group during the year was LKR 1,193,313/- (2023/24 - company/group: LKR 1,995,978/-).

Specific information on extent, locations, valuations and number of buildings on the company’s land holdings are given in note 14 to the Financial Statement.

MARKET VALUE OF FREEHOLD LAND

A qualified independent valuer carried out a revaluation of the company’s freehold land on date and the carrying value of freehold land has been adjusted accordingly. The details of market value of freehold land are given in note 14 to the Financial Statements.

RESERVES

Total reserves as at 31 March 2025 of the company and group amounted to LKR 846,406,347/- (2024 - LKR 691,886,938/-) and LKR 1,492,752,363/- (2024 - LKR 1,207,719,734/-), respectively.

The movement and composition of the Capital and Revenue reserves is disclosed in the Statement of Changes in Equity on page 179.

EVENTS AFTER THE REPORTING DATE

There have been no events subsequent to the reporting date which would have any material effect on the company or on the group other than those disclosed in note 36 to the Financial Statements on page 241.

CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There have been no commitments or contingent liabilities other than those stated in note 37 on page 241 of this Annual Report.

HUMAN RESOURCES

The number of persons employed by the company and group as at 31 March 2025 was 41 (2024 - 38) and 107 (2024 - 74), respectively. The group is committed to pursuing various Human Resources (HR) initiatives that ensure the individual development of all our teams as well as facilitating the creation of value for themselves, the company, and all other stakeholders.

There were no material issues pertaining to employees and industrial relations in the year under review.

CORPORATE GOVERNANCE

On pages 108 to 153 of this report, corporate governance practices and principles related to the company’s management and operations are outlined.

THE DIRECTORS DECLARE THAT:

- The company has not engaged in any activities which contravene laws and regulations.
- The Directors have declared all material interest in contracts involving the company and refrained from voting on matters in which they were materially interested;
- The company has made all endeavors to ensure the equitable treatment of shareholders;
- The business is a Going Concern with supporting assumptions or qualifications as necessary;
- The Directors have conducted a review of internal controls covering financial operational and compliance controls and risk management and have obtained a reasonable assurance of their effectiveness and successful adherence herewith.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board indicates that there is an ongoing procedure for identifying, evaluating, and managing any significant risks faced by the group. The annual strategic planning cycle includes an evaluation and risk assessment of each business segment, and the Board and Audit and Risk Committee routinely analyse the key risks and preventative measures in place.

DIRECTORATE

The names of the Directors who held office as at the end of the accounting period are given below and their brief profiles appear on pages 98 to 105.

Mr.L. H. A. L. Silva (Chairman)
Mr.P. K. Pathmanatha – CEO/ED
Mr.D. Sooriyaarachchi
Mr.W. W. M. S. B. K. G. Kamburadeniya
Mrs. L. K. A. H. Fernando
Ms. C. Pietersz
Ms. N. Ranatunga
(Appointed w.e.f 15 January 2025)

INTEREST REGISTER

Interest Registers are maintained by the company as well as the subsidiaries as per the requirements of the Companies Act No. 07 of 2007. All Directors have made the necessary declarations as provided for in Section 192 (2) of the aforesaid Companies Act.

During the year, entries made in the Interest Register consisted of Directors' interests in contracts and remuneration paid to the Directors. The Interest Registers of the company and its subsidiaries are available in the registered office of the company, in keeping with the requirements of Section 119 (1) (d) of the Companies Act No. 07 of 2007.

The particulars of the Directors' Interests in contracts are given on page 168 of the Annual Report and form an integral part of the Annual Report of the Board of Directors.

The Directors have no direct or indirect interest in a contract or a proposed contract with the company other than those disclosed.

Directors' Shareholding

The Directors' interest in shares of the company as at 31st March 2025 and 31st March 2024 are as follows;

Name of Director	31/03/2025	31/03/2024
Mr. L. H. A. L. Silva	Nil	Nil
Mr. D. Sooriyaarachchi	Nil	Nil
Mr. P. K. Pathmanatha	Nil	Nil
Mr. W. W. M. S. B. K. G. Kamburadeniya	Nil	Nil
Ms. L. K. A. H. Fernando	Nil	Nil
Ms. C. Pietersz	Nil	Nil
Ms. N. Ranatunga	Nil	N/A

Directors of the company and its subsidiaries who have relevant interests in shares of the respective companies have disclosed their shareholdings and any acquisitions/ disposals to their board, in compliance with section 200 of the companies Act.

PANASIAN POWER PLC

Details of directors' shareholding in the company are given on page 251. There were no changes in holding during the year.

R-E-D CAPITAL ASIA (PRIVATE) LIMITED

120,000 shares were purchased during the year by Mr. P.K. Pathmanatha, Chief Executive Officer/Executive Director of Panasian Power PLC.

BOARD SUB COMMITTEES

The Board Audit and Risk Committee (Formerly knowns as the Board Audit Committee), Board HR and Remuneration Committee (Formerly known as the Board Remuneration Committee) Board Related Party Transactions Review Committee and the Board Nominations and governance Committee, function as Board sub committees. Changes to the Subcommittee compositions during the year as well as the current Committee compositions are indicated in the respective Committee reports:

Board Sub - Committee	Page reference
Board Audit and Risk Committee	142
Board HR and Remuneration Committee	146
Board Nominations and Governance Committee	150
Board Related Party Transactions Review Committee	148

RETIREMENT OF DIRECTORS BY ROTATION AND RE-ELECTION

Retirement by rotation

One third of the Directors in office retire at each annual general meeting by rotation with the Directors have served for the longest period since their appointment/re-appointment retiring first. Retiring Directors are eligible for re-election and may be recommended for re-election by the Board.

In terms of Article 24 (6) of the Articles of Association, Mr. K. Kamburadeniya will retire by rotation.

Election

In terms of Article 24 (2) of the Articles of Association, Ms. N. Ranatunga will retire and seek election by the shareholders at the AGM, on the unanimous recommendation of the Board Nominations and Governance Committee and the Board of Directors.

Directors' Remuneration

Details of the remuneration and other benefits received by the Directors are set out on page 205 of the Financial Statements.

Related Party Transactions

Non-recurrent related party transactions

There were non-recurrent Related Party Transactions of which the aggregate value exceeded 10% of the Equity or 5% of the Total Assets of the company during the year ended 31 March 2025, which require specific disclosures in the Annual Report in terms of section 9.14.8 of the Listing Rules of the CSE and the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka. Details are set out on page 237.

Recurrent related party transactions

There were no recurrent Related Party Transactions which in aggregate exceeded 10% of the consolidated revenue of the group as per latest audited Financial Statements, which require specific disclosures in the Annual Report in terms of section 9.14.8 of the Listing Rules of the CSE and the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka.

The identified Related Parties as well as the Related Party transactions undertaken during the year are set out in note 35 to the Financial Statements on page 237.

The members of the Board and the senior managers have been identified as “Key Management Personnel” of the Company. There were no Related Party transactions by the Key Management Personnel with the Company other than note 35.2 to the financial statement on page 237.

As required by the Listing Rules of the CSE, the Board confirms that the Company has complied with all requirements as per Section 9 of the Listing Rules of the CSE on Related Party transactions.

Distribution schedule of shareholders

The details are given on page 251.

Information on ratios and market price information

Disclosures under section 7.6 (xi) (i.e Dividend per share, Dividend pay out, Net asset value per share, Market value per share and highest and lowest values recorded during the financial year) of the Listing Rules of the CSE are indicated on page 253.

Substantial Shareholding

The names of the twenty largest shareholders, the number of shares held and the percentages are given on page 252 of the Annual Report.

Disclosures required under section 7.6 (iv) (i.e the float adjusted market capitalization, public holding percentage (%), number of public shareholders and under which option the company complies with the Minimum Public Holding requirement, in respect of voting ordinary shares) of the Listing Rules of the CSE is indicated on page 252.

Employee share ownership plans

The company does not have any employee share ownership/option plans.

ENVIRONMENTAL PROTECTION

The group complies with the relevant environmental laws, regulations and endeavors to comply with best practices applicable in the country of operation.

STATUTORY PAYMENTS

The Directors confirm that to the best of their knowledge, all taxes, duties and levies payable by the company and its subsidiaries, all contributions, levies, and taxes payable on behalf of, and in respect of the employees of the company and its subsidiaries, and all other known statutory dues as were due and payable by the company and its subsidiaries as at the reporting date have been paid or, where relevant provided for, except as specified in note 37 to the financial statements on page 241, covering contingent liabilities.

AUDITORS

Messrs. Ernst & Young, Chartered Accountants, have intimated their willingness to continue as Auditors of the group, and a resolution to re-appoint them as Auditor and authorizing the Directors to fix their remuneration will be proposed at the Annual General Meeting.

The Board Audit and Risk Committee reviews the appointment of the Auditor, its effectiveness, and its relationship with the group, including the level of audit and non-audit fees paid to the Auditor. Details of audit fees are set out in note 10 of the Financial Statement.

The Auditors do not have any relationship (other than that of an Auditor) with the Company or any of its subsidiaries.

DIVIDENDS

Subsequent to the reporting date the Board of Directors of the company approved a first and interim dividend of LKR 0.20 per share for the year ended 31 March 2025 which paid on or before 06 May 2025.

ANNUAL GENERAL MEETING

The annual general meeting will be held at Lavender Hall, BMICH Colombo, Bauddhaloka Mawatha, Colombo 07 at 09:00 a.m. The notice of the annual general meeting appears on page 264.

This Annual Report is signed for and on behalf of the Board of Directors.



L. H. A. L. Silva
Chairman



P.K. Pathmanatha
Chief Executive Officer/Executive Director



R. Weudagedara
Company Secretary

04 June 2025

THE BOARD OF DIRECTORS' STATEMENT ON INTERNAL CONTROLS

The Board of Directors present this Statement on Internal Control in accordance with principle D.1.5. of the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka.

RESPONSIBILITY

The Board of Directors of Panasian Power PLC acknowledge its responsibility for the adequacy and effectiveness of group's system of internal controls to safeguard shareholders' investment and group's assets.

The Board has established an on-going process for identifying, evaluating and managing the significant risks faced by the group and this process includes enhancing the systems of internal controls as and when there are changes to the business environment or regulatory guidelines.

The Board is of the view that the systems of internal control over financial reporting in place is sound and adequate to provide reasonable assurance regarding the reliability of financial reporting and that the preparation of Financial Statements for external purposes is in accordance with relevant accounting principles and regulatory requirements.

The Board has delegated specific responsibilities to the following four subcommittees:

- Board Audit and Risk Committee
- Board Related Party Transactions Review Committee
- Board HR and Remuneration Committee
- Board Nomination and Governance Committee

These committees are chaired by Independent Non-Executive Directors and have the authority to examine particular issues and report back to the Board with their recommendations.

INTERNAL AUDIT

The internal audit function of the group verifies compliance of operations with policies and procedures and the effectiveness of the internal control systems and highlights significant findings in respect of any noncompliance.

Audits are carried out on all Strategic Business Units (SBUs), the frequency of which are determined by the level of risk assessed, to provide an independent and objective report on operational and management activities of SBUs. The annual audit plan is reviewed and approved by the Audit and Risk Committee and the findings of the audits are submitted to the Audit and Risk Committee for review at their periodic meetings.

POLICIES, PROCEDURES AND BUDGETS

Policies and procedures to ensure compliance with internal controls and relevant laws and regulations are set out in operations manuals, which are updated from time to time.

Annual budgets are approved by the respective Boards and the subsidiaries' performance are assessed against the budgets and explanations are provided for significant variances periodically to the respective Boards.

INSURANCE AND PHYSICAL SAFEGUARDS

Adequate insurance and physical safeguards on major assets are in place to ensure group assets are sufficiently covered to minimize material loss against any adverse unforeseen events.

WHISTLEBLOWING POLICY

The group encourages a whistleblowing policy which enables employees to bring irregularities in financial reporting, internal controls, or other matters within the group to the notice of the higher management.

Proper arrangements are in place to facilitate fair and independent investigation for such matters, if any. The prevalence and effectiveness of this policy is monitored by the Audit Committee from time to time.

THE GROUP CODE OF ETHICS & PROFESSIONAL CONDUCT

The group Code of Ethics and Professional Conduct (Code) which includes a strong set of corporate values and conduct, is circulated to Directors and all employees. The Board ensures that Directors and all employees strictly comply with the code in exercising their duties, communications, role modelling and in any other circumstance, so as to uphold the group's integrity and image. Strict disciplinary actions are initiated for any violation of the group Code of Ethics and Professional Conduct.

GOING CONCERN

The statement of going concern is set out in the Annual Report of the Board of Directors on page 165.

RISK MANAGEMENT

The Board has set up an ongoing process for identifying, monitoring and managing the principal and emerging risks faced by the group.

An overview of the group's risk management framework is set out on pages 154 to 161 of this Annual Report.

THE BOARD OF DIRECTORS' STATEMENT ON INTERNAL CONTROLS

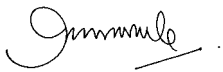
ANNUAL REPORT

The Board is responsible for the preparation of the Annual Report and confirm that the quarterly reports, annual financial statements and the annual review of operations of the group and its equity accounted investees that are incorporated in this Annual Report have been prepared and presented in a reliable manner based on a balanced and comprehensive assessment of the financial performance of the group.

CONFIRMATION

Based on the above processes, the Board of Panasian Power PLC confirms that the financial reporting system of the group has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes and has been done in accordance with Sri Lanka Accounting Standards and regulatory requirements.

By order of the Board



L.H.A.L. Silva
Chairman



C. Pietersz
Audit and Risk Committee Chairperson



E.A.D.L.D. Egodawaththa
Finance Manager

04 June 2025

STATEMENT OF DIRECTORS' RESPONSIBILITY

The Directors are responsible under sections 150 (1), 151, 152 (1), & 153 of the Companies Act No. 7 of 2007 ("The Companies Act"), to ensure compliance with the requirements set out therein to prepare Financial Statements for each financial year giving a true and fair view of the state of affairs of the company and the group as at the end of the financial year and of the profit & loss of the company and the group for the financial year.

The Directors are also responsible, under section 148, the Companies Act to ensure that proper accounting records are kept to enable, determination of the financial position with reasonable accuracy, preparation of Financial Statements and audit of such statements to be carried out readily and properly.

The Board accepts responsibility for the integrity and objectivity of the Financial Statements presented. The Directors confirm that in preparing the Financial Statements, appropriate accounting policies have been selected and applied consistently while reasonable and prudent judgments have been made so that the form and substance of transactions are properly reflected.

They also confirm that the Financial Statements have been prepared and presented in accordance with the Sri Lanka Accounting Standards (SLFRS/ LKAS), the Companies Act and the listing rules of the Colombo Stock Exchange.

The Directors are of the opinion, based on their knowledge of the company, key operations and specific inquiries, that adequate resources exist to support the company on a going concern basis over the next year. These Financial Statements have been prepared on that basis.

The Directors have taken proper and sufficient measures to safeguard the assets of the group and, in that context, have instituted appropriate systems of internal control and accounting records to prevent and detect fraud and other irregularities. These have been reviewed, evaluated and updated on an ongoing basis.

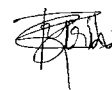
The Directors have confirmed that the company satisfies the solvency test requirement under Section 56 of the Companies Act No. 07 of 2007 for the interim dividend declared and a solvency certificate was obtained from the Auditors in respect of the said interim dividend declared.

The external auditors, Messrs Ernst & Young, Chartered Accountants who were re- appointed in terms of the Companies Act No. 7 of 2007 were provided with every opportunity to undertake the inspections they considered appropriate to enable them to form their opinion on the Financial Statements. The report of the auditors, shown on pages 173 to 174 sets out their responsibilities in relation to the Financial Statements.

COMPLIANCE REPORT

The Directors confirm that to the best of their knowledge, all statutory payments relating to employees and the Government that were due in respect of the company and its subsidiaries as at the Balance Sheet date have been paid or provided where relevant.

For and on behalf of the Board
Panasian Power PLC



R. Weudagedara
Company Secretary

04 June 2025

RESPONSIBILITY STATEMENT OF CHAIRMAN, CHIEF EXECUTIVE OFFICER AND FINANCE MANAGER

The Section D.1.3 of the 'Code of Best Practice on Corporate Governance 2017' (The Code) issued by the Institute of Chartered Accountants of Sri Lanka recommends that the Board should, before it approves the financial statements for a financial period, obtain a declaration, in their opinion, on Financial Statements and system of risk management and internal control from its Chief Executive Officer and Finance Manager.

We confirm that, the Financial Statements of Panasian Power PLC and Consolidated Financial Statements of the group as at 31 March 2025 are prepared and presented in accordance with the requirements of the following;

- Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka (SLFRSs/ LKASs);
- Companies Act No. 07 of 2007
- Listing Rules of the Colombo Stock Exchange
- Code of Best Practice on Corporate Governance 2017 and subsequent amendments issued by the Institute of Chartered Accountants of Sri Lanka.

We also confirm that the accounting policies used in preparation of the Consolidated Financial Statements are appropriate and consistently applied, except unless otherwise stated in the notes accompanying the Financial Statements. There are no departures from the prescribed Accounting Standards in their adoption. Comparative information has been reclassified wherever necessary to comply with the current presentation. The material Accounting Policies and estimates that involved a high degree of judgement and complexity were discussed with the Audit and Risk Committee.

The Board of Directors and the Management of the company accept responsibility for the integrity and objectivity of these Financial Statements. The estimates and judgments relating to the Financial Statements were made on a prudent and reasonable basis, in order that the Financial Statements reflect in a true and fair manner, the form and substance of transactions and reasonably present the company's state of affairs. To ensure this, the company has taken reasonable and sufficient care in installing a system of internal controls and accounting records, for safeguarding assets and for preventing and detecting frauds as well as other irregularities, which is reviewed, evaluated and updated on an ongoing basis.

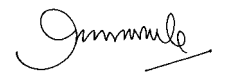
The group internal auditors have conducted periodic audits to provide reasonable assurance that the established policies and procedures of the company were consistently followed. However, there are inherent limitations that should be recognised in weighing the assurances provided by any system of internal controls and accounting.

The Financial Statements were audited by Messrs. Ernst & Young, Chartered Accountants, independent external auditors. Their report is given on pages from 173 to 174 of the Annual Report.

The Audit and Risk Committee of the company meets periodically with the internal auditors and the independent external auditors to review the manner in which these Auditors are performing their responsibilities and to discuss auditing, internal control and financial reporting issues. To ensure complete independence, the independent external auditors and the internal auditors have full and free access to the members of the Audit and Risk Committee to discuss any matter of substance.

CONCLUSION

We confirm that we have discharged our responsibilities in maintaining proper financial records and preparing financial statements in accordance with SLFRSs and LKASs. To the best of our knowledge, we also confirm that the system of risk management and internal control was operating effectively during the year.



L. H. A. L. Silva
Chairman



P. K. Pathmanatha
Chief Executive officer /Executive Director



E.A.D.L.D. Egodawaththa
Finance Manager

04 June 2025



Ernst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road
P.O. Box 101
Colombo 03, Sri Lanka

Tel: +94 11 246 3500
Fax: +94 11 768 7869
Email: eysl@lk.ey.com
ey.com

To the Shareholders of Panasian Power PLC Report on the audit of the financial statements

OPINION

We have audited the financial statements of Panasian Power PLC ("the Company") and the consolidated financial statements of the company and its subsidiaries ("the Group"), which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements of the company and the group give a true and fair view of the financial position of the company and the group as at 31 March 2025,

and of their financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

BASIS FOR OPINION

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements section of our report*. We are independent of the group in accordance with the Code of Ethics for Professional Accountants issued by CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance

in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements section of our report*, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matter

Assessment of fair value of Land, electro- mechanical equipment, civil construction and solar power Plants

Property, plant and equipment include Land, Electro-mechanical equipment, Civil construction and solar power plants carried at fair value. The fair value of such assets were determined by an external valuer engaged by the Group.

This was a key audit matter due to:

- the materiality of the reported Land, Electro-mechanical equipment, Civil construction and solar power plants which amounted to LKR 4 Bn representing 55% of the Group's total assets as of the reporting date; and
- the degree of assumptions, judgements and estimation uncertainties associated with fair valuation of Land, Electro-mechanical equipment, Civil construction and solar power plants using the income approach

Key areas of significant judgments, estimates and assumptions used in assessing fair value of Land, Electro-mechanical equipment, Civil construction and solar power plants as disclosed in Note 14 to the financial statements, include judgements involved in ascertaining the appropriate valuation technique and estimates such as actual annual average generation KW, Cost per MW, Plant Factor, Selling price (Tariff rate), price per perch, discount rate, yield rate, anticipated maintenance cost and Capacity Rate

How our audit addressed the Key Audit Matter

Our audit procedures included the following key procedures:

- assessed the competence, capability and objectivity of the external valuer engaged by the group.
- read the external valuer's reports and understood the key estimates made and the approach taken by the external valuer in determining fair values.
- assessed the reasonableness of the significant judgements, estimates and assumptions made by the valuer such as actual annual average generation KW, cost per MW, Plant Factor, selling price (Tariff rate), price per perch, discount rate, yield rate, anticipated maintenance cost and capacity rate and valuation technique as relevant in assessing the fair value of Land, Electro-mechanical equipment, Civil construction and solar power plants

We also assessed the adequacy of the related financial statement disclosures in note 14.

Partners: D K Hulangamuwa FCA FCMA LLB (London), A P A Gunasekera FCA FCMA, Ms. Y A De Silva FCA, Ms. G G S Manatunga FCA, W K B S P Fernando FCA FCMA FCCA, B E Wijesuriya FCA FCMA, R N de Saram ACA FCMA, Ms. N A De Silva FCA, N M Sulaiman FCA FCMA, Ms. L K H L Fonseka FCA, Ms. P V K N Sajeewani FCA, A A J R Perera FCA ACMA, N Y R L Fernando ACA, D N Gamage ACA ACMA, C A Yalagala ACA ACMA, Ms. P S Paranavitane ACA ACMA LLB (Colombo), B Vasanthan ACA ACMA, W D P L Perera ACA

Principals: T P M Ruberu FCMA FCCA MBA (USJ-SL), G B Goudian ACMA, D L B Karunathilaka ACMA, W S J De Silva Bsc (Hons) - MIS Msc - IT, V Shakthivel B.Com (Sp)

OTHER INFORMATION INCLUDED IN THE 2025 ANNUAL REPORT

Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that

an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls of the company and the group.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

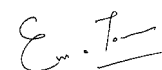
We also provide those charged with governance with a statement that we have complied relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 163 (2) of the companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the company.

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 4169.



Colombo

04 June 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Panasian Power PLC
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For the year ended 31 March	Note	Group		Company	
		2025 LKR	2024 LKR	2025 LKR	2024 LKR
Revenue from contracts with customers	6.1	1,382,655,766	1,414,864,311	109,005,550	106,050,125
Billing under the standardized power purchase agreement	6.2	160,072,034	75,482,387	34,986,267	-
Cost of sales		(736,116,396)	(721,413,141)	(41,279,824)	(39,971,495)
Gross profit		806,611,404	768,933,557	102,711,993	66,078,630
Other income	8	13,647,138	8,132,933	138,608,771	173,171,287
Administrative expenses		(273,295,456)	(225,328,101)	(81,571,385)	(62,315,397)
Selling and distribution expenses		(16,662,015)	(15,969,828)	-	-
Impairment reversal on trade receivables		7,444,027	960,976	-	2,544,689
Revaluation gain/(loss)	14	12,103,207	23,965,067	-	-
Operating Profit		549,848,305	560,694,604	159,749,379	179,479,209
Finance income	9.1	46,487,308	23,826,666	55,771,054	45,506,206
Finance expense	9.2	(234,677,405)	(361,111,048)	(29,369,910)	(67,212,100)
Net finance (expense)/income		(188,190,097)	(337,284,382)	26,401,144	(21,705,894)
Share of profit of equity accounted investees - (net of tax)	20.1	847,999	1,798,865	-	-
Profit before taxation	10	362,506,207	225,209,087	186,150,523	157,773,315
Income tax expense/(reversal)	11	(40,220,858)	(125,549,343)	(13,650,279)	7,817,551
Profit for the year		322,285,349	99,659,744	172,500,244	165,590,866
Other comprehensive income					
Items that will not be reclassified to profit or loss					
- Re-measurement of retirement benefit obligation	28	(3,175,515)	(2,232,401)	(2,027,154)	(1,921,113)
- Deferred tax effect on re-measurement of retirement benefit obligation	11.2	837,210	638,305	608,146	576,334
- Revaluation of property, plant and equipment- share of equity accounted investees		(577,416)	-	-	-
- Revaluation of property, plant and equipment	14	(149,225,487)	449,969,023	(23,659,754)	48,453,316
- Deferred tax effect on revaluation	11.2	25,504,432	(99,851,028)	7,097,926	(14,535,995)
Other comprehensive income/(loss) for the year, net of tax		(126,636,776)	348,523,899	(17,980,836)	32,572,542
Total comprehensive income for the year		195,648,573	448,183,643	154,519,408	198,163,408

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Panasian Power PLC
Annual Report 2024/25

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For the year ended 31 March	Note	Group		Company	
		2025 LKR	2024 LKR	2025 LKR	2024 LKR
Profit attributable to:					
Owners of the parent		292,236,973	72,027,968	172,500,244	165,590,866
Non-controlling interests		30,048,376	27,631,776	-	-
Profit for the year		322,285,349	99,659,744	172,500,244	165,590,866
Total comprehensive income for the year attributable to:					
Equity holders of the parent		174,306,442	420,617,226	154,519,408	198,163,408
Non-controlling interests		21,342,131	27,566,417	-	-
Total comprehensive income for the year		195,648,573	448,183,643	154,519,408	198,163,408
Earning per share for profit attributed to the ordinary equity holders of the company					
Basic earnings per share(LKR)	12	0.47	0.12	0.28	0.26
Dividend per share (LKR)	13	-	0.20	-	0.20

The material accounting policies and notes on pages 182 to 250 form an integral part of these financial statements.

The figures in bracket indicate deductions.

STATEMENT OF FINANCIAL POSITION

Panasian Power PLC
Annual Report 2024/25

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As at 31 March	Note	Group		Company	
		2025 LKR	2024 LKR	2025 LKR	2024 LKR
Assets					
Non-current assets					
Property, plant and equipment	14	4,049,756,784	4,152,677,840	597,657,934	620,571,053
Capital work in progress	15	1,375,638,853	118,391,792	2,794,894	17,791,432
Right of use assets	16	98,557,315	79,230,136	41,064,625	23,239,701
Intangible assets	17	71,302,974	75,464,715	2,415,458	2,206,369
Investment in subsidiaries	18	-	-	1,382,277,714	1,230,177,714
Investment in preference shares	19	-	4,153,902	23,000,000	23,000,000
Investment in equity accounted investee	20	10,466,193	10,195,610	-	-
Other non financial assets	21	22,115,150	6,115,150	22,115,150	6,115,150
Deferred tax assets	31	5,323,659	793,477	-	-
Total non-current assets		5,633,160,928	4,447,022,622	2,071,325,775	1,923,101,419
Current assets					
Inventories	22	99,133,209	186,317,986	1,358,159	1,023,407
Investment in investment fund-FVTPL	23	38,204,823	30,936,127	104,640	-
Trade and other receivables	24	366,616,910	310,393,234	69,219,991	21,000,884
Income tax receivables	34	6,449,177	906,834	-	-
Amount due from related companies	25	18,235,553	12,347,117	176,876,396	401,470,660
Cash and cash equivalents	26	1,173,025,801	470,547,136	75,196,635	84,477,008
Total current assets		1,701,665,473	1,011,448,434	322,755,821	507,971,959
Total assets		7,334,826,401	5,458,471,056	2,394,081,596	2,431,073,378
Equity and liabilities					
Equity					
Stated capital	27.1	1,030,000,000	1,030,000,000	1,030,000,000	1,030,000,000
Revaluation reserves	27.2	1,237,383,107	1,353,080,032	423,446,867	440,008,695
Retained earnings		255,369,257	(145,360,298)	422,959,480	251,878,244
Equity attributable to owners of the company		2,522,752,364	2,237,719,734	1,876,406,347	1,721,886,939
Non controlling interests	41	168,157,494	193,057,912	-	-
Total equity		2,690,909,858	2,430,777,646	1,876,406,347	1,721,886,939

STATEMENT OF FINANCIAL POSITION

Panasian Power PLC
Annual Report 2024/25

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As at 31 March	Note	Group		Company	
		2025 LKR	2024 LKR	2025 LKR	2024 LKR
Non-current liabilities					
Retirement benefit obligations	28	17,641,274	11,550,170	13,715,227	9,561,523
Lease liabilities	29	95,032,093	75,788,917	38,838,488	28,528,143
Interest bearing loans and borrowings	30	2,494,818,998	1,179,122,720	34,221,746	86,674,286
Loan due to related companies		-	199,102,645	-	-
Deferred tax liabilities	31	523,931,308	684,756,003	151,682,658	161,449,249
Total non-current liabilities		3,131,423,673	2,150,320,455	238,458,119	286,213,201
Current liabilities					
Lease liabilities	29	14,580,200	10,138,508	14,536,558	5,600,770
Interest bearing loans and borrowings	30	342,652,174	470,574,825	52,446,396	74,168,328
Amount due to related companies	32	-	-	169,541,810	184,238,281
Loan due to related companies		250,000,000	-	-	-
Trade and other payables	33	719,012,139	282,767,745	26,559,537	157,973,303
Income tax payables	34	120,912,517	79,191,109	12,506,313	-
Bank overdrafts	26	65,335,840	34,700,768	3,626,516	992,556
Total current liabilities		1,512,492,870	877,372,955	279,217,130	422,973,238
Total liabilities		4,643,916,543	3,027,693,410	517,675,249	709,186,439
Total equity and liabilities		7,334,826,401	5,458,471,056	2,394,081,596	2,431,073,378

The accounting policies and notes on pages 182 to 250 form an integral part of these financial statements.

We certify that these financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



E.A.D.L.D. Egodawaththa
Finance Manager

The Board of Directors is responsible for these financial statements. Approved & signed for and on behalf of Board of Directors.



L.H.A.L. Silva
Chairman



P.K. Pathmanatha
Chief Executive Officer/Executive Director

Colombo
04 June 2025

STATEMENT OF CHANGES IN EQUITY

Panasian Power PLC
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Group	Stated capital LKR	Revaluation reserve LKR	Retained earnings LKR	Total LKR	Non-controlling interest LKR	Total equity LKR
Balance as at 01 April 2023	1,030,000,000	1,002,913,989	(90,811,481)	1,942,102,508	180,791,495	2,122,894,003
Total comprehensive income for the year						
- Profit for the year	-	-	72,027,968	72,027,968	27,631,776	99,659,744
- Other comprehensive income/(loss)	-	350,166,043	(1,576,785)	348,589,258	(65,359)	348,523,899
Transaction with owners in their capacity as owners						
Distributions						
- Dividends (Note 13)	-	-	(125,000,000)	(125,000,000)	(15,300,000)	(140,300,000)
Balance as at 31 March 2024	1,030,000,000	1,353,080,032	(145,360,298)	2,237,719,734	193,057,912	2,430,777,646
Balance as at 01 April 2024	1,030,000,000	1,353,080,032	(145,360,298)	2,237,719,734	193,057,912	2,430,777,646
Changes in ownership interests in subsidiaries						
- Adjustment on carrying value of non-controlling interest in subsidiaries (Note 41.2)	-	-	-	-	(34,767,549)	(34,767,549)
- Increase in equity attributable to parent (Changes to non-controlling interest in subsidiaries without a loss of control) (Note 41.2)	-	-	110,726,189	110,726,189	-	110,726,189
Total comprehensive income for the year						
- Profit for the year	-	-	292,236,973	292,236,973	30,048,376	322,285,349
- Other comprehensive income/(loss)	-	(115,696,925)	(2,233,607)	(117,930,532)	(8,706,245)	(126,636,777)
- Dividends	-	-	-	-	(11,475,000)	(11,475,000)
Balance as at 31 March 2025	1,030,000,000	1,237,383,107	255,369,257	2,522,752,364	168,157,494	2,690,909,858

Company	Stated capital LKR	Revaluation reserve LKR	Retained earnings LKR	Total LKR
Balance as at 01 April 2023	1,030,000,000	406,091,374	212,632,157	1,648,723,531
Total comprehensive income for the year				
- Profit/(loss) for the year	-	-	165,590,866	165,590,866
- Other comprehensive income/(loss)	-	33,917,321	(1,344,779)	32,572,542
Transaction with owners in their capacity as owners				
Distributions				
- Dividends (Note 13)	-	-	(125,000,000)	(125,000,000)
Balance as at 31 March 2024	1,030,000,000	440,008,695	251,878,244	1,721,886,939
Balance as at 01 April 2024	1,030,000,000	440,008,695	251,878,244	1,721,886,939
Total comprehensive income for the year				
- Profit/(loss) for the year	-	-	172,500,244	172,500,244
- Other comprehensive income/(loss)	-	(16,561,828)	(1,419,008)	(17,980,836)
Balance as at 31 March 2025	1,030,000,000	423,446,867	422,959,480	1,876,406,347

The accounting policies and notes on pages 182 to 250 form an integral part of these financial statements.

The figures in bracket indicate deductions.

STATEMENT OF CASH FLOWS

Panasian Power PLC
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For the year ended 31 March	Note	Group		Company	
		2025 LKR	2024 LKR	2025 LKR	2024 LKR
Cash flows from operating activities					
Profit before taxation		362,506,207	225,209,087	186,150,523	157,773,315
Adjustments for,					
Depreciation of property, plant and equipment	10	202,866,806	181,319,156	28,570,056	26,527,176
Depreciation of right of use assets	16.1	12,579,714	6,520,611	9,934,037	6,197,254
Amortization of intangible assets	17.4	5,355,054	5,528,847	984,225	1,158,853
Revaluation gain		(12,103,207)	(23,965,067)	-	-
Reversal of debtors impairment		(7,444,027)	(960,976)	-	(2,544,689)
Provision for retirement benefit obligation	28	3,850,686	2,558,271	3,061,647	2,042,683
Provision for inventory	22	3,820,365	-	-	-
Other income		-	-	-	(2,096,595)
Dividend income/(reversal)	8	138,037	(715,384)	(137,483,622)	(168,334,434)
Dividend written back	8	-	(2,740,258)	-	(2,740,258)
Rent deposits written off		-	526,500	-	526,500
Share of profit of equity accounted Investees - joint venture	20.1	(847,999)	(1,798,865)	-	-
Finance income	9.1	(46,487,308)	(23,826,666)	(55,771,054)	(45,506,206)
Finance expense	9.2	234,677,405	361,111,048	29,369,910	67,212,100
		758,911,733	728,766,304	64,815,722	40,215,699
(Increase) / decrease in inventories		83,563,195	(102,875,944)	(334,752)	(978,959)
(Increase) / decrease in trade and other receivables		(48,779,650)	506,904,503	(564,954)	94,147,622
(Increase) / decrease in amounts due from related parties		(17,888,436)	(6,564,230)	65,594,264	(224,852,617)
Increase/(decrease) in other payables		572,792,318	102,552,611	(6,413,766)	120,699,710
Increase /(decrease) in amounts due to related parties		-	(263,342)	(14,696,471)	165,458,943
		1,348,599,160	1,228,519,902	108,400,043	194,690,398
Interest paid		(218,208,486)	(359,501,665)	(28,834,249)	(53,239,241)
Income tax paid		(126,722,245)	(84,355,348)	(2,777,763)	-
Retirement benefit obligation paid	28	(935,097)	(761,333)	(935,097)	(217,500)
Net cash generated from / (used in) operating activities		1,002,733,332	783,901,556	75,852,934	141,233,657

For the year ended 31 March	Note	Group		Company	
		2025 LKR	2024 LKR	2025 LKR	2024 LKR
Cash flows from investing activities					
Acquisition of property, plant and equipment	14	(222,874,674)	(40,810,504)	(14,525,259)	(4,076,605)
Redemption of investments in preference shares	19	4,153,902	6,923,060	-	-
Investments in investment fund	23	(552,550,000)	(133,500,000)	(56,050,000)	-
Withdrawals from investment fund	23	551,050,000	103,500,000	56,050,000	-
Investment in capital work in progress	15	(1,260,797,571)	(105,315,672)	(294,894)	(7,263,154)
Investment in subsidiary		-	-	(5,100,000)	(20)
Investment in other non financial assets	21	(4,000,000)	(1,000,000)	(4,000,000)	(1,000,000)
Investment in intangible assets	17	(1,193,313)	(1,995,978)	(1,193,313)	(1,995,978)
Dividend received/(reversed)		(138,037)	1,063,792	89,862,372	70,048,375
Interest received	9.1	46,487,308	23,826,666	55,771,054	8,710,372
Net cash (used in)/ generated from investing activities		(1,439,862,385)	(147,308,636)	120,519,960	64,422,990
Cash flows from financing activities					
Proceeds from loans and borrowings	30	1,975,890,155	755,218,030	-	189,497,804
Repayment of borrowings	30	(780,163,478)	(1,021,098,292)	(74,774,400)	(154,435,608)
Loan processing fee payment		(18,432,007)	(8,372,568)	-	-
Related party loan obtain/(repayments)		60,000,000	139,102,645	-	(60,000,000)
Share issued to non controlling interests		4,900,000	-	-	-
Dividends paid		(125,000,000)	(15,300,000)	(125,000,000)	-
Payment of lease liabilities	29	(8,222,025)	(10,325,933)	(8,512,828)	(5,485,766)
Net cash (used in) / generated from financing activities		1,108,972,645	(160,776,118)	(208,287,228)	(30,423,570)
Net (decrease) / increase in cash and cash equivalents		671,843,593	475,816,804	(11,914,333)	175,233,077
Cash and cash equivalents at the beginning of the year	26	435,846,368	(39,970,436)	83,484,452	(91,748,625)
Cash and cash equivalents at the end of the year	26	1,107,689,961	435,846,368	71,570,119	83,484,452

The accounting policies and notes on pages 182 to 250 form an integral part of these financial statements.

1. CORPORATE INFORMATION

1.1 General

- (a) Panasian Power PLC (“the company”) is a public limited liability company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The registered office of the company and principal place of business is located at Level 04, BTL shipping house, No 45/2, Braybrooke Street, Colombo 02.
- (b) The fully owned subsidiary companies, Manelwala Hydropower (Pvt) Ltd, Panasian Investments (Pvt) Ltd and Panasian Solar (Pvt) Ltd (Former: Winsol Renewables (Pvt) Ltd are private companies with limited liability incorporated in Sri Lanka under the provisions of the Companies Act No 07 of 2007. The immediate parent of these companies is Panasian Power PLC.
- (c) 83% owned subsidiary company, Padiyapelella Hydropower Limited is a limited liability company incorporated in Sri Lanka under the provisions of the Companies Act No 07 of 2007. The immediate parent of the company is Panasian Power PLC.
- (d) 51% owned subsidiary company, R-E-D Capital Asia (Pvt) Ltd is a limited liability company incorporated in Sri Lanka under the provisions of the Companies Act No 07 of 2007. The immediate parent of the company is Panasian Power PLC.
- (e) 51% owned subsidiary companies, PAP MHPL Solar (Pvt) Ltd, PAP PTS Solar (Pvt) Ltd, PAP SPGM Solar (Pvt) Ltd and PAP EGSS Solar (Pvt) Ltd are limited liability companies incorporated in Sri Lanka under the provisions of the Companies Act No 07 of 2007. The immediate parent of the company is R-E-D Capital Asia (Pvt) Ltd.
- (f) 1. The fully owned subsidiary PAP Solar One (Pvt) Ltd is a limited liability company incorporated in Sri Lanka under the provisions of the Companies Act No.07 of 2007.
2. Panasian Investments (Pvt) Ltd is the immediate parent of PAP Solar One (Pvt) Ltd.
- (g) 1. The fully owned subsidiary Eco Green Solar Solutions (Pvt) Ltd is a limited liability company incorporated in Sri Lanka under the provisions of the Companies Act No.07 of 2007.
2. Manelwala Hydropower (Pvt) Ltd is the immediate parent of Eco Green Solar Solutions (Pvt) Ltd.
- (h) 1. The fully owned subsidiary Solar Power Generation Matara (Pvt) Ltd is a limited liability company incorporated in Sri Lanka under the provisions of the Companies Act No.07 of 2007.
2. Panasian Investments (Pvt) Ltd is the immediate parent of Solar Power Generation Matara (Pvt) Ltd.
- (i) 1. The fully owned subsidiary Panthree Solaro Energy (Pvt) Ltd is a limited liability company incorporated in Sri Lanka under the provisions of the Companies Act No.07 of 2007.
2. Panasian Power PLC is the immediate parent of Panthree Solaro Energy (Pvt) Ltd.
- (j) 1. The fully owned subsidiaries Rajarata Sustainable Development (Pvt) Ltd and Finergreen Rajarata (Pvt) Ltd are limited liability companies incorporated in Sri Lanka under the provisions of the Companies Act No.07 of 2007.
2. PAP Solar One (Pvt) Ltd is the immediate parent of Rajarata Sustainable Development (Pvt) Ltd and Finergreen Rajarata (Pvt) Ltd.
- (k) Joint Venture Powergen One (Pvt) Ltd is a limited liability company incorporated in Sri Lanka under the provisions of the Companies Act No.07 of 2007. Panasian Investments (Pvt) Ltd has invested 50% of ordinary shares of Powergen One (Pvt) Ltd.

1.2 Consolidated financial statements

The consolidated financial statements of the company as at and for the year ended 31 March 2025 comprise the financial statements of the company and its subsidiaries (together referred to as the “group”)

1.3 Date of authorization for issue

These consolidated financial statements were authorized for issue by the Board of Directors on 4 June 2025.

1.4 Principal activities and nature of operations

The principal activity of the company and its subsidiaries Manelwala Hydropower (Pvt) Ltd and Padiyapelella Hydropower Limited are to produce hydropower.

The company entered into standardized agreement for purchase of energy with the Ceylon Electricity Board (CEB) for the sale of electrical energy from Rathganga mini-hydro production facilities for a period of 15 years, beginning on the commercial operation date of 05 July 2004 and addendum to agreement was signed on 19 September 2024 for the extension of another 20 years starting from 05 July 2019. The capacity of power potential is 3000 KW and it is situated at Rathganga, Ratnapura.

The subsidiary, Manelwala Hydropower (Pvt) Ltd entered into standardised agreement for purchase of energy with the Ceylon Electricity Board (CEB) for the sale of electrical energy from Kurundu

Oya mini-hydro production facilities for a period of 15 years, beginning on the commercial operation on 18 June 2008 and new agreement signed on 22 April 2024 for another 20 years. The capacity of power potential is 2400 KW and it is situated at Walapane.

The subsidiary, Padiyapelella Hydropower Limited entered into standardised agreement for purchase of energy with the Ceylon Electricity Board (CEB) for the sale of electrical energy from Belihul Oya mini-hydro production facilities for a period of 20 years and the project was commissioned in 01 March 2017. The capacity of power potential of phase 1 is 4400 KW and situated at Padiyapelella.

The Subsidiaries, Panasian Investments (Pvt) Ltd and Panasian Solar (Pvt) Ltd have obtained the approval from sustainable Energy Authority as an EPC (Engineering, Procurement and Construction) supplier for rooftop solar power systems. Panasian Investments (Pvt) Ltd is a distributor of the Sungrow solar power plants equipment in Sri Lanka.

The subsidiary Eco Green Solar Solutions (Pvt) Ltd., entered into standardised agreement for purchase of energy with the Ceylon Electricity Board (CEB) for the sale of electrical energy from Beliatta solar power PV plant to National Grid for a period of 20 years and the project was commissioned in 29 July 2019. The capacity of power potential is 1000 KW.

The subsidiary Solar Power Generation Matara (Pvt) Ltd., entered into two standardised agreements for purchase of energy with the Ceylon Electricity Board (CEB) for the sale of electrical energy

from Matara solar power PV plants to National Grid for a period of 20 years. The capacity of power potential 2000 KW.

The subsidiary Panthree Solaro Energy (Pvt) Ltd entered into standardised agreements for purchase of energy with the Ceylon Electricity Board (CEB) for the sale of electrical energy from Matara, Pannala and Maho solar power plant to National Grid for a period of 20 years. The capacity of power potential 3000 KW.

The subsidiary PAP Solar One (Pvt) Ltd., operate 3.1 MW rooftop solar projects in Kohuwala, Kolonna and 6 projects in Kurunegala district. The company entered into an agreement to generate and supply solar power to National Grid for 20 years.

Details of commissioning solar power plants of PAP Solar One (Pvt) Ltd are as follows;

Project	Date of commissioning	Capacity (KW)
Kolonna	29 August 2018	250
Kohuwala	27 September 2018	300
Mawathagama I	24 June 2019	583
Mawathagama II	31 May 2019	400
Malsiripura	24 May 2019	300
Narammala	03 July 2019	233
Palapathwala	19 September 2019	600
Uhumeeya	28 March 2019	500

The subsidiary Rajarata Sustainable Development (Pvt) Ltd., completed construction of 2000 KW rooftop solar projects in Anuradhapura district. The company has entered into agreements to generate and supply solar power to National Grid for 20 years for one 1000 KW project.

The subsidiary Finergreen Rajarata (Pvt) Ltd., completed construction of 2000 KW rooftop solar projects in Anuradhapura district and accordingly commissioned. The company has entered into agreements to generate and supply solar power to National Grid for 20 years.

During the year, the subsidiary R-E-D Capital Asia (Pvt) Ltd fully acquired PAP PTS Solar (Pvt) Ltd, PAP MHPL Solar (Pvt) Ltd, PAP SPGM Solar (Pvt) Ltd and the PAP EGSS Solar (Pvt) Ltd. These companies are under construction of seven ground mounted solar power plants for total of 35 MW to the National Grid from Galle, Anuradhapura, Ampara, Maho, Matara and Kurunegala. These projects will be commissioned in the mid of the year 2025.

The joint venture company Powergen One (Pvt) Ltd., operate 350 KW rooftop solar project in Boralasgamuwa and entered into an agreement to generate and supply solar power to National Grid for 20 years and the project was commissioned on 23 April 2020.

1.5 Parent enterprise and ultimate parent enterprise

The company's controlling entity and ultimate parent undertaking is R I L Property PLC which is incorporated in Sri Lanka.

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements of the group and the separate financial statements of the company have been prepared in accordance with the Sri Lanka Accounting Standards (herein referred to as SLFRSs/ LKASs) effective from 01 January 2012, laid down by The Institute of Chartered Accountants of Sri Lanka (ICASL) and the requirements of the Companies Act No. 07 of 2007.

2.2 Responsibility for financial statements

The Board of Directors of the company is responsible for the preparation and fair presentation of financial statements.

2.3 Basis of measurement

The consolidated and separated financial statements have been prepared on the historical cost basis, except following.

- The retirement benefit obligations are measured at the present value of the defined benefit obligation as explained in the respective notes to the financial statements.
- Investments in investment fund are measured at fair value.
- Land, electro-mechanical equipment and civil construction included in property, plant and equipment are measured at fair value.
- Rooftop and ground solar power plants are measured at fair value.
- Assets held for sales measured at fair value.

2.4 Going concern

These financial statements have been prepared on the basis that the company and the group would continue as a going concern for foreseeable future.

In preparing the financial statements for the year ended 31 March 2025, the management has assessed the possible effects of the ongoing economic crisis of the country on the businesses of the group to determine their ability to continue as a going concern. Based on currently available information, the management is satisfied that having taken into consideration factors that could impact the revenue, supply chain, cash flows, accessibility to funds & costs, the group would continue as a going concern.

Consequent to giving due consideration to the presentations by management, the Directors are satisfied that the group has adequate resources to continue as a going concern for a foreseeable future. The group had positive net asset and based on the arrangements made forecasted positive working capital and cash flow positions for the next twelve months. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the group's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

2.5 Functional and presentation currency

The financial statements are presented in Sri Lankan Rupees (LKR), which is the group's functional currency.

2.6 Use of estimates, judgments and assumptions

The preparation of financial statements of the group in conformity with Sri

Lanka Accounting Standards requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and reported values of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making a judgment about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements, is stated below:

2.6.1 Fair value of non-financial assets

The fair value used by the group in the measurement of non-financial assets is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market in the most advantageous market that is accessible by the group for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would act in their market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements is included in the following notes:

Note 14 – Valuation of land, structures, hydro plants and solar plants
Note 37 – Commitments and contingencies.

The group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

2.6.2. Fair value of land, civil construction and electro-mechanical equipment and rooftop and ground solar power plants.

Land, civil construction and Electro-mechanical equipment are measured at fair value less accumulated depreciation on civil construction and electro-mechanical equipment and impairment losses are recognized after the date of the revaluation.

Valuations are performed every year from 01 April 2021 to ensure that the fair value of revalued asset does not differ materially from its carrying amount. The valuation was carried out by Mr. J.M.Senanayaka Bandara, who is an incorporated valuer holding a degree

of BSc (Hons) Estate Management & Valuation, (Sri Lanka).

The key assumptions used to determine the fair value of the land, civil construction and Electro-mechanical equipment are provided in note 14.

2.6.3 Useful lives of depreciable assets

Management reviews its estimation of the useful lives of depreciable assets at each reporting date based on the expected utility of the assets. Uncertainties in these estimates relate to technical obsolescence that may change the useful life of certain property, plant and equipment.

2.6.4 Business combinations

Management uses valuation techniques in determining the fair values of the various elements of a business combination. The fair value of contingent consideration is dependent on the outcome of many variables that affect future profitability.

2.6.5 Defined benefit obligation

Management's estimate of the defined benefit obligation is based on a number of critical underlying assumptions such as mortality rates, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the defined benefit obligation amount and the annual defined benefit expense provided in note 28.

2.6.6 Fair value of financial instruments

Management applies valuation techniques to determine the fair value of financial instruments where active market quotes are not available. This requires management to develop estimates and assumptions based on market inputs, using observable data that market participants would use in pricing the instrument.

Where such data is not observable, management uses its best estimate. Estimated fair values of financial instruments may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

2.6.7 Recognition of deferred tax assets and liabilities

Management applies significant judgment to the extent the deferred tax assets can be recognized based on an assessment of the probability of the group's future taxable income against which the deferred tax liabilities can be utilised. In addition, significant judgment is required in assessing the impact of any legal or economic limits or uncertainties in various future tax jurisdictions.

2.6.8 Measurement of fair values

A number of the group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values. Company assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of SLFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the company's Audit Committee.

When measuring the fair value of an asset or a liability, the group uses observable market data as far as possible. Fair values are categorized into different levels in a hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1 - quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Further information about assumptions made in measuring fair values is included in the respective notes to the consolidated financial statements.

2.7 Materiality and aggregation

Each material class of similar items is presented separately in the consolidated financial statements. Items of dissimilar nature or function are presented separately unless they are immaterial.

2.8 Comparative information

The comparative information has been reclassified/restated where necessary to conform to the current year's classification in order to provide a better presentation.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently for all periods presented in the financial statements by the group and the company unless otherwise indicated.

3.1 Basis of consolidation

3.1.1 Business combinations

The group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the group. In determining whether a particular

set of activities and assets is a business, the group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognized in profit or loss.

3.1.2 Subsidiary

Subsidiary is entity controlled by the group. Control is achieved when the group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The group controls an investee if and only if, the group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)

- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

The group considers all relevant facts and circumstances in assessing whether it has power over an investee which includes; the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements and the group's voting rights and potential voting rights over the investee.

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the group gains control until the date the group ceases to control the subsidiary.

The financial statements of subsidiary are included in the consolidated financial statements from the date of acquisition, being the date on which the group obtains control and continues to be consolidated until the date when such control ceases.

The accounting policies of subsidiary has been changed when necessary to align them with the policies adopted by the group.

3.1.3 Non-controlling interest

For each business combination, the group elect to measure any non- controlling interest in the acquiree either,

- At fair value
- At their proportionate share of the acquirer's identifiable assets, which are generated at fair value.

Change in the group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners in their capacity as owners.

Adjustment to non-controlling interests are based on a proportionate amount or the net amount of the subsidiary.

3.1.4 Interests in equity-accounted investees

The group's interests in equity-accounted investees comprise interests in a joint venture. A joint venture is an arrangement in which the group has joint control, whereby the group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interests in the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

3.1.5 Reporting date

Group's subsidiaries have the same reporting period as the parent company.

3.1.6 Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealized income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising

from transactions with equity accounted investees are eliminated against the investment to the extent of the group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.1.7 Loss of control

When the group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary and any related NCI and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

3.2 Foreign currencies

3.2.1 Foreign currency transactions

The financial statements of the group are presented in Sri Lankan Rupees, which is the functional and presentation currency of the group.

Transactions in foreign currencies are initially recorded by the group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of transaction.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the reporting currency at the exchange rate that prevailed at the date the fair value was determined.

Foreign currency differences arising on retranslation are recognized in the income statement, except for differences arising on the retranslation of FVOCI equity investments, a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognized in other comprehensive income.

Foreign currency gains and losses are reported on a net basis in the income statement.

3.3 Financial instruments

3.3.1 Financial assets

(i) Recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

Receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognised when the group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement of financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; fair

value through other comprehensive income (FVOCI) – equity investment; or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Group financial assets classified and measured at amortized cost are investments in preference shares, trade and other receivables and cash & cash equivalent.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The group has not designated any debt instruments as FVOCI

On initial recognition of an equity investment that is not held-for-trading, the group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

The group has designated investment in investment fund as FVTPL.

- Financial assets - Business model assessment

The group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected

cash outflows or realising cash flows through the sale of the assets;

- How the performance of the portfolio is evaluated and reported to the company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

- Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features;
- Prepayment and extension features; and
- Terms that limit the company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

- Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

3.3.2 Financial liabilities

(i) Classification, subsequent measurement and gain and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held – for – trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3.3.3 Derecognition

Financial assets

The group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

3.3.4 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

3.3.5 Non-Derivative financial liabilities

The group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other liabilities are recognised initially on the trade date at which the company becomes a party to the contractual provisions of the instrument. The group classifies non-derivative financial liabilities into other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable

transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. Other financial liabilities comprise interest-bearing borrowings, bank overdrafts, amount due to related parties, security deposits, trade and other payables and other financial liabilities due to customers. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the Statement of Cash Flows.

3.3.6 Derivative financial instruments

The group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures. Embedded derivatives are separated from the host contract and accounted for separately if certain criteria are met.

Derivatives are initially measured at fair value; any directly attributable transaction costs are recognised in profit or loss as incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognised in profit or loss.

However, group does not have any derivative liabilities.

3.3.7 Impairment of financial assets

The group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- equity investments measured at FVOCI.

The group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables is always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the company's historical experience and informed credit assessment and including forward-looking information.

The group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the group in full, without recourse by the company to actions such as realising security (if any is held); or

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the company is exposed to credit risk.

- Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls.
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows.
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the group if the commitment is drawn down and the cash flows that the group expects to receive; an financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the group expects to recover.

- Credit-impaired financial assets

At each reporting date, the group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 180 days past due;

- the restructuring of a loan or advance by the group on terms that the group would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

- Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

- Write-off

The gross carrying amount of a financial asset is written off when the group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the group has a policy of writing off the gross carrying amount based on historical experience of recoveries of similar assets. For corporate customers, the group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the group's procedures to recovery of amounts due.

3.4 Leases

The group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The group recognizes

lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

3.4.1 Rights-of-use assets

The group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

3.4.2 Lease liabilities

At the commencement date of the lease, the group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the group and payments of penalties for terminating the lease, if the lease term reflects the group's exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The group's lease liabilities are included in note 29.

3.4.3 Short-term leases and leases of low-value assets

The group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date. It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3.5 Stated capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

3.6. Property, plant and equipment

3.6.1 Recognition and measurement

All items of property, plant and equipment are recognised initially at cost. Where items of property, plant & equipment are subsequently revalued, the entire class of such assets is revalued.

Revaluations are made with sufficient regularity to ensure that their carrying amounts do not differ materially from their fair values at the reporting date. Subsequent to the initial recognition of the asset at cost, the revalued property, plant & equipment are carried at revalued amounts less accumulated depreciation thereon and accumulated impairment losses.

3.6.1.1 Cost and revaluation model

(i) Cost model

The group and company applies the cost model to office equipment, buildings and structure, tools and equipment, furniture and fittings and motor vehicles and records at cost of purchase together with any incremental expenses there on less accumulated depreciation and any accumulated impairment losses.

(ii) Revaluation model

The group and company applies the revaluation model for the entire class of free hold lands building, solar plant, civil construction and electro mechanical equipment for measurement after initial recognition. Such properties are carried at revalued amounts, being their fair value at the date of revaluation, less any subsequent accumulated depreciation and any accumulated impairment losses charged subsequent to the date of revaluation.

Fair value of land, building, solar plant, civil construction and electro mechanical equipment are provided in note 14.

On recognition of an asset, any income in the carrying amount is recognized in the revaluation reserve in equity through OCI or used to reverse a previous loss on revaluation of the same asset, which was charged to income statement. In this circumstance, the increase is recognized

as income to the extent of the previous write down in value. Any decrease in carrying amount is recognized as an expense in the financial statement or charged to revaluation reserve in equity through OCI, only to the extent of any credit balance existing in the revaluation reserve in respect of the asset.

Any balance remaining in the revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to the working condition for its intended use and borrowing costs if the recognition criteria are met. This also includes cost of dismantling and removing the items and restoring them in the site on which they are located.

3.6.2 Significant components of property plant and equipment

When parts of an item of property, plant and equipment have different useful lives than the underlying asset, they are identified and accounted separately as major components of property, plant and equipment and depreciated separately based on their useful life.

3.6.3 Subsequent cost

The group recognises in the carrying amount of property, plant and equipment the cost of replacing a part of an item, when it is probable that the future economic benefits embodied in the item will flow to the group and the cost of the item can be measured reliably.

The carrying amounts of the parts that are replaced are derecognised from the cost of the asset. The cost of day-to-day servicing of property, plant and equipment are recognised in the income statement as and when incurred.

3.6.4 Depreciation

Depreciation is recognised in the income statement on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale or on the date that the asset is disposed. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the group will obtain ownership by the end of the lease term.

The estimated useful lives of property plant and equipment of the group are as follows:

Office equipment	4 years
Furniture and fittings	4 years
Tools and equipment	4 years
Staff quarters	20 years
Buildings and structures	20 years
Motor vehicles	4 years

Civil construction

Intake weir	38-53 years
Headrace channel	38-53 years
De-silting tank	41-58 years
Spillway gate	37-53 years
Forebay tank	43-53 years
Penstock	38-53 years
Power house	36-53 years
Rest rooms	36-53 years

Electro mechanical equipment

Turbines	21-43 years
Generators	23-43 years
Transformers and power lines	25-40 years
Voltage panel	23-40 years
Crane	23-40 years

Solar power plant

Ground solar plants	20 years
Rooftop solar power plants	20 years

The cost of replacement of components of assets recognized in the carrying amount of property, plant and equipment is depreciated over the balance useful life of the asset.

Depreciation methods, useful lives and the residual values are reviewed at each reporting date and adjusted accordingly.

3.6.5 De-recognition

The carrying amount of an item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when item is de recognized.

3.6.6 Capital work-in-progress

Capital work-in-progress represents the accumulated cost of materials and other costs directly related to the construction of an asset. Capital in progress is transferred to the respective asset accounts at the time it is substantially completed and ready for its intended use.

3.7 Intangible assets

3.7.1 Initial recognition and measurement

The group recognises intangible assets if it is probable that the expected future economic benefits that are attributable

to the asset will flow to the entity and the cost of the asset can be measured reliably.

Separately acquired intangible assets are measured on initial recognition at cost. The cost of such separately acquired intangible assets include the purchase price, import duties, non-refundable purchase taxes and any directly attributable cost of preparing the asset for its intended use.

The cost of intangible assets acquired in a business combination is the fair value of the asset at the date of acquisition.

The cost of an internally generated intangible asset arising from the development phase of an internal project which is capitalised includes all directly attributable costs necessary to create, produce and prepare the asset to be capable of operating in the manner intended by the Management. Other development expenditure and expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding is expensed in the income statement as and when incurred.

3.7.2 Subsequent costs

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

3.7.3 Subsequent measurement

After initial recognition an intangible asset is stated at its costs less any accumulated amortisation and any accumulated impairment losses.

The useful economic life of an intangible asset is assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life of the asset. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognised in the income statement.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

3.7.4 Intangible assets recognised by the group

3.7.4.1 Computer software

All computer software cost incurred and licensed for use by the group, which does not form an integral part of related hardware, which can be clearly identified and reliably measured with the probability of leading to future economic benefits, are capitalised under intangible assets.

The group amortize computer software over period of 4 years.

3.7.4.2 Right to generate hydropower

Right to generate hydropower, which can be clearly identified and reliably measured with the probability of leading to future economic benefits, are capitalised under intangible assets.

The company amortises the intangible asset over 20 years on a straight-line basis in Panasian Power PLC.

3.7.4.3 Right to generate solar power

Right to generate solar power, which can be clearly identified and reliably measured with the probability of leading to future economic benefits, are capitalised under intangible assets

The group amortises the intangible asset over 20 years on a straight-line basis.

3.8 Impairment – Non-financial assets

The carrying amounts of the group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amounts of such assets are estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets. Impairment losses are recognised in the income statement.

Impairment losses recognised in respect of cash-generating units on acquisition of subsidiaries are allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis.

3.8.1 Calculation of recoverable amount

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a

pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

3.8.2 Reversal of impairment

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Reversals of impairment losses are recognised in the income statement.

3.9 Inventory

Inventories are stated at the lower of cost and net realizable value. Cost of inventories is based on a weighted average cost. The cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Net realizable value is the estimated selling price in the ordinary course of business less estimated cost of completion and estimated costs necessary to make the sale.

3.10 Liabilities and provisions

Liabilities classified as current liabilities in the statement of financial position are those which fall due for payment on demand of the creditor or within one year of the reporting date. Non-current liabilities are those balances that become repayable after one year from the reporting date.

All known liabilities have been accounted for in preparing the financial statements.

3.10.1 Financial liabilities

All financial liabilities are recognised at fair value and in the case of loans and borrowings and payables, net of directly attributable transaction costs. The group's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantee contracts and amounts due to equity accounted investees.

3.10.2. Loans and borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

3.10.3. Borrowing cost capitalization

Borrowing costs borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are recognized as an expense in the period in which they are incurred.

3.11 Provisions

A provision is recognised if, as a result of past events, the group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation.

Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses. "Where there are a number of

similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small."

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

3.12 Employee benefits

3.12.1 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid in cash as exgratia in the short term, if the group has a present legal or constructive obligation to pay this amount as a result of past service rendered by the employee and the obligation can be measured reliably.

3.12.2 Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays a fixed employee benefit contribution into a separate entity and will have no further legal or constructive obligations to pay any additional amounts. Obligations for contributions to a defined contribution plan are recognized as an employee benefit expense in the income statement in the periods during which services are rendered by employees.

3.12.2.1 Employee Provident Fund and Employee Trust Fund

The group contributes a sum not less than 12% of the gross emoluments of

employees employed in Sri Lanka as provident fund benefits and 3% as trust fund benefits.

3.12.3 Defined benefit plan – retiring gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The liability recognised in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the reporting date. The defined benefit obligation is calculated annually using the projected unit credit method by qualified actuary as recommended by LKAS-19. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates that are denominated in the currency in which the benefits will be paid and that have terms of maturity approximating to the terms of the liability.

Provision has been made in the financial statements for retiring gratuities from the first year of service for all employees.

However, according to the payment of gratuity Act No. 12 of 1983, the liability for payment to an employee arises only after the completion of 5 years continued service.

The liability is not externally funded.

Group recognises all actuarial gains and losses arising from defined benefit plans immediately in the statement of other comprehensive income as they occur.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past.

3.13 Revenue

Revenue is measured based on the consolidation specified in a contract with a customer. The group recognises revenue when it transfers control over a good or service to a customer. Determining the timing of the transfer of control at a point in time or over time require judgment.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms and the related revenue recognition policies.

Sale of electricity

Company sells electricity to CEB credit basis. At the time of transmission of the electricity to CEB, company meets its performance obligation. Revenue is recognised when the goods are delivered to the customers.

Sale of solar panels and inverters

Company sells panels and inverters to the customers on cash or credit basis. At the time of delivery of the goods to the customers, company meets its performance obligation. Revenue is recognised when the goods are delivered to the customers.

3.14 Expenditure

All expenditure incurred in the running of the business and in maintaining the capital assets in a state of efficiency has been charged to income statement in arriving at the profit for the year.

3.15 Income tax expense

Income tax expense comprises of current tax and deferred tax. The income tax expense is recognised in the income statement except to the extent that it relates to the items recognised directly

in the statement of other comprehensive income or statement of changes in equity, in which case it is recognised directly in the respective statements.

The group has determined that interest and penalties related to income taxes, including certain tax treatments, do not meet the definition of income taxes and therefore accounted for them under LKAS 37 Provisions, Contingent Liabilities and Contingent Assets.

3.15.1 Current tax

The current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Provision for taxation is based on the profit for the year adjusted for taxation purposes in accordance with the provisions of the Inland Revenue (Amendment) Act, No.04 of 2023.

Taxation for the current and previous periods to the extent unpaid is recognized as a liability in the financial statements. When the amount of taxation already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset in the financial statements.

3.15.2 Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business

combination and that affects neither accounting nor taxable profit or loss;

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised;

Such reductions are reversed when the probability of future taxable profits improves.

The measurement of deferred tax reflects the consequences that would follow from the manner in which the group expects, at the reporting date, to recover

or settle the of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale and the group has not rebutted this assumption.

The group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.16 Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank, cash in hand and short term deposits. Cash and bank balances are stated at recoverable values. There were no cash and cash equivalents held by the group companies that were not available for use.

Bank overdrafts and short-term borrowings that are repayable on demand and forming an integral part of the group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

3.17 Statements of cash flows

The statement of cash flows has been prepared using the "indirect method" in accordance with LKAS 7 - "Statement of cash flows".

Cash and cash equivalents comprise short term, highly liquid investments that are readily convertible to known amounts of

cash and are subject to an insignificant risk of changes in value. The cash and cash equivalents include cash in-hand, balances with banks and short term deposits with banks.

Interest paid is classified as operating cash flows, interest received are classified as investing cash flows, while dividends paid are classified as financing cash flows for the purpose of presenting the cash flow statement.

3.18 Contingencies and capital commitments

Contingencies are possible assets or obligations that arise from a past event and would be confirmed only on the occurrence or non-occurrence of uncertain future events, which not wholly within control of the group.

Commitments and contingent liabilities are disclosed in note 37 to the financial statements.

3.19 Related party transactions

Disclosure has been made in respect of the transactions in which one party has the ability to control or exercise significant influence over the financial and operating policies and decisions of the other, irrespective of whether a price is being charged.

3.20 Earnings per share

The group presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average

number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

3.21 Events occurring after the reporting date

All material post reporting date events have been considered and where appropriate adjustments or disclosures have been made in the respective notes to the financial statements.

3.22 Operating segment information

A segment is a distinguishable component of the company and the group that is engaged either in providing products or services which are subject to risks and rewards that are different from those of other segments.

Segment information is presented in the respective notes to the Financial Statements.

3.23 Discontinued operations

A discontinued operation is a component of the group's business, the operations and cash flows of which can be clearly distinguished from the rest of the group and which;

- Represent a separation major line of business or geographical area of operations;
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held-for-sale, if earlier.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

3.24 Non-current assets held for sale

Non-current assets (and disposal group) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Comparatives in the statement of the financial position are not re-presented when a non-current asset is classified as held for sale. Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

4. CHANGES IN MATERIAL ACCOUNTING POLICIES

The accounting policies set out above have been applied consistently to all periods presented in these financial statements and have been no material changes to the accounting policies.

5. NEW AND AMENDED STANDARDS ISSUED BUT NOT EFFECTIVE AS AT THE REPORTING DATE

The new and amended standards that are issued, but not yet effective to the date of issuance of these financial statements are disclosed below. None of the new or amended pronouncements are expected to have a material impact on the financial statements of the company in the foreseeable future. The company intends to adopt these amended standards, if applicable, when they become effective.

5.1. Lack of exchangeability – amendments to LKAS 21

The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.

The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the group / company's financial statement.

6. REVENUE

6.1 Revenue from contracts with customers

For the year ended 31 March	Group		Company	
	2025	2024	2025	2024
	LKR	LKR	LKR	LKR
Supply of electricity	854,557,606	881,919,476	109,005,550	106,050,125
Sale of solar inverters	175,707,979	271,285,963	-	-
Sale of solar panels	165,340,121	235,869,539	-	-
Income from rooftop solar projects	184,469,031	22,663,082	-	-
Service income	2,581,029	3,126,251	-	-
	1,382,655,766	1,414,864,311	109,005,550	106,050,125

6.2 Billing under the standardized power purchase agreement

For the year ended 31 March	Group		Company	
	2025	2024	2025	2024
	LKR	LKR	LKR	LKR
Billing under the standardized power purchase agreement (Note 6.2.1)	160,072,034	75,482,387	34,986,267	-
	160,072,034	75,482,387	34,986,267	-

6.2.1 The company has recorded the additional payment received from CEB as “Billing under the standardized power purchase agreement” which were recorded & billed as per the provision of standardized power purchase agreement with Ceylon Electricity Board.

For the year ended 31 March	Group		Company	
	2025	2024	2025	2024
	LKR	LKR	LKR	LKR
Panasian Power PLC	34,986,267	-	34,986,267	-
Padiyapelella Hydropower Limited	18,864,074	75,482,387	-	-
Manelwala Hydropower (Pvt) Ltd	68,193,042	-	-	-
Solar Power Generation Matara (Pvt) Ltd	14,819,798	-	-	-
Eco Green Solar Solutions (Pvt) Ltd	9,545,940	-	-	-
Panthree Solaro Energy (Pvt) Ltd	13,662,913	-	-	-
	160,072,034	75,482,387	34,986,267	-

6.3 Revenue from contracts with customers - segment analysis

For the year ended 31 March	Group		Company	
	2025	2024	2025	2024
	LKR	LKR	LKR	LKR
Hydropower	498,005,746	503,463,348	109,005,550	106,050,125
Solar power	356,551,860	378,456,128	-	-
Engineering, Procurement and Construction (EPC)	528,098,160	532,944,835	-	-
	1,382,655,766	1,414,864,311	109,005,550	106,050,125

6.3.1 The group identified Hydropower, Solar power and Engineering, Procurement and Construction (EPC) as separate business segments.

6.4 The revenue from contracts with customers recognize as follows.

For the year ended 31 March	Group		Company	
	2025	2024	2025	2024
	LKR	LKR	LKR	LKR
Revenue over a period of time	962,944,564	881,919,476	109,005,550	106,050,125
Revenue earned at a point-in-time	419,711,202	532,944,835	-	-
	1,382,655,766	1,414,864,311	109,005,550	106,050,125

7. SEGMENTAL INFORMATION

The group identified hydropower, Solar power and engineering, procurement and construction (EPC) as business segments and the below information is based on these primary segments.

Hydropower

Represent the group's major continuing line of business. This includes two fully-owned mini-hydro plants and one with ownership of 83%. Operational hydropower plants have an aggregate capacity of 9.8 MW. Aggregate operational results, assets and liabilities of the hydropower plants are presented under this segment.

Solar power

This includes eighteen fully-owned operational solar power plants with an aggregate capacity of 13.1 MW and 0.4 MW in operation under joint venture arrangements. Aggregate operational results, assets and liabilities of solar power plants are presented under this segment. In addition to operational plants, capital work in progress represent of the group's solar power plants under construction and their liabilities are aggregated under this segment.

Engineering, Procurement and Construction (EPC)

This segment represents the engineering, procurement and construction of rooftop solar power plants and the sale of solar inverters, panels and other accessories to third party customers. A fully owned subsidiary company, Panasian Investments (Pvt) Ltd and Panasin Solar (Pvt) Ltd (Former, Winsol Renewables (Pvt) Ltd) are engaged in the import and selling of solar systems for end consumers.

7. SEGMENTAL INFORMATION (CONT.)

For the year ended 31 March	2025				2024			
	Hydropower	Solar power	EPC service	Group	Hydropower	Solar power	EPC service	Group
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Revenue from contracts with customers	498,005,746	356,551,860	528,098,160	1,382,655,766	503,463,348	378,456,128	532,944,835	1,414,864,311
Billing under the standardized power purchase agreement	122,043,383	38,028,651	-	160,072,034	75,482,387	-	-	75,482,387
	620,049,129	394,580,511	528,098,160	1,542,727,800	578,945,735	378,456,128	532,944,835	1,490,346,698
Cost of sales	(140,006,148)	(142,874,198)	(453,236,050)	(736,116,396)	(133,806,147)	(138,133,243)	(449,473,751)	(721,413,141)
Results from EBITDA	465,277,378	296,109,240	6,080,884	767,467,502	400,994,896	300,452,397	51,066,786	752,514,079
Depreciation and amortization	(103,952,937)	(111,285,955)	(2,380,305)	(217,619,197)	(84,456,726)	(106,783,645)	(579,104)	(191,819,475)
Finance income	11,589,576	29,140,277	5,757,455	46,487,308	9,847,520	8,843,555	5,135,591	23,826,666
Finance expense	(40,404,396)	(181,923,076)	(12,349,933)	(234,677,405)	(118,299,270)	(235,585,112)	(7,226,666)	(361,111,048)
Share of profit of equity accounted investees - joint venture	-	847,999	-	847,999	-	1,798,865	-	1,798,865
(Loss) / profit before taxation	332,509,621	32,888,485	(2,891,899)	362,506,207	208,086,420	(31,273,940)	48,396,607	225,209,087
Income tax expense	(119,056,638)	78,230,060	605,720	(40,220,858)	(35,275,264)	(74,633,724)	(15,640,355)	(125,549,343)
(Loss) / profit for the year	213,452,983	111,118,545	(2,286,179)	322,285,349	172,811,156	(105,907,664)	32,756,252	99,659,744
Other comprehensive income for the year								
- Re-measurement of retirement benefit obligation	(3,181,603)	(7,901)	13,989	(3,175,515)	(2,235,268)	-	2,867	(2,232,401)
- Deferred tax effect on re-measurement on retirement benefit obligation	839,037	2,370	(4,197)	837,210	639,165	-	(860)	638,305
- Revaluation of property, plant and equipment- share of equity accounted investees	-	(577,416)	-	(577,416)	-	-	-	-
- Revaluation of property, plant and equipment	(154,524,245)	5,298,758	-	(149,225,487)	399,850,096	50,118,927	-	449,969,023
- Deferred tax effect on revaluation	33,570,824	(8,066,393)	-	25,504,432	(84,815,350)	(15,035,678)	-	(99,851,028)
Total comprehensive income/ (loss)	90,156,996	107,767,963	(2,276,387)	195,648,573	486,249,799	(70,824,415)	32,758,259	448,183,643
Total comprehensive income/ (loss) attributable to:								
Owners of the company	68,814,865	107,767,963	(2,276,387)	174,306,442	458,683,382	(70,824,415)	32,758,259	420,617,226
Non-controlling interests	21,342,131	-	-	21,342,131	27,566,417	-	-	27,566,417
	90,156,996	107,767,963	(2,276,387)	195,648,573	486,249,799	(70,824,415)	32,758,259	448,183,643
Earnings per share (LKR)				0.47				0.12

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7.1 Segmental balance sheet

	2025				2024			
	Hydropower	Solar power	EPC service	Group	Hydropower	Solar power	EPC service	Group
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Assets								
Non-current assets								
Property, plant and equipment	2,183,448,549	1,910,492,330	7,521,921	4,101,462,799	2,380,219,010	1,816,293,893	6,645,169	4,203,158,072
Capital work in progress	12,741,230	1,613,677,497	-	1,626,418,727	24,293,475	94,098,317	-	118,391,792
Right of use asset	41,064,625	57,492,690	-	98,557,316	23,239,702	55,990,436	-	79,230,138
Intangible assets	2,415,457	68,887,519	-	71,302,976	2,206,370	73,258,348	-	75,464,718
Investment in subsidiaries	1,533,494,304	766,903,356	259,000,010	2,559,397,670	1,273,394,324	266,903,346	113,000,010	1,653,297,680
Investment in preference shares	250,466,208	-	-	250,466,208	250,466,208	-	4,153,902	254,620,110
Investment in joint venture	-	-	12,515,200	12,515,200	-	-	12,515,200	12,515,200
Other non financial assets	22,115,150	-	-	22,115,150	6,115,150	-	-	6,115,150
Deferred tax assets	3,181,554	23,159	2,118,947	5,323,660	-	-	793,477	793,477
Segmental non-current assets	4,048,927,077	4,417,476,551	281,156,078	8,747,559,706	3,959,934,239	2,306,544,340	137,107,758	6,403,586,337
Eliminations/adjustments	-	-	-	(3,114,398,778)	-	-	-	(1,956,563,715)
Total non-current assets	4,048,927,077	4,417,476,551	281,156,078	5,633,160,928	3,959,934,239	2,306,544,340	137,107,758	4,447,022,622
Current assets								
Inventory	28,779,970	1,253,929	69,298,093	99,331,992	28,195,933	1,031,367	157,840,435	187,067,735
Investment in investment fund-FVTPL	38,204,822	-	-	38,204,822	30,936,127	-	-	30,936,127
Trade and other receivables	145,142,244	197,799,257	91,814,439	434,755,940	154,871,704	70,887,570	95,300,964	321,060,238
Amount due from related companies	800,973,198	605,052,811	43,343,560	1,449,369,569	1,067,231,366	514,210,002	189,402,893	1,770,844,261
Income tax receivable	906,834	29,192	5,513,151	6,449,177	906,834	-	-	906,834
Cash and cash equivalents	219,572,657	896,102,913	57,350,231	1,173,025,801	122,584,198	273,487,171	74,475,767	470,547,136
Segmental current assets	1,233,579,725	1,700,238,102	267,319,474	3,201,137,300	1,404,726,162	859,616,110	517,020,059	2,781,362,331
Eliminations/adjustments	-	-	-	(1,499,471,828)	-	-	-	(1,769,913,897)
Total current assets	1,233,579,725	1,700,238,102	267,319,474	1,701,665,473	1,404,726,162	859,616,110	517,020,059	1,011,448,434
Total assets	5,282,506,802	6,117,714,653	548,475,552	7,334,826,401	5,364,660,401	3,166,160,450	654,127,817	5,458,471,056
Non-current liabilities								
Retirement benefit obligations	17,151,337	84,187	405,750	17,641,274	11,280,038	-	270,131	11,550,169
Lease liabilities	38,838,488	56,193,605	-	95,032,093	28,528,144	47,260,774	-	75,788,918
Interest bearing loans and borrowings	141,221,746	2,353,597,252	-	2,494,818,998	262,674,286	916,448,434	-	1,179,122,720
Deferred tax liabilities	276,051,532	247,879,775	-	523,931,308	325,117,443	359,464,324	174,236	684,756,003
Loan due to related companies	-	-	-	-	-	199,102,645	-	199,102,645
Total non-current liabilities	473,263,103	2,657,754,819	405,750	3,131,423,673	627,599,911	1,522,276,177	444,367	2,150,320,455
Current liabilities								
Lease liabilities	14,536,558	43,642	-	14,580,200	5,600,770	4,537,738	-	10,138,508
Interest bearing loans and borrowings	112,446,396	206,642,162	23,563,616	342,652,174	173,682,672	153,432,451	143,459,701	470,574,824
Loan due to related companies	-	250,000,000	-	250,000,000	-	-	-	-
Amount due to related companies	169,541,810	1,018,794,093	245,991,267	1,434,327,170	197,750,110	1,377,773,261	182,973,767	1,758,497,138
Trade and other payables	138,846,582	602,342,207	46,045,936	787,234,725	200,601,269	9,067,038	83,850,007	293,518,314
Income tax payable	79,879,874	41,032,643	-	120,912,517	73,253,573	853,855	5,083,681	79,191,109
Bank overdraft	48,913,327	13,710,991	2,711,522	65,335,840	33,678,558	1,022,211	-	34,700,768
Segmental current liabilities	564,164,547	2,132,565,738	318,312,341	3,015,042,626	684,566,952	1,546,686,554	415,367,156	2,646,620,661
Eliminations/adjustments	-	-	-	(1,502,549,756)	-	-	-	(1,769,247,706)
Total current liabilities	564,164,547	2,132,565,738	318,312,341	1,512,492,870	684,566,952	1,546,686,554	415,367,156	877,372,955
Total liabilities	1,037,427,650	4,790,320,557	318,718,091	4,643,916,543	1,312,166,863	3,068,962,731	415,811,523	3,027,693,410

8. OTHER INCOME

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Dividend income/(reversal)	(138,037)	715,384	137,483,622	168,334,434
Unclaimed dividend written off	-	2,740,258	-	2,740,258
Income from carbon credit sales	2,151,809	3,136,952	1,125,149	2,096,595
Insurance claim received	10,799,401	-	-	-
Service income	833,965	1,540,339	-	-
	13,647,138	8,132,933	138,608,771	173,171,287

9. FINANCE INCOME AND EXPENSES

9.1 Finance income

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Interest income	37,445,428	20,227,414	42,981,414	42,641,206
Foreign exchange gains	3,273,184	2,669,540	-	-
Fair value gain on investment fund (Note 23)	5,768,696	929,712	104,640	-
Corporate guarantee commission income	-	-	12,685,000	2,865,000
	46,487,308	23,826,666	55,771,054	45,506,206

9.2 Finance expenses

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Interest on loans and borrowings	(225,449,465)	(355,457,998)	(25,974,566)	(65,857,658)
Foreign exchange loss	(71,728)	(59,657)	(35,734)	(46,092)
Amortization of loan processing fees	(1,633,270)	(1,549,727)	(499,927)	(454,554)
Interest on lease liability	(4,448,062)	(4,043,666)	(1,044,299)	(853,796)
Bank guarantee charges	(3,074,880)	-	(1,815,384)	-
	(234,677,405)	(361,111,048)	(29,369,910)	(67,212,100)
Net finance (expenses)/income	(188,190,097)	(337,284,382)	26,401,144	(21,705,894)

10. PROFIT BEFORE TAXATION

Profit before taxation is stated after charging all the expenses including the following :

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Direct costs				
Staff cost (Note 10.1)	39,463,462	29,649,149	8,606,062	8,880,019
Insurance	14,475,335	10,565,026	2,308,365	926,368
Repairs and maintenance services	8,364,659	23,948,710	2,337,524	2,599,513
Depreciation on property, plant and equipment	196,611,606	175,539,200	25,631,678	23,453,316
Amortization of intangible assets	4,688,008	5,286,640	317,179	916,645
Administrative, selling & distribution expenses				
Depreciation on property, plant and equipment	6,255,200	5,779,956	2,938,378	3,073,860
Depreciation on right of use assets	12,579,714	6,520,611	2,475,721	1,611,284
Amortization of intangible assets	667,046	242,207	667,046	242,207
Donations	6,833,166	6,593,860	1,702,634	573,000
Directors' remuneration	18,944,893	15,753,125	4,761,411	4,095,813
Audit fees	5,955,764	4,111,993	2,269,409	1,495,880
Staff cost (Note 10.2)	139,722,484	75,894,516	29,793,599	19,092,941
Rent deposit written off	-	526,500	-	526,500
Non audit fees	332,816	247,210	166,408	123,900

10.1 Staff Cost - Direct cost

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Salaries and wages	37,251,980	28,065,573	8,074,005	8,292,613
Defined contribution plan cost - EPF and ETF	2,211,482	1,583,576	532,057	587,406
	39,463,462	29,649,149	8,606,062	8,880,019

10.2 Staff Cost - Administrative expenses

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Short term benefits	124,449,153	66,977,324	24,321,398	15,453,923
Defined contribution plan cost - EPF and ETF	11,628,867	6,589,144	2,410,554	1,596,335
Retirement benefit plan cost - retiring gratuity	3,644,464	2,328,048	3,061,647	2,042,683
	139,722,484	75,894,516	29,793,599	19,092,941
Total staff cost	179,185,946	105,543,665	38,399,661	27,972,960
Number of employees at year end	107	74	41	38

10.3 Key management personnel compensation

Key management personnel comprise the Directors and senior managers of the company. Payments made to key management personnel during the year were as follows;

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Short term employment benefits	94,170,498	62,913,091	22,030,125	13,742,625
	94,170,498	62,913,091	22,030,125	13,742,625

11. INCOME TAX EXPENSE

11.1 Statement of profit or loss

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Current tax expense				
Income tax on current year profit (Note 11.3)	158,191,246	90,864,950	15,710,798	-
(Over) / under provision in respect of previous year	(3,218,968)	(1,311,292)	-	-
Tax on dividend paid by subsidiaries	24,261,816	29,893,805	-	-
	179,234,094	119,447,463	15,710,798	-
Deferred tax expense				
Deferred taxation charges/(credit) (Note 11.4)	(139,013,236)	6,101,880	(2,060,518)	(7,817,551)
Deferred tax expense in statement of profit or loss	(139,013,236)	6,101,880	(2,060,518)	(7,817,551)
Income tax expense/(credit) reported in the statement of profit or loss	40,220,858	125,549,343	13,650,279	(7,817,551)

11.2 Recognized in statement of other comprehensive income

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Deferred tax effect on re measurement of retirement benefit obligation	(837,210)	(638,305)	(608,146)	(576,334)
Deferred tax expense/(credit) on revaluation gain	(25,504,432)	99,851,028	(7,097,926)	14,535,995
	(26,341,642)	99,212,723	(7,706,072)	13,959,661

Income tax and deferred tax have been provided as per the new rates legislated by the Inland Revenue (Amendment) Act No 45 of 2022. The deferred tax charge/(reversal) in the income statement includes (LKR 139Mn) and (LKR 2Mn) for the group and the company respectively. The deferred tax charge/(reversal) in the other comprehensive income statement includes (LKR 26.3 Mn) and (LKR 7.7Mn) for the group and the company respectively.

11.3 Tax reconciliation statement

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Profit before taxation	362,506,207	225,209,087	186,150,523	157,773,315
Consolidation adjustment	388,090,312	169,545,070	-	-
Non business income	(319,485,267)	(394,128,250)	(180,569,676)	(215,812,493)
Aggregate disallowed expenses	253,415,477	417,642,254	54,513,586	39,466,781
Aggregate allowable expenses	(404,959,481)	(519,068,853)	(23,854,990)	(21,838,247)
Temporary concessions under 6 schedule	-	(17,351,824)	-	-
Taxable income/(loss) for business	279,567,248	(118,152,516)	36,239,443	(40,410,644)
Exempt income from business	-	-	-	-
	279,567,248	(118,152,516)	36,239,443	(40,410,644)
Taxable income from business during the year	568,493,712	367,210,278	36,239,443	-
Taxable loss incurred during the year	(288,926,464)	(485,362,794)	-	(40,410,644)
	279,567,248	(118,152,516)	36,239,443	(40,410,644)
Interest Income				-
Non business income - liable interest income	149,329,551	196,726,389	30,832,673	42,641,206
Non business income - dividend income	1,599,996	1,599,996	-	-
Tax loss utilized during the year	(63,411,935)	(84,432,777)	(14,702,790)	(42,641,206)
Total taxable income	656,011,324	481,103,886	52,369,326	-
Taxable income liable at 10%	-	210,678,059	-	-
Taxable income liable at 15%	1,599,996	2,315,380	-	-
Taxable income liable at 20%	383,721,514	109,832,970	-	-
Taxable income liable at 30%	270,689,814	158,277,477	52,369,326	-
	656,011,324	481,103,886	52,369,326	-
Income tax charged at				
Tax at 10%	-	21,067,806	-	-
Tax at 15%	239,999	347,307	-	-
Tax at 20%	76,744,303	21,966,594	-	-
Tax at 30%	81,206,944	47,483,243	15,710,798	-
Taxation on current profits	158,191,246	90,864,950	15,710,798	-
Effective tax rate	24%	19%	30%	-

Group tax expense is based on the taxable profit of individual companies within the group. At present the tax law of Sri Lanka do not provide for group taxation.

11.4 Deferred tax expense/(reversal)

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Origination / (reversal) of temporary difference arising from				
Property, plant and equipment	24,268,952	15,297,945	(6,387,612)	(8,437,796)
Provisions	2,099,847	854,254	-	763,407
Intangible assets	131,332	(41,651)	131,332	(41,651)
Carried forward tax losses	(164,362,221)	(9,501,718)	5,260,089	528,615
Retirement benefit obligations	(699,182)	(267,769)	(637,965)	(416,680)
Leases	(451,964)	(239,182)	(426,363)	(213,446)
	(139,013,236)	6,101,880	(2,060,518)	(7,817,551)

11.5 Tax losses brought forward

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Tax loss brought forward	3,123,067,007	3,093,754,844	17,533,650	19,295,682
Loss incurred during the year	288,926,464	485,362,794	-	40,410,644
Adjustment to tax loss brought forward	(23,634,078)	(371,617,854)	(2,830,860)	468,530
Tax loss utilized during the year	(63,411,935)	(84,432,777)	(14,702,790)	(42,641,206)
	3,324,947,458	3,123,067,007	-	17,533,650

The group has tax losses amounting to LKR 3.3Bn (2024-LKR 3.1Bn) are available to offset against future taxable profit of the companies in which tax losses arose.

11.6 The income tax liability of the companies computed at the standard rate of 30% except for following companies which enjoy concessions.

For the year ended 31 March	2025	2024
Company		
Manelwala Hydropower (Pvt) Ltd	20%	20%
Padiyapelella Hydropower Limited	20%	10%

On investment income:

In terms of the Inland Revenue Act no. 24 of 2017 as amended, liable dividends declared are subject to a mandatory final advance income tax of 15% at source.

12. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share:

The calculation of diluted earnings per share is based on profit attributable to owners of the parent and weighted average number of ordinary shares outstanding at any time during the year/ previous year. There were no potentially dilutive ordinary shares outstanding at any time during the year/ previous year.

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Profit attributable to ordinary shareholders	292,236,973	72,027,968	172,500,244	165,590,866
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	625,000,000	625,000,000	625,000,000	625,000,000
Basic earnings per share (LKR)	0.47	0.12	0.28	0.26

The diluted earning per share is same as the basic earnings per share.

13. DIVIDEND PER SHARE

The calculation of dividend per share is based on the dividend attributable to ordinary shareholders of the company and the number of ordinary shares outstanding as at the reporting date.

For the year ended 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Final dividends (LKR)	-	125,000,000	-	125,000,000
Number of ordinary shares	625,000,000	625,000,000	625,000,000	625,000,000
Dividend per share (LKR)	-	0.20	-	0.20

14. PROPERTY, PLANT AND EQUIPMENT

14.1 Group

	Freehold lands LKR	Office equipment LKR	Furniture and fittings LKR	Staff accommodation LKR	Building structure LKR	Tools & equipment LKR	Motor vehicles LKR
Cost/Valuation							
Balance as at 01 April	164,362,066	19,242,042	15,635,103	1,314,800	498,550	37,750	34,734,520
Additions during the year	178,921,887	12,706,602	6,269,833	-	-	202,611	5,824,877
Transferred from capital work in progress	-	-	-	-	-	-	-
Disposals/transfers during the year	-	(199,663)	-	-	(498,550)	-	-
Revaluation gain	6,265,929	-	-	6,036,664	-	-	-
Accumulated depreciation on revalued assets	-	-	-	(1,150,464)	-	-	-
Balance as at 31 March	349,549,882	31,748,981	21,904,936	6,201,000	-	240,361	40,559,397
Accumulated depreciation							
Balance as at 01 April	-	13,834,130	13,375,227	821,760	13,474	23,670	28,734,807
Depreciation for the year	-	3,038,561	1,255,947	328,704	26,949	39,691	2,558,770
Accumulated depreciation on disposals/transfers	-	(199,663)	-	-	(40,423)	-	-
Accumulated depreciation on revalued assets	-	-	-	(1,150,464)	-	-	-
Balance as at 31 March	-	16,673,028	14,631,174	-	-	63,361	31,293,577
Carrying amount as at 31 March 2025	349,549,882	15,075,953	7,273,762	6,201,000	-	177,000	9,265,820
Carrying amount as at 31 March 2024	164,362,066	5,407,912	2,259,876	493,040	485,076	14,080	5,999,713

14.2 Company

	Freehold land LKR	Office equipment LKR	Furniture and fittings LKR	Motor vehicles LKR
Cost/Valuation				
Balance as at 01 April	38,262,065	13,402,217	14,280,043	1,742,520
Additions during the year	-	8,693,826	5,831,432	-
Transferred from capital work in progress	-	-	-	-
Revaluation gain	265,929	-	-	-
Accumulated depreciation on revalued assets	-	-	-	-
Disposals/transfers during the year	-	(199,663)	-	-
Balance as at 31 March	38,527,994	21,896,380	20,111,475	1,742,520
Accumulated depreciation and impairment				
Balance as at 01 April	-	10,012,907	12,295,664	1,545,155
Depreciation for the year	-	1,748,220	1,091,475	98,683
Accumulated depreciation on revalued assets	-	-	-	-
Accumulated depreciation on disposals	-	(199,663)	-	-
Balance as at 31 March	-	11,561,464	13,387,139	1,643,838
Carrying amount as at 31 March 2025	38,527,994	10,334,916	6,724,336	98,682
Carrying amount as at 31 March 2024	38,262,065	3,389,310	1,984,379	197,365

Civil construction				Electro mechanical equipment			Solar power plants	Total 2025	Total 2024
Intake weir and headrace channel	De-silting tank and forbay tank	Spillware gate and restrooms	Pen stock and power house	Turbines and generators	Transformers and power lines	Voltage panel and crane			
LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	
513,692,690	167,392,705	89,839,328	445,101,761	866,622,830	107,808,586	96,562,011	1,686,636,167	4,209,480,908	3,877,268,899
-	18,948,864	-	-	-	-	-	-	222,874,674	40,810,504
-	-	-	14,791,432	-	-	-	-	14,791,432	-
-	-	-	-	-	-	-	498,550	(199,663)	(7,345,000)
(37,868,711)	(15,045,495)	(6,691,712)	(33,979,543)	(52,846,415)	(5,190,538)	(4,667,760)	6,865,301	(137,122,280)	473,934,089
(15,768,255)	(4,897,810)	(3,001,037)	(13,490,383)	(41,038,154)	(5,915,746)	(5,604,666)	(106,540,633)	(197,407,148)	(175,187,585)
460,055,724	166,398,264	80,146,579	412,423,267	772,738,261	96,702,302	86,289,585	1,587,459,385	4,112,417,924	4,209,480,908
-	-	-	-	-	-	-	-	56,803,068	58,016,497
15,768,255	4,897,810	3,001,037	13,490,383	41,038,154	5,915,746	5,604,666	106,500,210	203,464,884	181,319,156
-	-	-	-	-	-	-	40,423	(199,663)	(7,345,000)
(15,768,255)	(4,897,810)	(3,001,037)	(13,490,383)	(41,038,154)	(5,915,746)	(5,604,666)	(106,540,633)	(197,407,148)	(175,187,585)
-	-	-	-	-	-	-	-	62,661,140	56,803,068
460,055,724	166,398,264	80,146,579	412,423,267	772,738,261	96,702,302	86,289,585	1,587,459,385	4,049,756,784	-
513,692,690	167,392,705	89,839,328	445,101,761	866,622,830	107,808,586	96,562,011	1,686,636,167	-	4,152,677,840

Civil construction				Electro mechanical equipment			Total 2025	Total 2024
Intake weir and headrace channel	De-silting tank and forbay tank	Spillware gate and restrooms	Pen stock and power house	Turbines and generators	Transformers and power lines	Voltage panel and crane		
LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	
102,595,866	57,078,666	29,734,342	109,955,371	219,327,811	27,767,295	30,278,584	644,424,779	615,348,174
-	-	-	-	-	-	-	14,525,259	4,076,605
-	-	-	14,791,432	-	-	-	14,791,432	-
(5,397,520)	(3,155,012)	(1,468,710)	(7,023,902)	(5,480,032)	(786,070)	(614,437)	(23,659,754)	48,453,316
(3,197,793)	(1,626,945)	(1,022,384)	(3,427,180)	(12,894,892)	(1,540,229)	(1,922,253)	(25,631,678)	(23,453,316)
-	-	-	-	-	-	-	(199,663)	-
94,000,553	52,296,709	27,243,248	114,295,721	200,952,887	25,440,996	27,741,894	624,250,375	644,424,779
-	-	-	-	-	-	-	23,853,726	20,779,866
3,197,793	1,626,945	1,022,384	3,427,180	12,894,892	1,540,229	1,922,253	28,570,056	26,527,176
(3,197,793)	(1,626,945)	(1,022,384)	(3,427,180)	(12,894,892)	(1,540,229)	(1,922,253)	(25,631,678)	(23,453,316)
-	-	-	-	-	-	-	(199,663)	-
-	-	-	-	-	-	-	26,592,441	23,853,726
94,000,553	52,296,709	27,243,248	114,295,721	200,952,887	25,440,996	27,741,894	597,657,934	-
102,595,866	57,078,666	29,734,342	109,955,371	219,327,811	27,767,295	30,278,584	-	620,571,053

14. PROPOERTY PLANT AND EQUIPMENT (CONTD)

14.3 The cost of fully depreciated property, plant and equipment which are still in use at the reporting date is as follows,

	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Furniture and fittings	13,472,763	5,788,366	12,454,649	4,843,002
Motor vehicles	28,170,060	27,492,600	1,347,790	1,347,790
Office equipment	11,991,301	10,359,104	9,138,388	7,704,390
Total	53,634,124	43,640,070	22,940,827	13,895,182

14.4 During the financial year, the group acquired/capitalized property, plant and equipment to the aggregate value of LKR 237.7Mn and (2024 - LKR 40.8Mn). Cash payments amounting to LKR 222.9Mn (2024 - LKR 40.8Mn) were made during the year for purchase of property, plant and equipment.

14.5 During the financial year, the company acquired/capitalized property, plant and equipment to the aggregate value of LKR 29.3Mn (2024 LKR 4Mn). Cash payments amounting to LKR 14.5Mn (2024 LKR 4Mn) were made during the year for purchase of property, plant and equipment.

14.6 Carrying value of revalued property, plant and equipment

As at 31 March Group	Group					
	2025			2024		
	Cost LKR	Accumulated depreciation LKR	Carrying value LKR	Cost LKR	Accumulated depreciation LKR	Carrying value LKR
Electro mechanical equipment	564,451,620	509,791,866	54,659,754	564,451,620	476,289,791	88,161,829
Civil construction	964,255,345	698,740,873	265,514,472	945,306,480	643,259,968	302,046,512
Freehold land	235,042,409	-	235,042,409	56,120,522	-	56,120,522
Solar power plants	1,555,035,087	334,188,721	1,220,846,366	1,555,035,087	266,463,943	1,288,571,144
Total	3,318,784,461	1,542,721,460	1,776,063,001	3,120,913,709	1,386,013,702	1,734,900,007

As at 31 March Company	Company					
	2025			2024		
	Cost LKR	Accumulated depreciation LKR	Carrying value LKR	Cost LKR	Accumulated depreciation LKR	Carrying value LKR
Electro mechanical equipment	106,088,061	106,088,061	-	106,088,061	106,088,061	-
Civil construction	162,952,275	138,724,368	24,227,907	148,160,843	136,353,865	11,806,978
Freehold land	12,976,484	-	12,976,484	12,976,484	-	12,976,484
Total	282,016,820	244,812,429	37,204,391	267,225,388	242,441,926	24,783,462

14.7 Revaluation of land, civil construction, electro mechanical equipment and solar power plant

Accounting judgments, estimates and assumption

The group uses the revaluation model for measurement of freehold land, building, civil construction, electro mechanical equipment and solar power plant. The group engaged independent expert valuer to determine the fair value of its land and power plants. As at 31 March 2025, hydro electric power plants and solar power plants have been revalued using income approach.

The changes in fair value are recognised in other comprehensive income, statement of profit or loss and in the statement of changes in equity.

Fair value of the hydro and solar plants is determined by independent valuations carried out by Mr. J. M. Senanayaka Bandara, BSc (Hons) Estate Management and a chartered valuation surveyor, who has recent experience in valuing projects. In determining the fair value of solar and hydro plants the income approach has been used, which is based upon assumptions including annual average generation, applicable tariff rate, remaining period of power purchase agreement, anticipated direct cost, appropriate capitalization rate and in determine the fair value of land, make reference to market evidence of transaction prices for similar properties, with appropriate adjustments for size and location. The appraised fair values are approximated within appropriate range of values. Further, key variables of present economic outlook, rates of interest and exchange rates in the financial sector and investor sentiments towards existing and new projects were considers when deciding the income approach for valuation of plants.

Fair value hierarchy

The fair value measurement for all of properties has been categorized as Level 3 fair value based on the input to the valuation technique used.

14.8 Valuation techniques and significant unobservable inputs

14.8.1 Hydro and solar power plants

Entity	Nature	Capacity	Valuation technique	Significant unobservable inputs	Sensitivity of fair value to unobservable inputs	Effective date of valuation
Panasian Power PLC	Hydro power	3 MW	Income approach	Annual average generation-13,468,771 KW	Positively correlated sensitivity	31 March 2025
				Capitalization rate -12%	Negatively correlated sensitivity	
				Outgoing percentage -25%	Negatively correlated sensitivity	
				Total extent-4A -0R-34.76P		
				Per acre - LKR 7,250,000	Positively correlated sensitivity	
				Power purchase agreement -15 Years	Positively correlated sensitivity	
Manelwala Hydropower (Pvt) Ltd	Hydro power	2.4 MW	Income approach	Annual average generation-7,510,744 KW	Positively correlated sensitivity	31 March 2025
				Capitalization rate -12%	Negatively correlated sensitivity	
				Outgoing percentage -25%	Negatively correlated sensitivity	
				Total extent-2A -2R-32.3P		
				Per acre - LKR 5,500,000	Positively correlated sensitivity	
				Power purchase agreement -18 Years	Positively correlated sensitivity	
Padiyapelella Hydropower Limited	Hydro power	4.4 MW	Income approach	Annual average generation-15,332,218 KW	Positively correlated sensitivity	31 March 2025
				Capitalization rate -12%	Negatively correlated sensitivity	
				Outgoing percentage -25%	Negatively correlated sensitivity	
				Total extent-7A -1R-27P		
				Per acre - LKR 5,000,000	Positively correlated sensitivity	
				Power purchase agreement -13 Years	Positively correlated sensitivity	

Entity	Nature	Capacity	Valuation technique	Significant unobservable Inputs	Sensitivity of fair value to unobservable inputs	Effective date of valuation
PAP Solar One (Pvt) Ltd	Rooftop solar	3.2 MW	Income approach	Annual average generation-3,537,708 KW Capitalization rate -12% Outgoing percentage -20% Rental 3%-5% of total revenue	Positively correlated sensitivity Negatively correlated sensitivity Negatively correlated sensitivity Negatively correlated sensitivity	31 March 2025
Solar Power Generation Matara (Pvt) Ltd	Ground solar	2 MW	Income approach	Annual average generation-3,675,042 KW Capitalization rate -12% Outgoing percentage -20% Total extent-8A -0R-0P Per acre - LKR 3,000,000	Positively correlated sensitivity Negatively correlated sensitivity Negatively correlated sensitivity Positively correlated sensitivity	31 March 2025
Panthree Solaro Energy Solutions (Pvt) Ltd	Ground solar	3 MW	Income approach	Annual average generation-4,952,002 KW Capitalization rate -12% Outgoing percentage -20% Total extent-12A -0R-13 P Per acre - LKR 2,425,000	Positively correlated sensitivity Negatively correlated sensitivity Negatively correlated sensitivity Positively correlated sensitivity	31 March 2025
Rajarata Sustainable Development (Pvt) Ltd	Rooftop	2 MW	Income approach	Annual average generation-3,241,361 KW Capitalization rate -12% Outgoing percentage -20% Total extent-9A -0R-28.25 P Per acre - LKR 1,750,000	Positively correlated sensitivity Negatively correlated sensitivity Negatively correlated sensitivity Positively correlated sensitivity	31 March 2025
Finergreen Rajarata (Pvt) Ltd	Rooftop	2 MW	Income approach	Annual average generation-3,303,895 KW Capitalization rate -12% Outgoing percentage -20% Total extent-9A -0R-28.25 P Per acre - LKR 1,750,000	Positively correlated sensitivity Negatively correlated sensitivity Negatively correlated sensitivity Positively correlated sensitivity	31 March 2025
Eco Green Solar Solutions (Pvt) Ltd	Ground solar	1 MW	Income approach	Annual average generation-1,412,956 KW Capitalization rate -12% Outgoing percentage -20%	Positively correlated sensitivity Negatively correlated sensitivity Negatively correlated sensitivity	31 March 2025

14.8.2 Land

Company	Method of valuation	Extent of the land	Significant unobservable input		
			Estimated price per acre LKR	Estimated discount rate	Correlation to fair value
Panasian Power PLC	CMA	4A -0R-34.76P	7,250,000	-	Positively correlated sensitivity
Manelwala Hydropower (Pvt) Ltd	CMA	2A -2R-32.3P	5,500,000	-	Positively correlated sensitivity
Padiyapelella Hydropower Limited	CMA	7A -1R-27P	5,000,000	-	Positively correlated sensitivity
Solar Power Generation Matara (Pvt) Ltd	CMA	8A -0R-0P	3,000,000	-	Positively correlated sensitivity
Panthree Solaro Energy Solutions (Pvt) Ltd	CMA	12A -0R-13 P	2,425,000	-	Positively correlated sensitivity
Rajarata Sustainable Development (Pvt) Ltd	CMA	9A -0R-28.25 P	1,750,000	-	Positively correlated sensitivity
Finergreen Rajarata (Pvt) Ltd	CMA	9A -0R-28.25 P	1,750,000	-	Positively correlated sensitivity

Effective date of valuation was 31 March 2025

14.9 Summary description of valuation methodology

Income Approach (IA)

The income method is used to value properties which are let to produce an income for the investor. conventionally, investment value is a product of rent and yield. Each of these elements is derived using comparison techniques.

Comparable Market Approach (CMA)

Open market value method uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities or a group of assets and liabilities, such as a business.

Depreciated Replacement Cost (DRC)

The depreciated replacement cost method is an acceptable method used in financial reporting to arrive at a surrogate for the market value of specialized and limited properties, for which market evidence is unavailable and net cash flows are unable to predict.

14.10 Details of freehold and leasehold lands of the group

Company	Location	Land extent	
		Leasehold (Perches)	Freehold (Perches)
Panasian Power PLC	Ratturugala, Rathnapura	188.30	548.30
Manelwala Hydropower (Pvt) Ltd	Walapane, Nuwaraeliya	631.41	520.54
Padiyapelella Hydropower Limited	Walapane, Nuwaraeliya	98.84	1,542.29
Eco Green Solar Solutions (Pvt) Ltd	Beliatta	754.00	-
Panthree Solaro Energy (Pvt) Ltd	Matara	-	640.00
Panthree Solaro Energy (Pvt) Ltd	Pannala	-	487.00
Panthree Solaro Energy (Pvt) Ltd	Maho	-	806.00
Solar Power Generation Matara (Pvt) Ltd	Matara	-	1,280.00
Rajarata Sustainable Development (Pvt) Ltd	Maradankadawala	-	828.25
Rajarata Sustainable Development (Pvt) Ltd	Thirappane	-	640.00
Finergreen Rajarata (Pvt) Ltd	Maradankadawala	-	828.25
Finergreen Rajarata (Pvt) Ltd	Thirappane	-	640.00
PAP MHPL Solar (Pvt) Ltd	Kurunegala	-	3,200.00
PAP MHPL Solar (Pvt) Ltd	Ampara	3,455.10	-
PAP SPGM Solar (Pvt) Ltd	Matara	-	3,366.00
PAP PTS Solar (Pvt) Ltd	Maho	2,975.00	-
PAP EGSS Solar (Pvt) Ltd	Anuradhapura	3,615.25	-
PAP EGSS Solar (Pvt) Ltd	Hiyare	3,047.04	-
PAP EGSS Solar (Pvt) Ltd	Baddegama	-	3,142.05

14.11 Assets pledged as securities

Carrying value of property, plant & equipment of the group are pledged as security for bank borrowings (refer note 30.1).

14.12 Temporarily idle property, plant & equipment

There was no temporarily idle property, plant & equipment as of 31 March 2025.

14.13 Capitalized borrowing costs

The group's property, plant and equipment includes borrowing cost arising from bank loans borrowed specifically for their development. No borrowings costs were capitalised during the year (2023/2024 -Nil).

15. CAPITAL WORK IN PROGRESS

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Balance at the beginning of the year	118,391,792	13,076,121	17,791,432	10,528,278
Additions during the year	1,272,538,493	107,239,523	294,894	7,263,154
Capitalised during the year	(14,791,432)	(1,856,352)	(14,791,432)	-
Reversal during the year	(500,000)		(500,000)	
Charged to income statement	-	(67,500)	-	-
	1,375,638,853	118,391,792	2,794,894	17,791,432

The group's capital work in progress includes borrowing cost arising from bank loans borrowed specifically for their development. The borrowings cost capitalised during the year was amounted to LKR 39Mn (2023/2024 -NIL).

16. LEASES

As a lessee

The group has lease contracts for office building & lands used for ground solar projects. The following table summarizes the lease terms and remaining durations for each company

Company	Description	Lease term	Remaining lease term
Panasian Power PLC	Office building- level 4	8 years	2 years 9 months
Panasian Power PLC	Office building- level 2	4 years 4 months	3 years 9 months
Eco Green Solar Solutions (Pvt) Ltd	Land	30 years	23 years
PAP EGSS Solar (Pvt) Ltd	Land	22 years	21 years
PAP PTS Solar (Pvt) Ltd	Land	29 years	28 years

16.1 Right of use assets

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Cost				
Balance at the 01 April	95,322,145	41,304,421	38,732,838	38,732,838
Obtained during the year	31,906,893	54,017,724	27,758,961	-
Balance as at the end of the year	127,229,038	95,322,145	66,491,799	38,732,838
Accumulated depreciation				
Balance at the 01 April	16,092,009	9,571,398	15,493,137	9,295,883
Depreciation for the year	12,579,714	6,520,611	9,934,037	6,197,254
Balance as at the end of the year	28,671,723	16,092,009	25,427,174	15,493,137
Net book value as at 31 March	98,557,315	79,230,136	41,064,625	23,239,701

16.1.1 Set out below are the carrying amount of right of use assets recognized

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Land	57,492,690	55,990,435	-	-
Office premises	41,064,625	23,239,701	41,064,625	23,239,701
	98,557,315	79,230,136	41,064,625	23,239,701
Depreciation charge of right of use assets				
Land	2,645,677	323,357	-	-
Office premises	9,934,037	6,197,254	9,934,037	6,197,254
	12,579,714	6,520,611	9,934,037	6,197,254

17. INTANGIBLE ASSETS

17.1 Right to generate hydropower

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Cost				
At the beginning of the year	21,191,000	21,191,000	15,191,000	15,191,000
Addition during the year	500,000	-	500,000	-
At the end of the year	21,691,000	21,191,000	15,691,000	15,191,000
Accumulated amortisation				
At the beginning of the year	20,892,570	19,975,925	14,892,567	13,975,922
Amortisation charge for the year	317,179	916,645	317,179	916,645
At the end of the year	21,209,749	20,892,570	15,209,746	14,892,567
Carrying amount	481,251	298,430	481,254	298,433

17.1.1 The right to generate hydropower represent the amounts paid to purchase exclusive rights to generate hydro electric power. The group amortize this right over 20 years on a straight line basis beginning from the year of commercial operation.

17.2 Right to generate solar power

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Eco Green Solar Solutions (Pvt) Ltd	9,515,000	10,175,000	-	-
Solar Power Generation Matara (Pvt) Ltd	11,875,000	12,625,000	-	-
Rajarata Sustainable Development (Pvt) Ltd	24,716,879	26,242,712	-	-
Finergreen Rajarata (Pvt) Ltd	22,780,640	24,215,636	-	-
	68,887,519	73,258,348	-	-
Right to generate solar power				
Cost				
At the beginning of the year	87,400,000	87,400,000	-	-
Additions during the year	-	-	-	-
At the end of the year	87,400,000	87,400,000	-	-
Accumulated amortisation				
At the beginning of the year	14,141,652	9,771,657	-	-
Amortisation charge for the year	4,370,829	4,369,995	-	-
At the end of the year	18,512,481	14,141,652	-	-
Carrying amount as at 31 March	68,887,519	73,258,348	-	-

17.2.1 The right to generate solar power represent the amounts paid to purchase exclusive rights to generate solar power. The group amortize this right over 20 years on straight line basis beginning from the year of commercial operations.

17.3 Software License

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Cost				
At the beginning of the year	3,585,780	1,589,802	3,585,780	1,589,802
Additions during the year	693,313	1,995,978	693,313	1,995,978
At the end of the year	4,279,093	3,585,780	4,279,093	3,585,780
Accumulated amortisation				
At the beginning of the year	1,677,843	1,435,636	1,677,843	1,435,636
Amortisation charge for the year	667,046	242,207	667,046	242,207
At the end of the year	2,344,889	1,677,843	2,344,889	1,677,843
Carrying amount	1,934,204	1,907,937	1,934,204	1,907,937

17.3.1 Software license of group/company includes fully amortized assets having a gross carrying amount of LKR 1,404,802/- (LKR 1,404,802/- in 2024)

17.4 Total carrying value of intangible assets is as follows,

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Total carrying value of intangible assets	71,302,974	75,464,715	2,415,458	2,206,369
Total amotisation for the year	5,355,054	5,528,847	984,225	1,158,853

18. INVESTMENT IN SUBSIDIARIES

Investment in subsidiaries is initially recognized at cost in the financial statement of the company. Any transaction cost relating to acquisition of investment in subsidiary is imminently recognized in the income statement.

After the initial recognition, investment in subsidiaries are carried at cost less any accumulated impairment losses.

As at 31 March	Company		No of shares			Company		
	2025 Effective Holding %	2024 Effective Holding %	2025 No.	Addition/ Disposal No.	2024 No.	2025 LKR	Addition/ Disposal LKR	2024 LKR
	Manelwala Hydropower (Pvt) Ltd	100%	100%	17,620,073	-	17,620,073	565,107,184	-
Panasian Investments (Pvt) Ltd	100%	100%	12,800,000	-	12,800,000	128,000,000	-	128,000,000
Panthree Solaro Energy (Pvt) Ltd	100%	0%	5,500,000	5,500,000	-	55,000,000	55,000,000	-
Padiyapelella Hydropower Limited	83%	83%	37,350,000	-	37,350,000	537,070,510	-	537,070,510
Rajarata Sustainable Development (Pvt) Ltd	100%	0%	2,300,000	2,300,000	-	23,000,000	23,000,000	-
Finergreen Rajarata (Pvt) Ltd	100%	0%	6,900,000	6,900,000	-	69,000,000	69,000,000	-
R-E-D Capital Asia (Pvt) Ltd	51%	100%	510,001	510,000	1	5,100,010	5,100,000	10
Panasian Solar (Pvt) Ltd	100%	100%	1	-	1	10	-	10
			82,980,075	15,210,000	67,770,075	1,382,277,714	152,100,000	1,230,177,714

19. INVESTMENT IN PREFERENCE SHARES

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Eco Green Solar Solutions (Pvt) Ltd	-	-	23,000,000	23,000,000
Powergen One (Pvt) Ltd	-	4,153,902	-	-
	-	4,153,902	23,000,000	23,000,000

19.1 Powergen One (Pvt) Ltd redeemed preference share issued to Panasian Investments (Pvt) Ltd amounting to LKR 4,153,902/- (2023/24 LKR 6,923,060/-).

20. INVESTMENT IN EQUITY ACCOUNTED INVESTEE

As at 31 March	Holding %	Group		Company	
		2025 LKR	2024 LKR	2025 LKR	2024 LKR
Powergen One (Pvt) Ltd (Note 20.2)	50%	10,466,193	10,195,610	-	-
		10,466,193	10,195,610	-	-

The group has 50% interest in Powergen One (Pvt) Ltd, a joint venture involved in the solar power generation.

The group recognizes its interest in joint ventures using the equity method as per paragraph 16 of LKAS 28 -Interests in associate and joint ventures. The summarized financial information of the joint venture and reconciliation with the carrying amount of the investment are set out below.

20.1 Share of net results of equity accounted investee

As at 31 March	2025 LKR	2024 LKR
	Powergen One (Pvt) Ltd	Powergen One (Pvt) Ltd
Revenue	5,366,504	7,674,854
Operating expense including cost of sales	(3,346,129)	(3,815,959)
Net finance income/(cost)	1,227,641	(2,135)
Revaluation (loss) on revalued assets	(4,778,672)	(845,304)
Profit/(loss) before taxation - 100%	(1,530,656)	3,011,455
Income tax expenses	2,640,378	-
Profit after tax - 100%	1,109,722	3,011,455
Group share of results of equity accounted investee net of tax (50%) - before adjustments	554,861	1,505,728
Depreciation on unrealized profit on sale of PPE	293,138	293,138
Group share of results of equity accounted investee net of tax (50%) - after adjustments	847,999	1,798,865
Other comprehensive (loss) - 100%	(1,154,833)	-
Group share of results of equity accounted investee net of tax (50%)	(577,416)	-
Total comprehensive income/(loss) (100%)	(45,111)	3,011,455

20.1.1 Share of net financial highlights of equity accounted investees

As at 31 March	2025 LKR	2024 LKR
	Powergen One (Pvt) Ltd	Powergen One (Pvt) Ltd
Non-current assets	24,943,976	29,500,000
Current assets (including cash and cash equivalents)	3,735,970	6,725,276
Non-current liabilities	-	(4,153,902)
Current liabilities	(602,758)	(3,949,076)
Net assets (100%)	28,077,188	28,122,298
Cash and cash equivalents	2,732,165	5,280,739

20.2 Reconciliation for carrying amount of equity accounted investee

As at 31 March	2025	2024
	LKR	LKR
	Powergen One (Pvt) Ltd	Powergen One (Pvt) Ltd
Initial Investment	12,515,200	12,515,200
Group share of unrealised profit	(5,862,756)	(5,862,756)
Retain earnings	8,358,410	7,803,549
Depreciation on unrealised profit	2,027,536	1,734,398
Group share of revaluation of equity accounted investee net of tax (50%)	(577,416)	-
Dividend paid	(5,994,781)	(5,994,781)
Net investment in joint venture	10,466,193	10,195,610

Powergen One (Pvt) Ltd was incorporated on 27 December 2017 as a Joint Venture between Panasian Investments (Pvt) Ltd, which is a fully owned subsidiary of Panasian Power PLC and Jinadasa Brothers (Pvt) Ltd, to install and operate 350 KW rooftop solar power plant in the rooftop of factory owned by Jinadasa Brothers (Pvt) Ltd located in Borelasgamuwa, Sri Lanka.

21. OTHER NON FINANCIAL ASSETS

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Lower Kothmale Oya Power Two (Pvt) Ltd (Note 21.1)	20,000,000	4,000,000	20,000,000	4,000,000
Medakumbura mini hydropower project (Note 21.2)	2,115,150	2,115,150	2,115,150	2,115,150
	22,115,150	6,115,150	22,115,150	6,115,150

21.1 The company has acquired Lower Kothmale Oya Power Two (Pvt) Ltd, to design and build 2MW hydropower plant in Lower Kothmale Oya upon receiving the Letter of Intent from Ceylon Electricity Board. During the financial year the company has paid LKR 4Mn for said acquisition and the company has capitalized LKR 12Mn which has incurred for initial approvals.

21.2 On 31 July 2017 the company entered in to an agreement with the owners of Medakumbura mini hydropower project , to purchase the approvals and location of the project upon receiving Letter of Intent from Ceylon Electricity Board. The company has paid an advance for said acquisition amounting to LKR 2.1Mn to owners of Medakumbura mini hydropower project.

22. INVENTORIES

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Finished goods	54,256,591	122,108,921	-	-
Spare parts	30,033,899	34,706,925	1,358,159	1,023,407
Raw material	7,157,033	1,145,117	-	-
Work in progress	11,506,051	28,357,023	-	-
(-) Provision for NRV adjustment	(3,820,365)	-	-	-
	99,133,209	186,317,986	1,358,159	1,023,407

22.1 The carrying value of finished goods inventory as at 31 March 2025, has been pledged as security for bank borrowings (Note 30.1).

22.2 There is no requirement to make provision for slow moving inventories as at 31 March 2025.

23. INVESTMENT IN INVESTMENT FUND-FVTPL

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Balance at the beginning of the year	30,936,127	6,414	-	-
Investments made during the year	552,550,000	133,500,000	56,050,000	-
Fair value gain/(loss)	5,768,696	929,713	104,640	-
Withdrawals during the year	(551,050,000)	(103,500,000)	(56,050,000)	-
Balance at the end of the year	38,204,823	30,936,127	104,640	-

24. TRADE AND OTHER RECEIVABLES

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Trade receivables (Note 24.1)	182,421,606	252,759,773	6,101,439	8,274,850
Other receivables (Note 24.2)	184,195,304	57,633,461	63,118,552	12,726,034
	366,616,910	310,393,234	69,219,991	21,000,884

24.1 Trade receivables

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Ceylon Electricity Board	119,027,102	199,675,356	6,101,439	8,274,850
Other trade debtors	67,641,141	71,564,776	-	-
Related party debtors	1,130,061	-	-	-
Less; provision for doubtful debts (Note 24.1.2)	(5,376,698)	(18,480,359)	-	-
	182,421,606	252,759,773	6,101,439	8,274,850

A receivable represents the group's right to an amount of consideration that is unconditional. Trade receivables are non interest bearing and are generally in terms of 30 to 90 days. During the year LKR 5.3MN (2024 - 18.4MN) and nil (2024- Nil) for the group and the company respectively, was recognized as a provision for expected credit losses on trade receivables.

24.1.1 Age Analysis of trade receivables is set out below

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Below 30 days	116,839,667	167,411,364	6,101,439	2,809,552
30 to 60 days	47,984,048	17,274,048	-	5,465,298
61 to 180 days	10,225,126	56,049,152	-	-
Over 180 days	7,372,765	12,025,209	-	-
	182,421,606	252,759,773	6,101,439	8,274,850

24.1.2 Set out below is the movement in the allowance for expected credit losses of trade receivables

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
As at 1 April	18,480,359	19,441,335	-	2,544,690
Provision for expected credit loss	2,558,740	12,820,725	-	-
Provision reversal/payment received during the year	(10,002,767)	(13,781,701)	-	(2,544,690)
Write off during the year	(5,659,634)	-	-	-
As at 31 March	5,376,698	18,480,359	-	-

24.1.3 Base on the assessment carried out by the board of directors as at 31 March 2025, LKR 5.3Mn has been provided as an impairment provision against trade receivable over 365 days outstanding.

24.2 Other receivables

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Deposits paid	12,546,968	9,543,000	5,646,250	3,140,000
Prepayments	17,546,152	6,361,174	4,201,162	3,148,020
Advance paid	127,685,245	11,348,625	4,570,405	5,037,840
Other receivable	26,416,939	30,380,662	1,079,486	1,400,174
Dividend receivable	-	-	47,621,250	-
	184,195,304	57,633,461	63,118,552	12,726,034

25. AMOUNT DUE FROM RELATED COMPANIES

As at 31 March	Company Name	Relationship	Group		Company	
			2025 LKR	2024 LKR	2025 LKR	2024 LKR
	Solar Power Generation Matara (Pvt) Ltd	Subsidiary	-	-	-	10,249,992
	Manelwala Hydropower (Pvt) Ltd	Subsidiary	-	-	-	1,120,137
	Lower Kothmale Oya Power Two (Pvt) Ltd (Note 25.1)	Affiliate	682,753	8,434,692	682,754	6,082,361
	Panasian Investments (Pvt)Ltd	Subsidiary	-	-	32,141,425	15,487,978
	Pap Solar One (Pvt) Ltd	Subsidiary	-	-	-	23,674,833
	Eco Green Solar Solutions (Pvt) Ltd	Subsidiary	-	-	66,309,695	51,855,598
	Powergen One (Pvt) Ltd	Joint venture	280,827	3,436,955	243,902	44,856
	Finergreen Rajarata (Pvt) Ltd	Subsidiary	-	-	-	65,729,745
	Rajarata Sustainable Development (Pvt) Ltd	Subsidiary	-	-	-	26,604,144
	Panthree Solaro Energy (Pvt) Ltd	Subsidiary	-	-	3,542,875	37,227,729
	Panasian Solar (Pvt) Ltd	Subsidiary	-	-	13,843,161	1,502,299
	Finergreen Gannoruwa (Pvt) Ltd (Note 25.1)	Affiliate	268,619	168,142	268,619	96,736
	Finergreen Mattala (Pvt) Ltd (Note 25.1)	Affiliate	271,205	163,109	271,205	78,370
	Finergreen Ridiyagama (Pvt) Ltd(Note 25.1)	Affiliate	7,040,091	144,219	7,040,091	62,609
	R-E-D Capital Asia (Pvt) Ltd	Subsidiary	-	-	50,316,194	161,653,273
	Solar One Asia (Pvt) Ltd	Affiliate	6,498,907	-	2,216,475	-
	RIL Property PLC	Ultimate parent	3,193,151	-	-	-
			18,235,553	12,347,117	176,876,396	401,470,660

25.1 Amounts due from Lower Kothmale Oya Power Two (Pvt) Ltd, Finergreen Gannoruwa (Pvt) Ltd, Finergreen Mattala (Pvt) Ltd, Finergreen Ridiyagama (Pvt) Ltd and Solar One Asia (Pvt) Ltd were not taken for the consolidation due to assets acquired and liabilities assumed does not constitute a business (SLFRS 3).

25.2 The summary of related party balances movement is elaborated in note no. 35

25.3 Due to short term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

25.4 Based on the assessment of potential impairment carried out internally by the board of directors as at 31 March 2025, no provision was required to be made in the financial statement.

26. CASH AND CASH EQUIVALENTS

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Cash at bank	921,104,445	274,715,904	64,719,530	74,728,641
Cash in hand	1,980,003	1,355,003	200,000	200,000
Short term deposits	249,941,353	194,476,229	10,277,105	9,548,367
Cash and cash equivalents	1,173,025,801	470,547,136	75,196,635	84,477,008
Bank overdraft	(65,335,840)	(34,700,768)	(3,626,516)	(992,556)
Cash and cash equivalents for the purpose of cash flow statement	1,107,689,961	435,846,368	71,570,119	83,484,452

27. EQUITY

27.1 Stated Capital

As at 31 March	Group		Company	
	2025	2024	2025	2024
Issued and fully paid number of shares				
Ordinary shares	625,000,000	625,000,000	625,000,000	625,000,000
Value of issued and fully paid shares				
Ordinary shares (LKR)	1,030,000,000	1,030,000,000	1,030,000,000	1,030,000,000

The holders of ordinary shares are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the company.

The ultimate parent is having 75% stake of Panasian Power PLC as at 31 March 2025.

27.2 Revaluation Reserve

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Balance as at 1 April	1,353,080,032	1,002,913,989	440,008,695	406,091,374
Addition/(reversal) during the year	(115,696,925)	350,166,043	(16,561,828)	33,917,321
Balance as at 31 March (LKR)	1,237,383,107	1,353,080,032	423,446,867	440,008,695

During the year revaluation gain against loss charged to profit and loss statement is LKR 12,103,207/ (2023/24: LKR 23,965,067/).

28. RETIREMENT BENEFIT OBLIGATION

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Present value of unfunded obligations	17,641,274	11,550,170	13,715,228	9,561,523
Total present value of the obligation	17,641,274	11,550,170	13,715,228	9,561,523
Movement in present value of the retirement benefit obligation				
Balance as at the beginning of the year	11,550,170	7,957,081	9,561,523	6,251,477
Current service cost	2,464,665	1,205,567	1,914,264	979,932
Interest cost	1,386,021	1,352,704	1,147,383	1,062,751
Actuarial (gain) / losses	3,175,515	2,232,401	2,027,154	1,921,113
	18,576,371	12,747,753	14,650,325	10,215,273
Payments during the year	(935,097)	(761,333)	(935,097)	(217,500)
Transferred to payable	-	(436,250)	-	(436,250)
Balance as at end of the year	17,641,274	11,550,170	13,715,227	9,561,523
Expense recognized in profit or loss;				
Interest cost	1,386,021	1,352,704	1,147,383	1,062,751
Current service cost	2,464,665	1,205,567	1,914,264	979,932
	3,850,686	2,558,271	3,061,647	2,042,683
Actuarial gains or losses recognized in other comprehensive income				
Recognized during the year	3,175,515	2,232,401	2,027,154	1,921,113

The average yield of treasury bond rate has been used as the discounted rate.

The group operates a retirement benefit plans under the regulatory frameworks in Sri Lanka under payment of gratuity Act No. 12 of 1983. The level of benefit provided depends on members' length of service and their monthly salary in each year leading up to retirement. This plan is not subject to receive inflationary increases once in payment. The group does not maintain any trustee administered funds instead the plan is funded by the group as and when the obligation falls due. The actuarial valuation was carried out by a professional qualified firm of actuaries, Meserss Actuarial & Management Consultants (Pvt) Ltd as at 31 March 2025 using "Projected Unit Credit Method" recommended by LKAS 19 - "Employee Benefits".

28.1 Principal actuarial assumptions used

As at 31 March	Group		Company	
	2025	2024	2025	2024
Rate of discount	10%	12%	10%	12%
Expected salary increment rate	10%	10%	10%	10%

Assumptions regarding future mortality are based on 1967/70 Mortality Tables issued by Institute of Actuaries, London.

The weighted average duration of the retirement benefit obligation of the company and the subsidiary at the end of the reporting period is 3.6 years and 7.8 Years respectively. The expected maturity analysis of undiscounted retirement benefit obligation is as follows;

28.2 Maturity profile of the defined benefit obligation plan

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Less than next 12 months	3,558,973	1,422,452	3,113,091	1,135,084
Between 1-2 years	5,334,264	2,715,924	4,715,893	2,267,164
Between 2-5 years	4,055,990	3,229,297	3,325,352	2,753,738
Between 5-10 years	2,562,321	2,121,596	1,663,138	1,707,329
Over 10 years	2,129,725	2,060,900	897,754	1,698,208
	17,641,273	11,550,169	13,715,228	9,561,523

28.3 Sensitivity of assumptions employed in actuarial valuation

The following table demonstrates the sensitivity to a reasonable possible change in key assumptions employed with all other variables held constant in the retiring benefit obligations measurement as at 31 March 2025. The sensitivity of the statement of financial position and statement of comprehensive income is the effect of the assumed changes in the discount rate on the profit or loss and retiring benefit obligation for the year.

As at 31 March	Group		Company	
	LKR	LKR	LKR	LKR
A one percentage point change in discount rate	+1%	-1%	+1%	-1%
As at 31 March 2025 (increase/(decrease))	(16,910,822)	18,450,802	(13,278,970)	14,183,586
As at 31 March 2024 (increase/(decrease))	(10,983,425)	12,174,237	(9,099,154)	10,069,138
A one percentage point change in salary escalation rate				
As at 31 March 2025 (increase/(decrease))	18,522,953	(16,830,640)	14,240,310	(13,217,413)
As at 31 March 2024 (increase/(decrease))	12,225,197	(10,928,100)	10,114,726	(9,050,175)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the retirement benefit obligation to significant actuarial assumptions the same method (present value of defined obligation calculated with the projected unit credit method at end of the reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

29. LEASE LIABILITIES

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Balance as at the beginning of the year	85,927,425	42,235,633	34,128,913	39,614,679
Obtained during the year	31,906,893	54,017,724	27,758,961	-
Lease rentals paid during the year	(18,929,390)	(14,369,600)	(12,767,390)	(8,769,600)
Accretion of interest	10,707,365	4,043,667	4,254,562	3,283,834
Balance as at the end of the year	109,612,293	85,927,425	53,375,046	34,128,913
Maturity analysis of lease liability - discounted				
Due within one year	14,580,200	10,138,508	14,536,558	5,600,770
	14,580,200	10,138,508	14,536,558	5,600,770
Due after one year and within five years	39,270,015	46,668,837	38,838,488	28,528,143
Due after five years	55,762,078	29,120,080	-	-
	95,032,093	75,788,917	38,838,488	28,528,143
	109,612,293	85,927,425	53,375,046	34,128,913
Maturity analysis of lease payment - undiscounted				
Due within one year	25,048,020	15,189,230	18,719,160	9,427,230
	25,048,020	15,189,230	18,719,160	9,427,230
Due after one year and within five years	77,398,201	62,920,062	42,995,446	31,454,766
Due after five years	130,654,999	128,321,318	-	-
	208,053,200	191,241,380	42,995,446	31,454,766
	233,101,220	206,430,610	61,714,606	40,881,996

29.1 Set out below are the carrying amounts of lease liabilities

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Land	56,237,247	51,798,512	-	-
Office premises	53,375,046	34,128,913	53,375,046	34,128,913
	109,612,293	85,927,425	53,375,046	34,128,913

29.2 Following are the amounts recognised in profit or loss:

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Depreciation expenses of right-of-use assets	12,579,714	6,520,611	6,197,254	6,197,254
Interest expenses on lease liability	4,448,062	4,043,667	1,044,299	853,796
	17,027,776	10,564,278	7,241,553	7,051,050

29.3 The total cashflows made with respect to leases is LKR 18.92Mn (2024 -LKR 14.36Mn)

29.4 During the year lease interest amounting to LKR 6.25Mn was included in capital work in progress.

30. INTEREST BEARING LOANS AND BORROWINGS

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Balance as at the beginning of the year	1,657,435,644	1,760,679,031	162,357,800	123,651,389
Obtained/ restructured during the year	1,975,890,155	755,218,030	-	189,497,804
Repayments made during the year	(780,163,478)	(858,461,417)	(74,774,400)	(150,791,393)
	2,853,162,321	1,657,435,644	87,583,400	162,357,800
Accrued interest	8,845,695	-	-	-
Loan processing fees	(24,536,836)	(7,738,099)	(915,258)	(1,515,186)
Balance as at the end of the year	2,837,471,180	1,649,697,545	86,668,142	160,842,614
Due within one year - loan repayment	337,478,571	472,144,008	52,969,400	74,774,400
Due within one year - accrued interest	8,845,695	-	-	-
Due within one year - loan processing fees	(3,672,092)	(1,569,183)	(523,004)	(606,072)
	342,652,174	470,574,825	52,446,396	74,168,328
Due after one year and within five years - loan repayment	1,538,265,410	1,124,141,628	34,614,000	87,583,400
Due after one year and within five years- loan processing fees	(12,748,833)	(6,069,164)	(392,254)	(909,114)
Due after five years - loan repayment	977,418,332	61,150,008	-	-
Due after five years- loan processing fees	(8,115,911)	(99,752)	-	-
	2,494,818,998	1,179,122,720	34,221,746	86,674,286

30.1 Security and loan repayment terms

Loan obtained by	Bank/ financial institution	Group		Company		Facility value LKR
		2025 LKR	2024 LKR	2025 LKR	2024 LKR	
Panasian Power PLC	Sampath Bank PLC	6,815,000	35,435,000	6,815,000	35,435,000	200,000,000
	Commercial Bank of Ceylon PLC	80,768,400	126,922,800	80,768,400	126,922,800	150,000,000
Manelwala Hydropower (Pvt) Ltd	National Development Bank PLC	-	2,514,344	-	-	20,000,000
Padiyapelella Hydropower Limited		167,000,000	224,000,000			500,000,000
	Sampath Bank PLC	-	49,000,000	-	-	100,000,000
Panasian Investments (Pvt) Ltd	National Development Bank PLC	-	3,115,443	-	-	27,000,000
	National Development Bank PLC	8,195,100	41,338,258	-	-	150,000,000
	Sampath Bank PLC	-	99,006,000	-	-	150,000,000
	Union Bank of Colombo PLC	15,270,435	-	-	-	100,000,000
Eco Green Solar Solutions (Pvt) Ltd		13,560,000	25,260,000	-	-	50,000,000
		39,950,000	45,500,000	-	-	70,000,000
	Sampath Bank PLC	-	2,405,000	-	-	4,920,000
		-	7,224,000	-	-	13,000,000
		-	3,198,000	-	-	5,750,000
Solar Power Generation Matara (Pvt) Ltd	Sampath Bank PLC	152,000,000	176,000,000	-	-	240,000,000

Purpose	Interest rate	Repayment term	Security
To absorb a part of the existing term loan of LKR 320Mn granted to part finance the acquisition cost of Padiyapelella Hydropower Limited	AWPLR + 1%	84 monthly installments	Primary mortgage bond of LKR 320Mn over project lands together with project assets including civil structures, power generating plants machinery and other equipment of Manelwala mini hydropower project
To re-structure TOD facility of LKR 150,000,000/-	AWPLR + 1.5%	42 monthly installments (including 3 months grace period)	Corporate guarantee for LKR 150,000,000/- of R I L Property PLC
Install solar power panels in the factory roof of Bernard Boteju Industries (Pvt) Ltd in Kohuwala	6.30%	78 monthly installments	Corporate guarantee from Panasian Power PLC
To absorb a part of the term loans granted to Panasian Power PLC to part finance the acquisition and implementation cost of Padiyapelella mini hydropower project	AWPLR + 1%	120 monthly installments	Primary mortgage bond of LKR 490Mn over project lands together with project assets including civil structures, power generating plants machinery and other equipment of Padiyapelella mini hydropower project
To service capital & interest arrears and to finance operation and maintenance expenses	AWPLR + 2%	24 monthly Installments (Including 12 months grace period)	Primary mortgage bond for LKR 10Mn over 100% of shares issued by Padiyapelella Hydropower Ltd and owned by Panasian Power PLC and Palace Path Holding (Pvt) Ltd, supported by an irrevocable power of attorney from the shareholders in favour of Sampath Bank PLC with the right to transfer the shares mortgaged to the bank
To install solar power panels in the factory roof of JBPL in Boralesgamuwa	6.30%	78 monthly Installments	Corporate guarantee from Panasian Power PLC Primary mortgage over project assets including the access rights
To facilitate the import of solar panels and inverters	AWPLR +3%	Maximum 120 days from date of grant	Lien over fixed deposit and LKR 150Mn corporate guarantee from Panasian Power PLC Primary mortgage over stocks and book debts for LKR 150Mn
To facilitate the import of solar panels and inverters	AWPLR + 2%	Maximum 120 days from date of grant	Lien over weekly saving build up and LKR 150Mn corporate guarantee from Panasian Power PLC
To facilitate the import of solar panels and inverters	AWPLR + 1%	Maximum 120 days from date of grant	Mortgage over stock, book debt for LKR 300Mn and LKR 300Mn corporate guarantee from Panasian Power PLC
To part finance Beliatta 1 SBSPII solar PV project	AWPLR + 1%	84 monthly installments (including 12 months grace period)	Primary mortgage over project assets for LKR 85Mn
To part finance Beliatta 1 SBSPII solar PV project	AWPLR + 1%	120 monthly installments (including 12 months grace period)	Primary mortgage over 100% of the ordinary shares of the borrower in issue at any given time supported with the share transfer forms signed in blank together with an irrevocable power of attorney in favour of Sampath Bank PLC securing 50Mn
To service arrears capital restructured loan	AWPLR + 1%	24 monthly installments (including 6 months grace period)	
To service arrears capital restructured loan	12.50%	24 monthly installments (including 6 months grace period)	Corporate guarantee from Padiyapelella Hydropower Limited for LKR 135Mn
To absorb the current account excess	AWPLR	24 monthly installments (including 6 months grace period)	
To part finance 1 MW Matara 2 SBPII solar PV power project & 1 MW Matara 3 SBPII solar PV power project	AWPLR + 1%	132 monthly installments (including 12 months grace period)	Primary mortgage over free hold rights of project land marked as lot II and lot 1 a sum of LKR 260Mn Additional mortgage bond for LKR 260 Mn over entirety of shares issued to Solar Power Generation Matara (Pvt) Ltd supported by an irrevocable power of attorney

30.1 Security and loan repayment terms (contd.)

Loan obtained by	Bank/ financial institution	Group		Company		Facility value LKR
		2025 LKR	2024 LKR	2025 LKR	2024 LKR	
Panthree Solaro Energy (Pvt) Ltd	Sampath Bank PLC	80,000,000	92,000,000	-	-	120,000,000
		-	1,733,000	-	-	27,500,000
	Seylan Bank PLC	37,650,000	48,825,000	-	-	60,000,000
		70,000,000	70,000,000	-	-	70,000,000
		34,900,000	44,700,000	-	-	54,000,000
		65,000,000	65,000,000	-	-	65,000,000
		-	12,920,811	-	-	30,169,607
Pap Solar One (Pvt) Ltd	National Development Bank PLC	-	2,514,344	-	-	28,000,000
		87,291,658	96,659,124	-	-	325,000,000
		-	549,497	-	-	4,900,000
Rajarata Sustainable Development (Pvt) Ltd	National Development Bank PLC (Restructured facilities)	111,375,000	112,575,000	-	-	112,650,000
		63,052,449	63,329,013	-	-	68,769,376
		-	3,928,840	-	-	13,100,000
		-	11,066,667	-	-	24,900,000
Finergreen Rajarata (Pvt) Ltd	National Development Bank PLC (Restructured facilities)	111,900,000	112,500,000	-	-	112,650,000
		57,537,611	63,136,655	-	-	67,807,940
		-	10,928,840	-	-	13,100,000
		-	4,150,000	-	-	24,900,000
		-	-	-	-	-

Purpose	Interest rate	Repayment term	Security
To part finance setting up cost of a ground mounted solar project at Matara	AWPLR + 1%	132 monthly installments (including 12 month grace period)	Primary mortgage over land, project assets and documents for LKR 130Mn Additional mortgage bond for LKR 90Mn and for LKR 40Mn over entirety of shares issued by Panthree Soalro Energy (Pvt) Ltd
To finance the capital , interest,O&M commitments of the bank against CEB receivables	AWPLR + 1%	24 monthly installments (including 6 months grace period)	Additional mortgage bond over project assets (plant & machinery including lands) of the company together with all permits/license issued by regulatory bodies for LKR 32Mn
To finance ground solar project in Maho	Quarterly AWPLR +1.25%	59 monthly installments(including 4 months grace period)	Primary mortgage over land, project assets and documents for LKR 130Mn and corporate guarantee for 130Mn from Panasian Power PLC
To finance ground solar project in Maho	Quarterly AWPLR +1.5%	110 monthly installments (including 62 months grace period)	
To finance ground solar project in Pannala	Quarterly AWPLR +1.25%	60 monthly installments (including 4 months grace period)	Primary mortgage over land, project assets and documents for LKR 119Mn and corporate guarantee for 119Mn from Panasian Power PLC
To finance ground solar project in Pannala	Quarterly AWPLR +1.5%	110 monthly installments (including 62 months grace period)	
To finance the Interest commitments of the bank against CEB receivables	AWPLR + 1.25%	24 monthly installments	
Install solar power panels in the factory roof of Bernard Boteju Industries (Pvt) Ltd in Kolonna	6.30%	84 monthly installments (including 6 months grace period)	Corporate guarantee from Panasian Power PLC
to fiannce the cost of Installation of solar power panels in the factory roof of Hela Clothing (Pvt) Ltd at Mawathagama, Narammala, Uhumeeya, Melsiripura, Palapathwala	AWPLR + 2%	54 monthly installments	LKR 325 Mn corporate guarantee from Panasian Power PLC and Primary mortgage over project assets including the access rights
Acquisition of brand new Mistubishi double cab	13.90%	60 monthly installments	Primary mortgage over vehicle
Install & commission 2.5 MW rooftop solar power project in the district of Anuradhapura	AWPLR + 3.25%	84 monthly installments (including 9 months grace period)	Primary mortgage over the movable project assets including machinery, documents, licenses, approvals, agreements, contract bonds, cash flows, book debts, insurance proceeds and receivables
	AWPLR +0.25%	42 monthly installments (including 9 months grace period)	Primary mortgage over project lands (freehold and leasehold) upon the borrower obtaining title to the said lands
	AWPLR +0.25%	12 monthly installments (including 5 months grace period)	Primary mortgage over 100 % shares of the borrower held by J Dissanayake and Pap Solar One (Pvt) Ltd
Install & commission 2.5 MW rooftop solar power project in the district of Anuradhapura	AWPLR + 2.5%	30 monthly installments (including 6 months grace period)	LKR 230Mn corporate guarantee from Panasian Power PLC
	AWPLR + 3.25%	59 monthly installments (including 9 months grace period)	Primary mortgage over the movable project assets including machinery, documents, licenses, approvals, agreements, contract, bonds, cash flows, book debts, insurance proceeds and receivables
	AWPLR + 0.25%	47 monthly installments (including 9 months grace period)	Primary mortgage over project lands (freehold and leasehold) upon the borrower obtaining title to the said lands
			Primary mortgage over 100 % shares of the borrower held by J Dissanayake and Pap Solar One (Pvt) Ltd
	AWPLR + 0.25%	24 monthly installments (including 17 months grace period)	
	AWPLR + 2.5%	24 monthly installments (including 12 months grace period)	LKR 230Mn corporate guarantee from Panasian Power PLC

30.1 Security and loan repayment terms (contd.)

Loan obtained by	Bank/ financial institution	Group		Company		Facility value LKR
		2025 LKR	2024 LKR	2025 LKR	2024 LKR	
PAP PTS Solar (Pvt) Ltd	DFCC Bank PLC	345,744,452	-	-	-	970,000,000
		-	-	-	-	15,000,000
PAP SPGM Solar (Pvt) Ltd	DFCC Bank PLC	350,000,000	-	-	-	970,000,000
		-	-	-	-	15,000,000
PAP EGSS Solar (Pvt) Ltd	Commercial Bank of Ceylon PLC	413,660,103	-	-	-	845,000,000
		204,380,879	-	-	-	801,000,000
		337,111,226	-	-	-	825,000,000

Purpose	Interest rate	Repayment term	Security
To finance 5 MW ground solar project in Maho	12.90%	108 monthly installments (including 12 months grace period)	Primary mortgage over leasehold land together with building & everything else thereon for LKR 925Mn
For working capital requirements	AWPLR + 3%	On demands	Primary mortgage for LKR 25Mn over shares of 5,000,000 of the company together with the provision to mortgage all shares issued by the company in the future up to value of LKR 210Mn & special power of attorney in favour of the bank with the right to transfer the shares mortgaged to DFCC bank Additional security over project documents LKR 1,135Mn corporate guarantee from R-E-D Capital Asia (Pvt) Ltd
To finance 5 MW ground solar project in Matara	12.90%	108 monthly installments (including 12 months grace period)	Primary mortgage over freehold land together with all the project assets including proposed building , completed solar plant and electrical grid for LKR 925Mn
For working capital requirements	AWPLR + 3%	On demands	Primary mortgage for LKR 25Mn over shares 5,000,000 of the company together with the provision to mortgage all shares issued by the company in the future up to value of LKR 210Mn & special power of attorney in favour of the bank with the right to transfer the shares mortgaged to DFCC bank Additional security over project documents LKR 1,135Mn corporate guarantee from R-E-D Capital Asia (Pvt) Ltd
Finance the construction cost of 5 MW ground solar power project in Baddegama, Galle	First 5 years 12.25% & balance 4 years at AWPLR + 1.25%	108 monthly installments(including 12 months grace period)	Primary mortgage bond over freehold lands and immovable project assets in Baddegama for LKR 295Mn Primary mortgage bond over movable project assets including book debts, insurance proceeds and receivables, project documents in Baddegama for LKR 600Mn Primary mortgage of for LKR 100Mn over shares owned by R-E-D Capital Asia (Pvt) Ltd and additional share issue in future, special power of attorney in favor of the bank with the right to transfer the shares mortgaged to Commercial bank.
Finance the construction cost of 5 MW ground solar power project in Hiyare, Galle	First 5 years 12.25% & balance 4 years at AWPLR + 1.25%	108 monthly installments (including 12 months grace period)	Primary mortgage bond over leasehold lands and immovable project assets in Hiyare for LKR 251Mn Primary mortgage bond over movable project assets including book debts, insurance proceeds and receivables, project documents in Hiyare for LKR 600Mn Primary mortgage of for LKR 100Mn over shares owned by R-E-D Capital Asia (Pvt) Ltd and additional share issue in future, special power of attorney in favor of the bank with the right to transfer the shares mortgaged to Commercial bank
Finance the construction cost of 5 MW ground solar power project in Anuradhapura	First 5 years 12.25 % & balance 4 years at AWPLR + 1.25%	108 monthly installments (including 12 months grace period)	Primary mortgage bond over leasehold lands and immovable project assets in Anuradhapura for LKR 105Mn Primary mortgage bond over movable project assets including book debts, insurance proceeds and receivables, project documents in Anuradhapura for LKR 770Mn Primary mortgage of for LKR 100Mn over shares owned by R-E-D Capital Asia (Pvt) Ltd and additional share issue in future, special power of attorney in favor of the bank with the right to transfer the shares mortgaged to Commercial bank

30.1 Security and loan repayment terms (contd.)

Loan obtained by	Bank/ financial institution	Group		Company		Facility value LKR
		2025 LKR	2024 LKR	2025 LKR	2024 LKR	
PAP MHPL Solar (Pvt) Ltd	Hatton National Bank PLC	-	-	-	-	800,000,000
		-	-	-	-	800,000,000

31. DEFERRED TAXATION

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Balance as at beginning of the year	683,962,526	578,647,922	161,449,249	155,307,139
Origination and reversal of temporary difference				
- Recognised in profit or loss (Note 31.1.1)	(139,013,236)	6,101,880	(2,060,518)	(7,817,551)
- Recognised in other comprehensive income (Note 31.1.1)	(26,341,642)	99,212,723	(7,706,072)	13,959,661
Balance as at end of the year	518,607,649	683,962,526	151,682,659	161,449,249

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset assets against tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The applicable tax rate used to calculate the deferred tax liability of the company for all the temporary differences is 30% (2023/2024 -at 30%) and applicable tax rate of 20% and 30% is used for deferred tax liability of subsidiary (2023/2024 -at 20%-30%)

Purpose	Interest rate	Repayment term	Security
To part finance the development cost of proposed 5 MW ground mounted solar project at Ampara	First 04 years at 12% per annum, thereafter AWPLR + 0.5% (monthly review)	96 monthly installments (inclusive of 12 months grace period)	<p>Primary mortgage bond for LKR 950Mn over movable project assets of the development of 5MW ground mounted solar project at Ampara</p> <p>Primary mortgage bond for LKR 950Mn over lease hold right of immovable property situated at Ampara</p> <p>Assignment of all project documents, receivable of the borrower, insurance etc. favour of the bank by way of further and additional mortgage bond</p> <p>Mortgage bond for LKR 42,000,010/- over 4,200,001 no of shares of the the borrower along with a special power of attorney</p> <p>03 months debt service reserve to be built up within a period of 18 months from the date of commencement of commercial operation</p>
To part finance the development cost of proposed 5 MW ground mounted solar project at Kurunegala	First 04 years at 12% per annum, thereafter AWPLR + 0.5% (monthly review)	96 monthly installments (inclusive of 12 months grace period)	<p>Primary mortgage bond for LKR 950Mn over immovable property along with project assets of the development of 5 MW ground mounted solar project at Kurunegala</p> <p>Assignment of all project documents, receivables of the borrower, insurance etc. In favour of the bank by way of further and additional mortgage bond.</p> <p>Mortgage bond for LKR 42,000,010/- over 4,200,001 no of shares of the borrower along with a special power of attorney</p> <p>03 months debt service reserve to be built up within a period of 18 months from the date of commencement of commercial operation</p>

31.1 Net deferred tax liabilities (group)

Composition of deferred tax assets and liabilities is as follows,

As at 31 March	2025		2024	
	Assets LKR	Liabilities LKR	Assets LKR	Liabilities LKR
Net deferred tax liabilities				
Property, plant and equipment	2,423,485	(736,836,451)	(22,202)	(735,626,242)
Provisions	1,146,109	1,613,009	-	4,858,965
Intangible assets	-	298,468	-	429,801
Carried forward tax loss	1,242,827	202,714,204	815,679	38,779,131
Retirement benefit obligations	511,238	4,437,533	-	3,412,377
Lease liability	-	3,841,929	-	3,389,965
	5,323,659	(523,931,308)	793,477	(684,756,003)
Net deferred tax		(518,607,649)		(683,962,526)

31.1.1 Recognised deferred tax assets and liabilities (group)

As at 31 March	Net balance as at 01.04.2024 LKR	Recognised in profit or loss LKR	Recognised in OCI LKR	Net balance as at 31.03.2025 LKR	Deferred tax liability LKR	Deferred tax asset LKR
Property, plant and equipment	(735,648,444)	(24,268,954)	25,504,432	(734,412,966)	(736,836,451)	2,423,485
Provisions	4,858,965	(2,099,847)	-	2,759,119	1,613,009	1,146,109
Intangible assets	429,801	(131,333)	-	298,468	298,468	-
Carried forward tax loss	39,594,810	164,362,222	-	203,957,031	202,714,204	1,242,827
Retirement benefit obligations	3,412,377	699,185	837,210	4,948,771	4,437,533	511,238
Lease liability	3,389,965	451,964	-	3,841,929	3,841,929	-
	(683,962,526)	139,013,236	26,341,642	(518,607,649)	(523,931,308)	5,323,659

The group's total tax losses as of 31 March 2025 was LKR 3.32Bn out of which deferred tax asset was recognized for LKR 679.86Mn to the extent that future taxable profits are available based on the tax forecast done by the management for next six years. The unrecognized deferred tax asset of the group is LKR 793.53Mn for the remaining unutilised tax losses amounting to LKR 2.64Bn due the uncertainty recording the availability of future taxable profits against which deferred tax asset would be utilized.

As at 31 March	Net balance as at 01.04.2023 LKR	Recognised in profit or loss LKR	Recognised in OCI LKR	Net balance as at 31.03.2024 LKR	Deferred tax liability LKR	Deferred tax asset LKR
Property, plant and equipment	(620,499,470)	(15,297,945)	(99,851,028)	(735,648,444)	(735,626,242)	(22,202)
Provisions	5,713,220	(854,254)	-	4,858,965	4,858,965	-
Intangible assets	388,150	41,651	-	429,801	429,801	-
Carried forward tax loss	30,093,092	9,501,718	-	39,594,810	38,779,131	815,679
Retirement benefit obligations	2,506,303	267,769	638,305	3,412,377	3,412,377	-
Lease liability	3,150,783	239,182	-	3,389,965	3,389,965	-
	(578,647,922)	(6,101,880)	(99,212,723)	(683,962,526)	(684,756,003)	793,477

31.2 Net deferred tax liabilities (company)

Composition of deferred tax assets and liabilities is as follows,

As at 31 March	2025		2024	
	Assets LKR	Liabilities LKR	Assets LKR	Liabilities LKR
Deferred tax liability				
Property, plant and equipment	-	(159,871,320)	-	(173,356,858)
Intangible asset	380,968	-	512,300	-
Employee benefits	4,114,568	-	2,868,457	-
Lease obligation	3,693,126	-	3,266,763	-
Tax loss	-	-	5,260,089	-
	8,188,662	(159,871,320)	11,907,609	(173,356,858)
Net deferred tax		(151,682,658)		(161,449,249)

Company has calculated deferred tax as of 31 March 2025 at the rate of 30% (2023/24- 30%).

31.2.1 Recognised deferred tax assets and liabilities

	Net balance as at 01.04.2024 LKR	Recognised in profit or loss LKR	Recognised in OCI LKR	Net balance as at 31.03.2025 LKR	Deferred tax liability LKR	Deferred tax asset LKR
Property, plant and equipment	(173,356,858)	6,387,612	7,097,926	(159,871,320)	(159,871,320)	-
Intangible asset	512,300	(131,332)	-	380,968	-	380,968
Employee benefits	2,868,457	637,965	608,146	4,114,568	-	4,114,568
Leases	3,266,763	426,363	-	3,693,126	-	3,693,126
Brought forward tax losses	5,260,089	(5,260,089)	-	-	-	-
	(161,449,249)	2,060,518	7,706,073	(151,682,658)	(159,871,320)	8,188,662

	Net balance as at 01.04.2023 LKR	Recognised in profit or loss LKR	Recognised in OCI LKR	Net balance as at 31.03.2024 LKR	Deferred tax liability LKR	Deferred tax asset LKR
Property, plant and equipment	(167,258,658)	8,437,796	(14,535,995)	(173,356,858)	(173,356,858)	-
Intangible asset	470,649	41,651	-	512,300	-	512,300
Provision	763,407	(763,407)	-	-	-	-
Employee benefits	1,875,443	416,680	576,334	2,868,457	-	2,868,457
Leases	3,053,317	213,446	-	3,266,763	-	3,266,763
Brought forward tax losses	5,788,704	(528,615)	-	5,260,089	-	5,260,089
	(155,307,138)	7,817,551	(13,959,661)	(161,449,249)	(173,356,858)	11,907,609

32. AMOUNT DUE TO RELATED COMPANIES

As at 31 March	Relationship	Group		Company	
		2025 LKR	2024 LKR	2025 LKR	2024 LKR
Padiyapalella Hydropower Limited	Subsidiary	-	-	113,813,525	95,495,246
PAP SPGM Solar (Pvt) Ltd	Subsidiary	-	-	55,728,285	45,333,807
PAP PTS Solar (Pvt) Ltd	Subsidiary	-	-	-	27,976,312
PAP MHPL Solar (Pvt) Ltd	Subsidiary	-	-	-	12,932,916
PAP EGSS Solar (Pvt) Ltd	Subsidiary	-	-	-	2,500,000
		-	-	169,541,810	184,238,281

33. TRADE AND OTHER PAYABLES

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Trade creditors	582,868,597	77,136,418	-	8,331,585
Dividend payable	16,691,367	130,508,496	6,937,617	130,508,496
Other payables and provision	63,867,668	9,484,133	6,821,645	718,056
Accrued expenses	55,584,507	65,638,698	12,800,275	18,415,166
	719,012,139	282,767,745	26,559,537	157,973,303

All trade payables are unsecured.

The carrying value of accruals and other payables are considered to be the same as their fair values due to their short term nature.

34. INCOME TAX PAYABLE/(RECEIVABLE)

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Opening balance	78,284,275	43,428,277	-	-
During the year provision	158,191,245	91,017,438	15,710,797	-
Income tax (over) provision for previous year	(3,218,968)	(1,509,375)	-	-
WHT claimed against income tax	(1,411,173)	(2,795)	(426,721)	-
During the year payments	(117,382,039)	(54,649,271)	(2,777,763)	-
Closing balance	114,463,340	78,284,275	12,506,313	-
Income tax payable	120,912,517	79,191,109	12,506,313	-
Income tax receivable	(6,449,177)	(906,834)	-	-
Net balance	114,463,340	78,284,275	12,506,313	-

35. RELATED PARTY TRANSACTIONS

35.1 Parent and ultimate parent

The company's controlling entity and ultimate parent undertaking is RIL Property PLC which is incorporated in Sri Lanka.

35.2 Key management personnel and related companies

According to Sri Lanka Accounting Standards LKAS 24- related party transaction disclosure "Key Management Personnel" are those having the authority and responsibility for planning, directing and controlling the activities of the entity. Accordingly, the Directors and Senior Managers (including Executive and Non Executive Directors) have been classified as KMP of the company. Details of compensation are given in note 10.3 to the Financial Statements.

35.3 Terms & conditions of transactions with related parties

The group and the company carried out transactions in the ordinary course of business with the following related entities disclosed in note 35.5. The list of Directors at each of these subsidiaries and joint ventures have been disclosed on page 104 in the annual report.

Governance structure, nature of the entity's relationship, principal place of business and the country of incorporation have been disclosed in the page no. 182 of the annual report.

Transactions with related parties are carried out in the ordinary course of business. Outstanding current account balances at year-end are unsecured and interest charge at variable rate of AWPLR+1%. Intercompany loan balances are disclosed under note number 35.4.

The sales and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

Non-recurrent related party transactions

Non-recurrent related party transactions which in aggregate value exceeds 10% of the equity or 5% of the total asset whichever is lower of the company as per 31 March 2024 audited financial statements, which required additional disclosures in the 2024/2025 annual report under Colombo Stock Exchange Listing Rule 9.14.8 and Code of Best Practices on related party transactions under Securities and Exchange Commission directives issued under section 13(c) of the Securities and Exchange Commission Act are listed in below table.

Name of the related party	Relationship	Value of the related party transaction(s) entered into during the financial year (LKR)	Value of related party transaction(s) as a % of equity	Value of related party transaction(s) as a % of total assets	Terms and conditions of the related party transaction(s)	The rationale for entering into the transaction(s)
Panthree Solaro Energy (Pvt) Ltd	Subsidiary	55,000,000	3%	2%	Ordinary shares with voting right	Capitalisation of intercompany dues
Rajarata Sustainable Development (Pvt) Ltd	Subsidiary	23,000,000	1%	1%	Ordinary shares with voting right	Capitalisation of intercompany dues
Finergreen Rajarata (Pvt) Ltd	Subsidiary	69,000,000	4%	3%	Ordinary shares with voting right	Capitalisation of intercompany dues
R-E-D Capital Asia (Pvt) Ltd	Subsidiary	5,100,000	0%	0%	Ordinary shares with voting right	Investment in new shares
Total		152,100,000	9%	6%		

Recurrent related party transactions

There were no recurrent related party transactions which in aggregate value exceeds 10% of the consolidated revenue of the group as per 31 March 2024 audited financial statements, which required additional disclosures in the 2024/2025 annual report under Colombo Stock Exchange Listing Rule 9.14.8 and Code of Best Practices on related party transactions under Securities and Exchange Commission directives issued under section 13(c) of the Securities and Exchange Commission Act.

35.4 Loans due to related parties

R-E-D Capital Asia (Pvt) Ltd obtained LKR 500Mn working capital loan from ultimate parent RIL Property PLC on 5th December 2023 (LKR 190Mn) and 02 April 2024 (LKR 310Mn) and this transaction is carried out in the ordinary course of business. The outstanding loan amount at the year end was LKR 250 Mn which is unsecured and applicable interest rate at AWPLR+2.5% per annum.

35.5 Related party transactions (company)

Name of the Company	Relationship	Nature of transaction	Opening balance LKR	Transaction amount LKR	Closing balance LKR
Panasian Investments (Pvt) Ltd	Subsidiary		15,487,978		
		Fund transfer		(12,000,322)	
		Expense reimbursement		2,041,083	
		Interest		2,546,379	
		Corporate guarantee charge		3,635,000	
		Shared cost		20,431,307	32,141,425
Manelwala Hydropower (Pvt) Ltd	Subsidiary		1,120,137		
		Fund transfer		(17,046,869)	
		Expense reimbursement		1,760,477	
		Interest		(1,352,670)	
		Corporate guarantee charge		140,000	
		Shared cost		15,378,924	-
Padiyapelella Hydropower Limited	Subsidiary		(95,495,246)		
		Fund transfer		(36,805,298)	
		Expense reimbursement		1,786,276	
		Interest		(10,754,831)	
		Shared cost		27,455,576	(113,813,525)
Eco Green Solar Solutions (Pvt) Ltd	Subsidiary		51,855,598		
		Fund transfer		4,450,715	
		Expense reimbursement		302,958	
		Interest		5,902,792	
		Shared cost		3,797,632	66,309,695
Panthree Solaro Energy (Pvt) Ltd	Subsidiary		37,227,729		
		Fund transfer		4,469,997	
		Expense reimbursement		400,860	
		Interest		4,709,035	
		Corporate guarantee charge		3,260,000	
		Investment in shares		(55,000,000)	
		Shared cost		8,475,253	3,542,875
Pap Solar One (Pvt) Ltd	Subsidiary		23,674,833		
		Fund transfer		(34,634,762)	
		Expense reimbursement		212,509	
		Interest		533,346	
		Corporate guarantee charge		280,000	
		Shared cost		9,934,074	-
Solar Power Generation Matara (Pvt) Ltd	Subsidiary		10,249,992		
		Fund transfer		(18,145,064)	
		Expense reimbursement		331,756	
		Interest		656,874	
		Corporate guarantee charge		770,000	
		Shared cost		6,136,442	-

Name of the Company	Relationship	Nature of Transaction	Opening Balance LKR	Transaction Amount LKR	Closing Balance LKR
Finergreen Rajarata (Pvt) Ltd	Subsidiary		65,729,745		
		Fund transfer		(12,822,082)	
		Expense reimbursement		204,924	
		Interest		6,285,483	
		Investment in shares		(69,000,000)	
		Corporate guarantee charge		2,300,000	
		Shared cost		7,301,930	
Rajarata Sustainable Development (Pvt) Ltd	Subsidiary		26,604,144		
		Fund transfer		(15,834,459)	
		Expense reimbursement		202,656	
		Interest		2,425,730	
		Corporate guarantee charge		2,300,000	
		Investment in shares		(23,000,000)	
		Shared cost		7,301,930	
Lower Kothmale Oya Power Two (Pvt) Ltd	Affiliate		6,082,361		
		Fund transfer		4,225,000	
		Expense reimbursement		1,596,926	
		Interest		778,466	682,754
Powergen One (Pvt) Ltd	Joint venture		44,856		
		Expense reimbursement		132,972	
		Shared cost		66,075	243,902
PAP EGSS Solar (Pvt) Ltd	Subsidiary		(2,500,000)		
		Fund transfer		2,494,478	
PAP MHPL Solar (Pvt) Ltd	Subsidiary		(12,932,916)		
		Expense reimbursement		5,522	-
PAP PTS Solar (Pvt) Ltd	Subsidiary		(27,976,312)		
		Fund transfer		27,970,790	
PAP SPGM Solar (Pvt) Ltd	Subsidiary		(45,333,807)		
		Expense reimbursement		5,522	-
R-E-D Capital Asia (Pvt) Ltd	Subsidiary		161,653,273		
		Fund transfer		(126,900,474)	
R-E-D Capital Asia (Pvt) Ltd	Subsidiary				
		Expense reimbursement		3,590,891	
		Investment in ordinary shares		(5,100,000)	
		Interest		17,072,503	50,316,194

Name of the Company	Relationship	Nature of Transaction	Opening Balance LKR	Transaction Amount LKR	Closing Balance LKR
Panasian Solar (Pvt) Ltd (Former Winsol Renewables (Pvt) Ltd)	Subsidiary		1,502,299		
		Fund transfer		(10,621,888)	
		Expense reimbursement		665,595	
		Interest		414,860	
		Shared cost		21,882,295	13,843,161
Solar One Asia (Pvt) Ltd	Affiliate		-		
		Fund transfer		100,000	
		Expense reimbursement		2,116,475	2,216,475
Finergreen Ridiyagama (Pvt) Ltd	Affiliate		62,609		
		Expense reimbursement		6,977,482	7,040,091
Finergreen Mattala (Pvt) Ltd	Affiliate		78,370		
		Expense reimbursement		192,835	271,205
Finergreen Gannoruwa (Pvt) Ltd	Affiliate		96,736		
		Expense reimbursement		171,883	268,619
R I L Property PLC	Ultimate Parent		-		
		Services		(9,194,641)	
		Payments		8,970,683	(223,958)

35.6 Related Party Transactions (Group)

Name of the Company	Relationship	Nature of Transaction	Opening Balance LKR	Transaction Amount LKR	Closing Balance LKR
R I L Property PLC	Ultimate Parent		(223,702,645)		
		Services		(10,787,069)	
		Payments		10,514,700	
		Sales		43,952,000	
		Receipts		(18,221,939)	
		Investment in shares		(3,700,000)	
		Fund received for shares		3,700,000	
		Intercompany loan granted		(310,000,000)	
		Intercompany loan settlement		250,000,000	
		Intercompany loan interest		(58,762,844)	
		Share issued by capitlising interest		71,058,640	(245,949,158)
United Motors Lanka PLC	Affiliate		(124,862)		
		Services		(1,112,641)	
		Payments		1,201,215	(36,288)
Powergen One (Pvt) Ltd	Joint venture		3,436,955		
		Fund transfer		(3,040,487)	
		Administration & operational expenses		135,537	
		Interest		(614,353)	
		Shared cost		66,075	
		Dividend		297,101	280,827
Lower Kothmale Oya Power Two (Pvt) Ltd	Affiliate		8,434,692		
		Fund transfer		1,406,126	
		Expense reimbursement		1,850,092	
		Ordinary share issued		(12,000,000)	
		Interest		991,843	682,753

Name of the Company	Relationship	Nature of Transaction	Opening Balance LKR	Transaction Amount LKR	Closing Balance LKR
Solar One Asia (Pvt) Ltd	Affiliate		-		
		Fund transfer		4,382,432	
		Expense reimbursement		2,116,475	6,498,907
Finergreen Ridiyagama (Pvt) Ltd	Affiliate		144,219		
		Expense reimbursement		6,895,872	7,040,091
Finergreen Maththala (Pvt) Ltd	Affiliate		163,109		
		Expense reimbursement		108,096	271,205
Finergreen Gannoruwa (Pvt) Ltd	Affiliate		168,142		
		Expense reimbursement		100,477	268,619

35.7 For the material outstanding balances with related parties have been charged with a variable interest rate (AWPLR+1%) for related party balances.

36. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There have been no material events occurring after the statement of financial position date that require adjustment or disclosure in the financial statements other than disclosed in below,

36.1 Subsequent to the reporting date the Board of Directors of the company approved a first interim dividend of LKR 0.20 per share for the year ended 31 March 2025 which was paid on 06 May 2025.

In accordance with LKAS 10, Event after the reporting period, the first interim dividend has not been recognized as a liability in the financial statement as of 31 March 2025.

36.2 Subsequent to the reporting date, a subsidiary company, PAP MHPL Solar (Pvt) Ltd received disbursements LKR 730Mn under an approved term loan facility with Hatton National Bank PLC (HNB). These disbursements were made to finance ongoing capital expenditure related to the solar power project developments at Ampara & Kurunegala. As the disbursements occurred after the reporting period and do not affect the conditions existing as at the reporting date, they have not been recognised in the financial statements but are disclosed here as a non-adjusting event.

36.3 The newly build two ground mounted solar power plants located in Anuradhapura and Maho for total capacity of 10 MW were commissioned and are expected to be connected to National grid. The capital commitments pertaining to aforesaid projects as at 31 March 2025 was disclosed in note 37.1.1

37. COMMITMENT AND CONTINGENT LIABILITIES

37.1 Capital expenditure commitment

The approximate amounts of capital expenditure approved by the Directors as at 31 March 2025 with regarding to ongoing projects are as follows,

37.1.1 The group has capital expenditure commitment LKR 7.6 Bn as at 31 March 2025 relating to construction of 5 MWs 7 no of ground mounted solar PV projects, 3 MWs Hydro power project at Padiyapelella and renovation of 3 MW Hydropower project in Rathganga.

37.2 Contingent liabilities

The company entered in to memorandum of understanding with the owners of Medakumbura Mini Hydropower Project, to acquire the project upon receiving the “Letter of Intent” from the Ceylon Electricity Board. The total purchase consideration for the above acquisition is LKR 10Mn with LKR 2Mn paid as an advance for acquisition. The balance LKR 8Mn will become payable upon receiving the Letter of Intent for the said project. Work is ongoing to secure approvals for the project.

37.3 The group has provided corporate guarantees as follows,

Beneficiary	Issuer	Issued Bank	Value (LKR)
Panasian Investments (Pvt) Ltd	Panasian Power PLC	NDB	150,000,000
Panasian Investments (Pvt) Ltd	Panasian Power PLC	Sampath	150,000,000
Panasian Investments (Pvt) Ltd	Panasian Power PLC	Union	300,000,000
Eco Green Solar Solutions (Pvt) Ltd	Padiyapelella Hydropower Limited	Sampath	135,000,000
Panthree Solar Energy (Pvt) Ltd	Panasian Power PLC	Seylan	130,000,000
Panthree Solar Energy (Pvt) Ltd	Panasian Power PLC	Seylan	119,000,000
Solar Power Generation Matara (Pvt) Ltd	Manelwala Hydropower (Pvt) Ltd	Sampath	30,000,000
Solar Power Generation Matara (Pvt) Ltd	Panasian Power PLC	Sampath	77,000,000
Panthree Solar Energy (Pvt) Ltd	Panasian Power PLC	Sampath	77,000,000
Rajarata Sustainable Development (Pvt) Ltd	Panasian Power PLC	NDB	230,000,000
Finergreen Rajarata (Pvt) Ltd	Panasian Power PLC	NDB	230,000,000
PAP SPGM Solar (Pvt) Ltd	R-E-D Capital Asia (Pvt) Ltd	DFCC	1,135,000,000
PAP PTS Solar (Pvt) Ltd	R-E-D Capital Asia (Pvt) Ltd	DFCC	1,135,000,000
Total			3,898,000,000

37.4 The group has obtained bank guarantees as follows,

Company Name	Project	Bank	Bank Guarantee value (LKR)	Expiry date
PAP EGSS Solar (Pvt) Ltd	Anuradhapura	Commercial	25,612,390	15.02.2026
PAP EGSS Solar (Pvt) Ltd	Anuradhapura	Commercial	63,493,131	15.05.2026
PAP EGSS Solar (Pvt) Ltd	Baddegama	Commercial	45,560,125	15.02.2026
PAP EGSS Solar (Pvt) Ltd	Baddegama	Commercial	95,078,850	15.05.2026
PAP EGSS Solar (Pvt) Ltd	Hiyare	Commercial	44,927,347	15.02.2026
PAP EGSS Solar (Pvt) Ltd	Hiyare	Commercial	91,449,100	15.05.2026
PAP PTS Solar (Pvt) Ltd	Maho	DFCC	25,810,000	15.02.2026
PAP PTS Solar (Pvt) Ltd	Maho	DFCC	88,383,100	15.05.2026
PAP SPGM Solar (Pvt) Ltd	Matara	DFCC	153,791,195	15.05.2026
PAP MHPL Solar (Pvt) Ltd	Kurunegala	HNB	25,531,300	15.05.2026
Solar One Asia (Pvt) Ltd	Deniyaya	Seylan	15,000,000	30.04.2025
Solar One Asia (Pvt) Ltd	Deniyaya	Union	60,000,000	27.01.2027
Panthree Solaro Energy (Pvt) Ltd	Pannala	Seylan	3,461,226	15.05.2025
Panthree Solaro Energy (Pvt) Ltd	Maho	Seylan	1,103,178	15.05.2025
Panthree Solaro Energy (Pvt) Ltd	Matara 01	Sampath	6,746,022	15.08.2025
Panthree Solaro Energy (Pvt) Ltd	PAP PTS Solar (Pvt) Ltd - Maho	Sampath	110,000,000	06.11.2025
Solar Power Generation (Pvt) Ltd	Matara 02	Sampath	7,603,127	15.08.2025
Solar Power Generation (Pvt) Ltd	Matara 03	Sampath	6,624,162	15.08.2025
Solar Power Generation (Pvt) Ltd	PAP SPGM Solar (Pvt) Ltd- Matara	Sampath	110,000,000	06.11.2025
Eco Green Solar Solution (Pvt) Ltd	PAP EGSS Solar (Pvt) Ltd- Galle-Hiyare	Commercial	110,000,000	05.01.2026
Eco Green Solar Solution (Pvt) Ltd	PAP EGSS Solar (Pvt) Ltd- Anuradhapura	Commercial	110,000,000	06.11.2025
Eco Green Solar Solution (Pvt) Ltd	PAP EGSS Solar (Pvt) Ltd - Baddegama	Commercial	110,000,000	06.11.2025
Manelwala Hydropower (Pvt) Ltd	PAP MHPL Solar (Pvt) Ltd - Kurunegala	NDB	110,000,000	06.11.2025
Manelwala Hydropower (Pvt) Ltd	PAP MHPL Solar (Pvt) Ltd - Ampara	NDB	110,000,000	06.11.2025
Panasian Investments (Pvt) Ltd	Pan Asian Solar (Pvt) Ltd - Orine City Project	Union	69,253,471	29.04.2025
Total			1,599,427,723	

There were no material contingent liability as at reporting date which require adjustment or disclosure in the financial statement other than disclose above.

38 FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The carrying value of the company's financial instruments by classes, that are not carried at fair value in the financial instruments are not materially different from their fair values.

The management assessed that, cash & short-term deposits, trade receivables, trade payables, bank overdrafts & other current financial liabilities approximate their carrying amounts largely due to short term maturities of these instruments

Fair is the price that would be received to sell an asset or paid to transfer a liability in and orderly transactions between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values,

The fair value of unquoted instruments loans from banks and other financial liabilities, obligations & finance leases, as well as non-financial liabilities are estimated by discounting future cash flows using rates currently available debt on similar terms, credit risk and remaining maturities

The fair of the unquoted ordinary shares has been estimated using the discounted cash flows (DCF) model. The valuation requires management to make certain assumptions about the model inputs, including forecast cashflows, the discount rate, credit risk & volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management estimates of fair value for this unquoted equity investment.

The group holds following financial instruments

38.1 Group

As at 31 March 2025	Notes	Financial assets at amortized cost LKR	Financial assets at FVTPL LKR	Other financial liabilities LKR	Total carrying value LKR	Fair value LKR	Fair value measurement
Investment in investment fund	23	-	38,204,823	-	38,204,823	38,204,823	Level II
Trade and other receivables	24.1	182,421,606	-	-	182,421,606	-	
Amounts due from related parties	25	18,235,553	-	-	18,235,553	-	
Cash and cash equivalents	26	1,171,045,798	-	-	1,171,045,798	-	
Total		1,371,702,957	38,204,823	-	1,409,907,780	38,204,823	
Bank overdraft	26	-	-	65,335,840	65,335,840	-	
Trade and other payables	33	-	-	719,012,139	719,012,139	-	
Finance lease liabilities	29	-	-	109,612,293	109,612,293	-	
Interest bearing loans and borrowings	30	-	-	2,837,471,180	2,837,471,180	-	
Loan obtained from related parties		-	-	250,000,000	250,000,000	-	
Total		-	-	3,981,431,444	3,981,431,444	-	
As at 31 March 2024		Financial assets at amortized cost LKR	Financial assets at FVTPL LKR	Other financial liabilities LKR	Total carrying value LKR	Fair value LKR	Fair value measurement
Investment in investment fund	23	-	30,936,127	-	30,936,127	30,936,127	Level II
Investment in preference shares	19	4,153,902	-	-	4,153,902	-	
Trade and other receivables	24.1	252,759,773	-	-	252,759,773	-	
Amounts due from related parties	25	12,347,117	-	-	12,347,117	-	
Cash and cash equivalents	26	469,192,133	-	-	469,192,133	-	
Total		738,452,925	30,936,127	-	769,389,052	30,936,127	
Bank overdraft	26	-	-	34,700,768	34,700,768	-	
Trade and other payables	33	-	-	282,767,745	282,767,745	-	
Finance lease liabilities	29	-	-	85,927,424	85,927,424	-	
Interest bearing loans and borrowings	30	-	-	1,649,697,545	1,649,697,545	-	
Loan obtained from related parties		-	-	199,102,645	199,102,645	-	
Total		-	-	2,252,196,127	2,252,196,127	-	

38.2 Company

As at 31 March 2025	Notes	Financial assets at amortized cost LKR	Financial assets at FVTPL LKR	Other financial liabilities LKR	Total carrying value LKR	Fair value LKR	Fair value measurement
Investment in investment fund	23	-	104,640	-	104,640	104,640	Level II
Investment in preference shares	19	23,000,000	-	-	23,000,000	-	
Trade and other receivables	24.1	6,101,439	-	-	6,101,439	-	
Amounts due from related parties	25	176,876,396	-	-	176,876,396	-	
Cash and cash equivalents	26	74,996,635	-	-	74,996,635	-	
Total		280,974,470	104,640	-	281,079,110	104,640	
Bank overdraft	26	-	-	3,626,516	3,626,516	-	
Trade and other payable	33	-	-	26,559,537	26,559,537	-	
Finance lease liabilities	29	-	-	53,375,046	53,375,046	-	
Interest bearing loans and borrowings	30	-	-	86,668,142	86,668,142	-	
Amounts due to related parties	32	-	-	169,541,810	169,541,810	-	
Total		-	-	339,771,051	339,771,051	-	
As at 31 March 2024		Financial assets at amortized cost LKR	Financial assets at FVTPL LKR	Other financial liabilities LKR	Total carrying value LKR	Fair value LKR	Fair value measurement
Investment in preference shares	19	23,000,000	-	-	23,000,000	-	
Trade and other receivables	24.1	8,274,850	-	-	8,274,850	-	
Amounts due from related parties	25	401,470,660	-	-	401,470,660	-	
Cash and cash equivalents	26	84,277,008	-	-	84,277,008	-	
Total		517,022,518	-	-	517,022,518	-	
Bank overdraft	26	-	-	992,556	992,556	-	
Trade and other payable	33	-	-	157,973,303	157,973,303	-	
Finance lease liabilities	29	-	-	34,128,913	34,128,913	-	
Interest bearing loans and borrowings	30	-	-	160,842,614	160,842,614	-	
Amounts due to related parties	32	-	-	184,238,281	184,238,281	-	
Total		-	-	538,175,667	538,175,667	-	

38.3 During the reporting period ended 31 March 2025, there were no transfer between Level I and Level II fair value measurements.

38.4 The group's exposure to various risk associated with the financial instruments is discussed in note 39. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of financial assets mentioned above.

39. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group has exposure to following risk from financial instruments

1. Credit risk
2. Liquidity risk
3. Market risk

This note presents information about group's exposure to each of the above risks, the group's objectives, policies and processes for measuring and managing risk and the group's management of capital. Further, quantitative disclosures are included throughout these consolidated financial statements.

Financial risk management framework

The board of directors has the overall responsibility for the establishment and oversight of the group's financial risk management framework which includes developing and monitoring the group's financial risk management policies.

The group risk management policies are established to identify, quantify and analyse the financial risk faced by the group, to set appropriate risk limits and controls and to monitor financial risks adherence to limits. Financial risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. All derivative activities for risk management purpose are carried out by group risk and compliance manager, he has appropriate skills and experience.

The group audit and risk committee oversees how management monitors compliance with group's financial risk management policies and procedures and review the adequacy of the financial risk management framework in relation to the risks faced by the group.

39.1 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a finance loss. The group and company are exposed to credit risk from its operating activities (primarily trade receivables) and from its financial activities including deposits with banks and financial institutions and other financial instruments.

Trade Receivables

The group and company trade only with recognized, creditworthy third parties. It is group's and company's policy that all clients who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balance are monitored on an ongoing basis and proactive steps taken to reduce the risk. The trade and receivables are due from Ceylon Electricity Board which is the primary government institution responsible for distributing electricity to general public. Credit risk in relation to electricity sales to the government institution is highly unlikely. However, as a proactive measure, company maintains a regular and healthy communication relationship in order to recover all the balances due. While cash and cash equivalents are also subject to the impairment requirement of SLFRS 09.

Set out below is the information about the credit risk exposure on the group's trade receivable using the provision matrix

As at 31 March	Group		Company	
	Carrying amount LKR	Expected credit loss LKR	Carrying amount LKR	Expected credit loss LKR
Below 30 days	116,839,667		6,101,439	
30 to 60 days	47,984,048		-	
61 to 180 days	10,225,126		-	
Over 180 days	12,749,463	5,376,698	-	-
	187,798,304	5,376,698	6,101,439	-
Net value as at 31 March 2025	182,421,606		6,101,439	

With respect to credit risk arising from the other financial assets of the group and company, such as cash and cash equivalents financial assets FVOCI, the exposure to credit risks arises from default of the counterparty. The group and company manages its operations to avoid any excessive concentration of counter party risk and group and company takes all reasonable steps to ensure the counterparties fulfill their obligation.

39.2 Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

The groups' objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdraft, bank loans and finance leases. The group assessed the concentration of risk with respect to refinancing its debt and conclude it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

The table below summarises the maturity profile of the company's financial liabilities based on contractual undiscounted payments

Group	Less than two months LKR	2-12 months LKR	1-2 years LKR	2-5 years LKR	More than 05 years LKR
As at 31 March 2025					
Interest bearing loans and borrowings	82,269,840	260,382,417	650,373,333	875,382,328	969,063,262
Lease liabilities	1,162,574	13,417,626	16,691,577	22,539,630	55,800,885
Trade and other payables	719,012,139	-	-	-	-
	802,444,553	273,800,043	667,064,910	897,921,958	1,024,864,147
Group					
As at 31 March 2024					
Interest bearing loans and borrowings	207,465,956	263,108,873	290,058,556	828,013,912	61,050,248
Lease liabilities	856,873	5,805,167	22,547,911	9,376,355	47,341,118
Trade and other payables	282,767,745	-	-	-	-
	491,090,574	268,914,040	312,606,467	837,390,267	108,391,366
Company					
As at 31 March 2025					
Interest bearing loans and borrowings	12,375,233	40,071,163	34,221,746	-	-
Lease liabilities	1,161,992	13,374,566	32,943,201	5,895,288	-
Trade and other payables	26,559,537	-	-	-	-
	40,096,762	53,445,729	67,164,947	5,895,288	-
Company					
As at 31 March 2024					
Interest bearing loans and borrowings	12,361,388	61,806,940	52,363,328	34,310,958	-
Lease liabilities	743,170	4,857,599	19,491,170	9,036,974	-
Trade and other payables	157,973,303	-	-	-	-
	171,077,861	66,664,539	71,854,498	43,347,932	-

39.3 Market risk

Market risk is the risk that the fair value of future cashflows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk. Interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk. Financial instruments affected by market risk include loans and borrowings, deposits, financial assets designated at fair value through OCI, financial assets at fair value through profit or loss and derivative financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

39.4 Interest Rate Risk

Interest rate risk is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in market interest rates. The group mainly borrows in the long term to fund new hydro or solar projects funding requirement which are linked to floating interest rates and fixed interest rates and group maintains a proper mix of interest rate based on the basis of the predictability of future cash flows.

As at 31 March	Group		Company	
	2025 LKR	2024 LKR	2025 LKR	2024 LKR
Fixed rate instruments				
Financial liabilities	20,000,000	47,217,743	-	-
Variable rate instruments				
Financial liabilities	2,853,162,321	1,657,435,644	87,583,400	162,357,800

39.5 Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible changes in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the profit before tax and equity are affected through the impact on floating rate borrowing as follows;

Group As at 31 March	Profit or Loss		Equity	
	1% Increase	1% Decrease	1% Increase	1% Decrease
31 March 2025				
Variable rate instruments	(28,531,623)	28,531,623	(28,531,623)	28,531,623
Cashflow sensitivity (net)	(28,531,623)	28,531,623	(28,531,623)	28,531,623
31 March 2024				
Variable rate instruments	(16,574,356)	16,574,356	(16,574,356)	16,574,356
Cashflow sensitivity (net)	(16,574,356)	16,574,356	(16,574,356)	16,574,356

Company As at 31 March	Profit or Loss		Equity	
	1% Increase	1% Decrease	1% Increase	1% Decrease
31 March 2025				
Variable rate instruments	(875,834)	875,834	(875,834)	875,834
Cashflow sensitivity (net)	(875,834)	875,834	(875,834)	875,834
31 March 2024				
Variable rate instruments	(1,623,578)	1,623,578	(1,623,578)	1,623,578
Cashflow sensitivity (net)	(1,623,578)	1,623,578	(1,623,578)	1,623,578

39.6 Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The group is exposed to currency risk on purchase.

The group hedges its exposure to fluctuations on the translation of its foreign operations by holding net borrowings in foreign currencies and by using forward contracts.

39.7 Commodity Risk

The group is affected by the volatility of certain commodities. Its operating activities require the ongoing purchase. Due to the significantly increased volatility of the price of underlying, the management has developed and enacted a risk management strategy regarding commodity price risk and its mitigation.

40. CAPITAL RISK MANAGEMENT

The company's objectives when managing capital are safeguard the company's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, capital is monitored on the basis of the desired gearing ratio within 60%.

The company manages its capital structure and makes adjustments to it, in the light of changes in economic conditions. To maintain or adjust the capital structure, the company may adjust the amount of dividend paid to share holders, issue new shares, have a rights issue.

As at 31 March	Group	
	2025	2024
Total liabilities	4,643,916,543	3,027,693,410
Less; cash and cash equivalents	(1,173,025,801)	(470,547,136)
Net debt	3,470,890,742	2,557,146,275
Total equity	2,690,909,858	2,430,777,646
Net debt to equity ratio	129%	105%

41. NON CONTROLLING INTEREST (NCI)

Summarised financial information in respect of Panasian Power PLC's subsidiaries that have material non-controlling interest, reflecting amounts before inter-company eliminations, is set out below.

As at 31 March	Padiyapellella Hydropower Limited 2025 LKR	Padiyapellella Hydropower Limited 2024 LKR	R-E-D Capital Asia (Pvt) Ltd 2025 LKR	PAP MHPL Solar (Pvt) Ltd 2025 LKR	PAP SPGM Solar (Pvt) Ltd 2025 LKR	PAP PTS Solar (Pvt) Ltd 2025 LKR	PAP EGSS Solar (Pvt) Ltd 2025 LKR
NCI percentage	17%	17%	49%	49%	49%	49%	49%
Non current assets	944,678,937	1,036,095,207	500,088,527	168,329,493	203,247,390	312,743,266	1,164,075,331
Current assets	551,257,613	481,157,854	217,322,615	118,208,377	357,265,486	231,648,894	476,935,946
Non current liabilities	(108,821,284)	(197,654,618)	(84,187)	-	(347,468,594)	(343,083,440)	(966,422,854)
Current liabilities	(193,438,541)	(183,963,671)	(543,382,889)	(138,462,279)	(140,169,921)	(132,280,765)	(458,684,666)
Net assets	1,193,676,725	1,135,634,772	173,944,064	148,075,591	72,874,361	69,027,955	215,903,757
Net assets attributable to NCI	202,925,043	193,057,912	85,232,591	72,557,039	35,708,437	33,823,698	105,792,841
Revenue	265,338,567	243,837,050	-	-	-	-	-
Profit/(loss) for the year	176,755,153	162,539,861	97,722,534	3,465,694	70,091	64,669	5,214,743
Other comprehensive income	(51,213,203)	(384,465)	(5,531)	-	-	-	-
Total comprehensive income	125,541,949	162,155,396	97,717,003	3,465,694	70,091	64,669	5,214,743
Profit/(loss) allocated to NCI	30,048,376	27,631,776	-	-	-	-	-
OCI allocated to NCI	(8,706,245)	(65,359)	-	-	-	-	-
Cash flows from operating activities	104,234,772	210,780,582	(4,874,162)	(13,628,207)	25,074,148	57,685,574	186,912,726
Cash flows from investing activities	50,637,216	(56,605)	259,308,553	(56,543,869)	(139,320,640)	(292,777,928)	(993,165,464)
Cash flows from finance activities	(106,000,000)	(213,693,502)	(249,366,800)	80,878,100	371,404,296	365,931,115	1,014,714,605
Net increase/ (decrease) in cash and cash equivalents	48,871,988	(2,969,525)	5,067,590	10,696,024	257,157,804	130,838,761	208,461,867

41.2 Changes in ownership interest without a loss of control

At the end of the year, R-E-D Capital Asia (Pvt) Ltd issued 49% stake to NCI without affecting the controlling power of Panasian Power group. As a result the effective holding of PAP MHPL Solar (Pvt) Ltd, PAP SPGM Solar (Pvt) Ltd, PAP PTS Solar (Pvt) Ltd and PAP EGSS Solar (Pvt) Ltd also reduced to 51% to Panasian Power group.

As at 31 March	2025 LKR
Total net asset value as of disposal date after intercompany adjustments	(70,954,181)
Share of net asset value attributable to NCI	49%
Value of net asset value attributable to NCI	(34,767,549)
Proceeds from sale of 49% ownership interest	75,958,640
Increase in equity attributable to parent	110,726,189

1. STOCK EXCHANGE LISTING

The issued ordinary shares of Panasian Power PLC are listed with the Colombo Stock Exchange of Sri Lanka. The audited accounts of the company and the consolidated accounts for the year ended 31 March 2025 have been submitted to the Colombo Stock Exchange. Stock Symbol -PAP.N0000

2. DISTRIBUTION OF SHAREHOLDING

No of share Held	2025					2024				
	Shareholders		Total Holding	% Total Holding	Shareholders		Total Holding	% Total Holding		
	Number	Percentage			Number	Percentage				
1	1,000	2,736	45.37	1,309,243	0.21	2,711	40.82	1,382,832	0.22	
1,001	10,000	2,289	37.96	10,070,760	1.61	2,672	40.23	11,971,339	1.92	
10,001	100,000	839	13.91	27,843,971	4.46	1,056	15.90	34,426,799	5.50	
100,001	1,000,000	138	2.29	38,831,116	6.21	178	2.68	47,036,870	7.53	
Over 1,000,000		28	0.46	546,944,910	87.51	25	0.38	530,182,160	84.83	
Total		6,030	100.00	625,000,000	100	6,642	100.00	625,000,000	100	

3. ANALYSIS OF SHAREHOLDERS

Categories	2025				2024			
	Shareholders		Total Holding	% Total Holding	Shareholders		Total Holding	% Total Holding
	Number	Percentage			Number	Percentage		
Individuals	5,869	97.33	114,444,532	0.18	6,477	97.52	122,348,427	19.58
Institutional	161	2.67	510,555,468	0.82	165	2.48	502,651,573	80.42
Total	6,030	100.00	625,000,000	1.00	6,642	100.00	625,000,000	100.00
Resident	6,001	99.52	623,381,603	1.00	6611	99.00	623,625,103	99.78
Non Resident	29	0.48	1,618,397	0.00	31	1.00	1,374,897	0.22
Total	6,030	100.00	625,000,000	1.00	6,642	100.00	625,000,000	100.00

No shares are held by Directors and the Chief Executive Officer at the end of the year.

4. DIRECTORS' SHAREHOLDING

Description	Number of shares	
	2025	2024
Mr. L.H.A.L Silva	-	-
Ms. L.K.A.H.Fernando	-	-
Mr. D. Sooriyaarachchi	-	-
Mr. W.W.M.S.B.K.G. Kamburadeniya	-	-
Mr. P.K.Pathmanatha	-	-
Ms. C.Pietersz	-	-
Ms. N. Ranatunga	-	-
	-	-

5. PUBLIC SHAREHOLDINGS

As at 31 March	2025	2024
Issued share capital	625,000,000	625,000,000
Less; Directors' shareholding and major shareholders	468,750,000	467,721,975
Public holding	156,250,000	157,278,025
Number of public shareholders	6,029	6,641
Public holding percentage	25.00%	25.16%
The float adjusted market capitalization – LKR.	1,078,125,000	471,834,075

The company has complied with the rule 7.13.1 (a) option 5 of the listing rules of the Colombo Stock Exchange governing the minimum public holding requirement of listed entities for continuous listing requirements. As at 31 March 2025, the public holding of the company stood at 25% surpassing the minimum requirement of 20%, under the relevant option.

6. SHARE PERFORMANCE AT COLOMBO STOCK EXCHANGE

	2025	2024
Highest market price (LKR)	9.30	4.50
Lowest market price (LKR)	3.70	2.80
Closing market price as at 31 March	6.90	3.00

7. TWENTY LARGEST SHAREHOLDERS

Name of Shareholders	31 March 2025		31 March 2024	
	No. of Shares	Holding %	No. of Shares	Holding %
RIL Property PLC	468,750,000	75.00	467,721,975	74.84
Mr. A.M. Weerasinghe	10,959,000	1.75	11,300,000	1.81
Mr. A.U. De Silva	8,350,596	1.34	3,725,596	0.60
DFCC Bank PLC/S.M.D.N.P. Banda	6,300,000	1.01	6,320,000	1.01
People's Leasing and Finance PLC/Dr. K.A.P. Gunawardhana	5,005,500	0.80	-	-
EST.OF LAT K.C. Vignarajah	4,887,248	0.78	5,048,585	0.81
Seylan Bank PLC/ARRC Capital (Pvt) Ltd	4,136,516	0.66	-	-
Hatton National Bank PLC-/ASTRUE Alpha Fund	3,675,025	0.59	-	-
Mr. S.P. Perera	2,925,525	0.47	-	-
Mr. P.P.D.R.R. Weeraratne	2,800,000	0.45	2,800,000	0.45
Mr. O. Senanayake	2,774,796	0.44	-	-
Mr. G.B.D. Thilakaratne	2,591,347	0.41	-	-
Seylan Bank PLC/GLADSTONE Capital (Pvt) Ltd	2,451,733	0.39	-	-
Mr. A.D. Edussuriya	2,316,857	0.37	2,000,000	0.32
Mr. A.S. Jayasinghe	2,128,130	0.34	1,378,130	0.22
Commercial Bank of Ceylon PLC/ H.G. Balasuriya	2,000,000	0.32	-	-
Cocoshell Activated Carbon Company Limited	1,790,000	0.29	2,090,000	0.33

Name of Shareholders	31 March 2025		31 March 2024	
	No. of Shares	Holding %	No. of Shares	Holding %
Mr. M.S. Osman	1,590,000	0.25	1,590,000	0.25
Dr. A.S.N. De Silva	1,529,535	0.24	1,497,500	0.24
Mr. Y.K. Rajapaksa	1,200,000	0.19	-	-
LOLC Finance PLC/C.B.R. Fernando	-	-	3,500,000	0.56
Seylan Bank PLC/Jayantha Dewage	-	-	2,426,000	0.39
Dr.Ramanujam Prathap	-	-	2,350,000	0.38
Senkadagala Finance PLC/Mr.S. Gobinath	-	-	2,270,000	0.36
Metrocorp (Pvt) Ltd	-	-	2,000,000	0.32
Mr.Nazeer Mohamed Hussain Mohamed	-	-	1,803,000	0.29
Mr.D.D.Gunaratne	-	-	1,650,000	0.26
Citizens Development Business Finance PLC/T.K. Fernando	-	-	1,530,000	0.24
Mr. Balaruwaduge Manukulasuriya Francis Indika Mendis	-	-	1,350,000	0.22
	538,161,808	86.09	524,350,786	83.90

8. SHARE TRADING INFORMATION

	2025	2024
Value of share trades (LKR)	1,167,928,814	115,267,259
No of share traded	178,684,069	32,350,997
No of trades	16,713	5,844

9. EQUITY INFORMATION

	2025	2024
Earnings per share (LKR)	0.47	0.12
Dividend per share (LKR)	-	0.20
Net asset value per share (LKR)	4.04	3.58
Dividend pay out ratio (%)	-	75%

TEN YEARS FINANCIAL SUMMARY

	10	9	8	7	6	5	4	3	2	1
	2024/2025	2023/2024	2022/2023	2021/2022	2020/2021	2019/2020	2018/2019	2017/2018	2016/2017	2015/2016
	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR	LKR
Operating results										
Revenue	1,542,727,800	1,490,346,698	1,014,079,462	935,512,639	729,074,023	563,814,790	761,280,653	489,392,823	204,567,345	287,187,421
Gross profit	806,611,404	768,933,557	655,031,522	639,256,257	487,748,679	424,205,336	608,135,780	363,955,890	162,903,126	239,910,334
Other income	13,647,138	8,132,933	10,713,266	4,490,643	11,099,242	-	645,040	-	1,869,565	2,792,793
Administration expenses	(275,295,456)	(225,328,101)	(173,926,349)	(145,422,677)	(124,871,410)	(119,980,556)	(90,437,502)	(65,339,973)	(55,408,595)	(42,536,064)
Selling and distribution expenses	(16,662,015)	(15,969,828)	(2,386,319)	-	-	-	-	-	-	-
Net finance cost	(188,190,097)	(337,284,382)	(415,161,670)	(135,031,264)	(101,836,116)	(110,960,336)	(90,408,984)	(98,711,869)	(78,553,984)	(50,039,682)
Net profit/(loss) before taxation	362,506,207	225,209,087	9,323,902	(109,811,344)	274,578,288	195,261,913	425,975,397	199,866,047	30,810,112	150,127,381
Taxation	(40,220,858)	(125,549,343)	(470,122,524)	(74,239,239)	(10,133,819)	(42,553,678)	(54,638,740)	(47,454,178)	(9,665,480)	(15,220,196)
Net profit/(loss) after taxation	322,285,349	99,659,744	(460,798,622)	(184,050,583)	264,444,469	152,708,235	371,336,657	152,411,869	21,144,632	134,907,186
Funds employed										
Stated capital	1,030,000,000	1,030,000,000	1,030,000,000	1,030,000,000	1,030,000,000	1,030,000,000	630,000,000	630,000,000	630,000,000	630,000,000
Revenue reserve	255,369,257	(145,360,298)	(90,811,481)	388,455,268	796,381,691	701,817,869	691,573,610	453,226,549	347,400,747	400,581,182
Non controlling interest	168,157,494	193,057,912	180,791,495	172,415,100	129,943,319	130,676,013	125,695,270	86,559,660	43,633,537	39,082,878
Borrowings (both non current & current)	3,087,471,172	1,848,800,190	1,923,950,375	1,831,262,190	1,992,718,137	1,467,275,726	1,114,337,020	743,672,256	736,308,958	639,880,158
Lease liability (both non current & current)	109,612,293	85,927,424	42,235,633	44,834,806	59,286,409	62,570,259	2,301,740	3,062,467	3,713,878	-
Assets employed										
Non current assets	5,633,160,928	4,447,022,622	3,968,982,602	4,521,722,172	3,781,901,012	3,384,150,150	2,546,931,029	2,023,929,232	2,048,350,972	1,686,140,548
Current assets	1,701,665,473	1,011,448,434	1,031,062,542	622,036,741	774,751,700	579,521,849	436,097,425	324,457,016	87,356,103	160,247,870
Current liabilities	1,512,492,870	877,372,955	1,062,877,112	707,212,055	598,789,556	317,814,772	214,451,106	776,880,265	133,219,442	10,322,170
Retirement benefit obligations	17,641,274	11,550,170	7,957,081	6,308,189	6,590,502	6,017,254	4,101,392	5,578,355	5,018,452	3,502,078
Differed tax liability	523,931,308	684,756,003	578,731,017	221,585,069	76,953,458	154,694,708	125,905,691	105,485,032	59,514,819	35,771,324
Key indicators										
Earnings per share (LKR)	0.47	0.12	(0.77)	(0.31)	0.38	0.24	0.66	0.28	0.04	0.27
Net asset per share (LKR)	4.04	3.58	3.11	4.37	3.70	3.49	3.05	2.76	2.44	2.23
Market price of share closing	6.90	3.00	3.40	3.70	3.60	2.50	3.00	2.70	3.00	3.20
Dividend per share (LKR)	-	0.20	-	0.34	0.22	0.22	0.16	0.13	0.15	0.15
Price earning ratio (times)	14.76	26.03	(4.43)	(11.81)	9.40	10.5	4.54	9.69	75	12
Dividend payout (%)	-	75%	-	(110%)	57%	92%	24%	46%	375%	57%

* revenue includes LKR 160,072,034/- (LKR 75,482,387/- in 2024) as additional payments from CEB as 'billing under the standardized power purchase agreement'

ACCRUAL BASIS Recording Revenues and Expenses in the period in which they are earned or incurred regardless of whether cash is received or disbursed in that period.

CAPITAL EMPLOYED Shareholders' funds plus non-controlling interests and debt including lease liabilities.

CONTINGENT LIABILITIES A condition or situation existing at the Balance Sheet date due to past events, where the financial effect is not recognized because: The obligation is crystallized by the occurrence or non-occurrence of one or more future events or, A probable outflow of economic resources is not expected or, It is unable to be measured with sufficient reliability

CURRENT RATIO Current assets divided by current liabilities.

DEBT/EQUITY RATIO Debt as a percentage of Shareholders' Funds

DIVIDEND COVER Earnings per share over dividends per share

EARNINGS PER SHARE (EPS) Profit after Tax attributable to ordinary shareholding over weighted average number of shares in issue during the period.

EARNINGS YIELD Earnings per share as a percentage of Market price per Share at the end of the period.

EARNINGS BEFORE INTEREST AND TAX (EBIT) Earnings before interest and tax (includes other operating income)

EFFECTIVE RATE OF TAXATION Income Tax, (including deferred tax) over Profit before

ENTERPRISE VALUE (EV) Market capitalisation plus net debt/(net cash).

INTEREST COVER Consolidated profit before interest and tax over interest expense.

MARKET CAPITALISATION Number of Shares in issue at the end of the period multiplied by the market price at end of period.

NET ASSETS Total assets minus current liabilities, long-term liabilities, and non-controlling interests.

NET ASSET PER SHARE Net assets as at a particular financial year end divided by the number of shares in issue as at the current financial year end.

NET DEBT Total debt minus cash equivalents (cash in hand and at bank plus short-term deposits).

NET TURNOVER PER EMPLOYEE Net turnover over average number of employees

PRICE EARNINGS RATIO Market Price per Share over earnings per share

QUICK RATIO Cash plus short-term investments plus receivables, divided by current liabilities.

RETURN ON ASSETS Profit after Tax over average total assets

RETURN ON EQUITY Profit attributable to shareholders as a percentage of average shareholders' funds.

RETURN ON CAPITAL EMPLOYED EBIT as a percentage of average capital employed.

SHAREHOLDERS' FUNDS Stated capital plus other components of equity plus revenue reserves

TOTAL ASSETS Fixed Assets plus Investments plus NonCurrent Assets plus Current Assets'

TOTAL DEBT Long Term Loans plus Short Term Loans and Overdrafts

TOTAL EQUITY Shareholders' funds plus non-controlling interest

TOTAL VALUE ADDED The difference between revenue (including other income) and expenses, cost of materials and services purchased from external sources

WORKING CAPITAL Capital required to finance the day-to-day operations (Current Assets minus Current Liabilities)

Statement of use		Panasian Power PLC - Reporting Period 01 April 2024 to 31 March 2025			
GRI 1 used		GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)		Renewable Power Generation			
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	8-11			
	2-2 Entities included in the organization's sustainability reporting	32-36			
	2-3 Reporting period, frequency and contact point	4-7			
	2-4 Restatements of information	8			
	2-5 External assurance	173-174			
	2-6 Activities, value chain and other business relationships	30-31			
	2-7 Employees	62-71			
	2-8 Workers who are not employees	62-71			
	2-9 Governance structure and composition	108-141			
	2-10 Nomination and selection of the highest governance body	150-153			
	2-11 Chair of the highest governance body	108			
	2-12 Role of the highest governance body in overseeing the management of impacts	117			
	2-13 Delegation of responsibility for managing impacts	154-161			
	2-14 Role of the highest governance body in sustainability reporting	32-36			
	2-15 Conflicts of interest	123-141			
	2-16 Communication of critical concerns	122			
	2-17 Collective knowledge of the highest governance body	100-103			
	2-18 Evaluation of the performance of the highest governance body	120			
	2-19 Remuneration policies	146-147			
	2-20 Process to determine remuneration	146-147			
	2-21 Annual total compensation ratio			Confidentiality constrains	Industry does not disclose this information due to confidentiality reasons
	2-22 Statement on sustainable development strategy	32-36			
	2-23 Policy commitments	32-36			
	2-24 Embedding policy commitments	32-36			
	2-25 Processes to remediate negative impacts	32-36			
	2-26 Mechanisms for seeking advice and raising concerns	32-36			
	2-27 Compliance with laws and regulations	32-36			
	2-28 Membership associations	82-85			
	2-29 Approach to stakeholder engagement	37-39			
	2-30 Collective bargaining agreements	62-71			

Statement of use		Panasian Power PLC - Reporting Period 01 April 2024 to 31 March 2025			
GRI 1 used		GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)		Renewable Power Generation			
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Material topics					
[Please note: The material topics included in the headings below are examples. They can be renamed and grouped according to the names the organization has given to its material topics. The list of material topics included in the content index is the same as the list of material topics reported under 3-2-a in GRI 3: Material Topics 2021. The disclosures included under the material topics are also examples. The disclosures can be removed (except for Disclosure 3-3) and other disclosures can be added according to the disclosures the organization has reported for each material topic.]					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	40-42			
	3-2 List of material topics	40-42			
Biodiversity [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics				
GRI 101: Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	93-94			
	101-2 Management of biodiversity impacts	93-94			
	101-3 Access and benefit-sharing	93-94			
	101-4 Identification of biodiversity impacts	93-94			
	101-5 Locations with biodiversity impacts	93-94			
	101-6 Direct drivers of biodiversity loss	93-94			
	101-7 Changes to the state of biodiversity	93-94			
	101-8 Ecosystem services	93-94			
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	93-94			
	304-2 Significant impacts of activities, products and services on biodiversity	93-94			
	304-3 Habitats protected or restored	93-94			
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	93-94			
Economic performance [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	55			
	201-2 Financial implications and other risks and opportunities due to climate change	86-94			
	201-3 Defined benefit plan obligations and other retirement plans	223			
	201-4 Financial assistance received from government				
Market presence [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			

Statement of use		Panasian Power PLC - Reporting Period 01 April 2024 to 31 March 2025			
GRI 1 used		GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)		Renewable Power Generation			
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	62-71			
	202-2 Proportion of senior management hired from the local community	62-71			
Indirect economic impacts [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	71-81			
	203-2 Significant indirect economic impacts	43-47			
Procurement practices [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	56-60			
Anti-corruption [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	154-161			
	205-2 Communication and training about anti-corruption policies and procedures	62-71			
	205-3 Confirmed incidents of corruption and actions taken	62-71			
Anti-competitive behavior [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	72-81			
Tax [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 207: Tax 2019	207-1 Approach to tax	72-81			
	207-2 Tax governance, control, and risk management	154-161			
	207-3 Stakeholder engagement and management of concerns related to tax	37-39			
	207-4 Country-by-country reporting			Not applicable	Not relevant for company operation

Statement of use		Panasian Power PLC - Reporting Period 01 April 2024 to 31 March 2025			
GRI 1 used		GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)		Renewable Power Generation			
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Materials [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	86-94			
	301-2 Recycled input materials used	86-94			
	301-3 Reclaimed products and their packaging materials			Not applicable	Not relevant for company operation
Energy [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	86-94			
	302-2 Energy consumption outside of the organization	86-94			
	302-3 Energy intensity	86-94			
	302-4 Reduction of energy consumption	86-94			
	302-5 Reductions in energy requirements of products and services	86-94			
Water and effluents [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	86-94			
	303-2 Management of water discharge-related impacts	86-94			
	303-3 Water withdrawal	86-94			
	303-4 Water discharge	86-94			
	303-5 Water consumption	86-94			
Emissions [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	86-94			
	305-2 Energy indirect (Scope 2) GHG emissions	86-94			
	305-3 Other indirect (Scope 3) GHG emissions	86-94			
	305-4 GHG emissions intensity	86-94			
	305-5 Reduction of GHG emissions	86-94			
	305-6 Emissions of ozone-depleting substances (ODS)	86-94			
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	86-94			

Statement of use		Panasian Power PLC - Reporting Period 01 April 2024 to 31 March 2025			
GRI 1 used		GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)		Renewable Power Generation			
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Spills [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 306: Effluents and Waste 2016	306-3 Significant spills	86-94			
Waste [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	86-94			
	306-2 Management of significant waste-related impacts	86-94			
	306-3 Waste generated	86-94			
	306-4 Waste diverted from disposal	86-94			
	306-5 Waste directed to disposal	86-94			
Supplier environmental assessment [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	86-94			
	308-2 Negative environmental impacts in the supply chain and actions taken	86-94			
Employment [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	62-71			
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	62-71			
	401-3 Parental leave	62-71			
Labor/management relations [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	62-71			
Occupational health and safety [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			

Statement of use		Panasian Power PLC - Reporting Period 01 April 2024 to 31 March 2025			
GRI 1 used		GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)		Renewable Power Generation			
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	62-71			
	403-2 Hazard identification, risk assessment, and incident investigation	62-71			
	403-3 Occupational health services	62-71			
	403-4 Worker participation, consultation, and communication on occupational health and safety	62-71			
	403-5 Worker training on occupational health and safety	62-71			
	403-6 Promotion of worker health	62-71			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	62-71			
	403-8 Workers covered by an occupational health and safety management system	62-71			
	403-9 Work-related injuries	62-71			
	403-10 Work-related ill health	62-71			
Training and education [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	62-71			
	404-2 Programs for upgrading employee skills and transition assistance programs	62-71			
	404-3 Percentage of employees receiving regular performance and career development reviews	62-71			
Diversity and equal opportunity [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	62-71			
	405-2 Ratio of basic salary and remuneration of women to men	62-71			
Non-discrimination [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	82-85			
Freedom of association and collective bargaining [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			

Statement of use		Panasian Power PLC - Reporting Period 01 April 2024 to 31 March 2025			
GRI 1 used		GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)		Renewable Power Generation			
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	82-85			
Child labor [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	62-71			
Forced or compulsory labor [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	62-71			
Security practices [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	62-71			
Rights of Indigenous Peoples [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples			Not applicable	Not relevant for company operation
Local communities [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	72-81			
	413-2 Operations with significant actual and potential negative impacts on local communities	72-81			
Supplier social assessment [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	72-81			
	414-2 Negative social impacts in the supply chain and actions taken	72-81			

Statement of use		Panasian Power PLC - Reporting Period 01 April 2024 to 31 March 2025			
GRI 1 used		GRI 1: Foundation 2021			
Applicable GRI Sector Standard(s)		Renewable Power Generation			
GRI STANDARD/ OTHER SOURCE	DISCLOSURE	LOCATION	OMISSION		
			REQUIREMENT(S) OMITTED	REASON	EXPLANATION
Public policy [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 415: Public Policy 2016	415-1 Political contributions	108-141			
Customer health and safety [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	72-81			
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	72-81			
Marketing and labeling [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	56-61			
	417-2 Incidents of non-compliance concerning product and service information and labeling	56-61			
	417-3 Incidents of non-compliance concerning marketing communications	56-61			
Customer privacy [The material topics and the disclosures included under the material topics are examples. See guidance under row 39]					
GRI 3: Material Topics 2021	3-3 Management of material topics	40-42			
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	72-81			

Notice is hereby given that the 23rd Annual General Meeting (AGM) of Panasian Power PLC will be held on 27 June 2025 at 09.00 am at Lavender Hall, BMICH Colombo, Bauddhaloka Mawatha, Colombo 07 for the following purposes:

1. To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and its subsidiaries and the Statement of Accounts for the year ended 31 March 2025 together with the Report of the Auditors thereon;
2. To re-elect Mr. Kosala Kamburadeniya who retires by rotation pursuant to the provisions of Article 24 (6) of the Articles of Association of the Company, as a director;
3. To elect Ms. Nirosini Ranatunga, a Director of the Company, who was appointed during the Financial Year to fill a casual vacancy in terms of Article 24 (2) of the Articles of Association of the Company;
4. To re-appoint the retiring Auditors, Messrs. Ernst & Young, Chartered Accountants to hold office until the conclusion of the next Annual General Meeting and to authorize the directors to fix their remuneration;
5. To authorize the Board of Directors to determine donations for the year ending 31 March 2026 and up to the date of the next Annual General Meeting;
6. To consider any other business of which due notice has been given

BY ORDER OF THE BOARD

For and on behalf of Panasian Power PLC



R. Weudagedara

Company Secretary

04 June 2025

Colombo

Notes

1. A duly registered and entitled holder of the Company's shares is entitled to attend, speak and vote at the AGM and is entitled to appoint a proxyholder to attend, speak and vote on a show of hands or on a poll on his/her behalf; The proxy so appointed shall be valid for any adjournment of the meeting as for the meeting to which it relates.
2. A proxyholder need not be a shareholder of the Company;
3. A proxy so appointed shall have the same right as the shareholder to vote on a show of hands as well as to speak at the AGM;
4. Members are encouraged to vote by Proxy through the appointment of a member of the Board of Directors to vote on their behalf and to include their voting preferences on the resolutions to be taken up at the Meeting in the Form of Proxy.
5. In the event the Appointor of the proxy attending the meeting, the authority of the proxy to attend, vote and/or in any way participate at the meeting shall stand automatically cancelled and revoked.
6. A shareholder shall not be entitled to appoint more than one proxy to attend on the same occasion.
7. The Form of Proxy is enclosed for this purpose. The completed Form of Proxy must be deposited at the Registered Office of the Company situated at Level 4, BTL Shipping House, No 45/2, Braybrooke Street, Colombo 02 or email to agm@panasianpower.com / info@panasianpower.com / or facsimile to 0114 506 412 not less than forty-eight (48) hours before the appointed hour of the meeting;

I/We.....of
..... being a member/members of Panasian Power PLC,
hereby appoint(N I C No.) of.....failing him/ her

Mr. L. H. A. L. Silva	whom failing
Mr. D. Sooriyaarachchi	whom failing
Mr. P. K. Pathmanatha	whom failing
Ms. L. K. A. H. Fernando	whom failing
Mr. W. W. M. S. B. K. G. Kamburadeniya	whom failing
Ms. C. Pietersz	whom failing
Ms. N. Ranatunga	whom failing

as my/our proxy to represent me/us and*.....to vote on my/our behalf at the Annual General Meeting (AGM) of Panasian Power PLC (the Company) to be held on 27 June 2025 at 09.00 am at Lavender Hall, BMICH Colombo, Baudhaloka Mawatha, Colombo 07 and at any adjournment thereof.

I/ We the undersigned hereby authorize my/our Proxy to vote on my/our behalf in accordance with the preference indicated below:

	For	Against	Abstained
(1) To receive and consider the Annual Report of the Board of Directors on the affairs of the Company and its subsidiaries and the Statement of Accounts for the year ended 31 March 2025 together with the Report of the Auditors thereon	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(2) To re-elect Mr. Kosala Kamburadeniya who retires by rotation pursuant to the provisions of Article 24 (6) of the Articles of Association of the Company, as a director;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) To elect Ms. Niroshini Ranatunga, a Director of the Company, who was appointed during the Financial Year to fill a casual vacancy in terms of Article 24 (2) of the Articles of Association of the Company;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(3) To re-appoint the retiring Auditors, Messrs. Ernst & Young, Chartered Accountants, to hold office until the conclusion of the next Annual General Meeting and to authorize the Directors to fix their remuneration;	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(4) To authorize the Board of Directors to determine donations for the year ending 31 March 2026 and up to the date of the next Annual General Meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signed on this day of Two Thousand and Twenty Five.

.....
Signature/s

*If you wish your Proxy to speak at the meeting you should insert the words “to speak and” in the place indicated and initial such insertion.

Notes:

1. Instructions as to completion appear overleaf;
2. Please indicate with an “x” in the space provided how your proxyholder is to vote;
3. If there is in the view of the proxyholder doubt (by reason of the way in which the instructions contained in the proxy have been completed) as to the way in which the proxyholder should vote, the proxyholder shall vote as he thinks fit;

Instructions as to completion

1. To be valid, this completed Form of Proxy must be deposited at the Registered Office of the Company situated at Level 4, BTL Shipping House, No 45/2, Braybrooke Street, Colombo 02 or email to agm@panasianpower.com / info@panasianpower.com or facsimile to 0114 506 412, not less than forty-eight (48) hours before the appointed hour of the meeting;
2. The full name and address of the proxyholder and of the shareholder appointing the proxyholder should be entered legibly in the Form of Proxy; Please fill in the date of signature;
3. If you wish to appoint any person other than directors as your proxy, please insert the relevant details in the space provided overleaf;
4. If the Form of Proxy is signed by the Power of Attorney, the respective Power of Attorney should accompany the completed Form of Proxy for registration, in the event it has already not being registered with the Company;
5. If the shareholder is a company or a corporate body, the Form of Proxy should be executed under the common seal or be signed by its Attorney or by an Officer authorized to do so on behalf of such company/ corporate body;
6. Every alteration or addition to the Form of Proxy must be duly authenticated by the full signature of the shareholder signing the Form of Proxy. Such signatures should as far as possible be placed in proximity to the addition or alteration intended to be authenticated;
7. The use of the word "Member/s" herein is a reference to "Shareholder/s";

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

Date of listing of shares on the Colombo Stock Exchange

7 January, 2011

Company Registration Number

PV 9959 PB/PQ

Accounting Year End

31, March

Registered Office and Head Office

Level 4, BTL Shipping House, No. 45/2, Braybrooke Street, Colombo 02.

Subsidiary Companies

Manelwala Hydropower (Pvt) Limited
Panasian Investments (Pvt) Limited
Solar Power Generation Matara (Pvt) Ltd
Panthree Solaro Energy (Pvt) Ltd
PAP Solar One (Pvt) Ltd
Padiyapelella Hydropower Limited
Rajarata Sustainable Development (Pvt) Ltd
Finergreen Rajarata (Pvt) Ltd
Panasian Power Zambia Limited
Lower Kotmale Oya Power Two (Pvt) Ltd
Eco Green Solar Solutions (Pvt) Ltd
Finergreen Ridiyagama (Pvt) Ltd
Finergreen Gonnoruwa (Pvt) Ltd
Finergreen Mattala (Pvt) Ltd
Panasian Solar (Pvt) Ltd
(Previously named as Winsol Renewables (Pvt) Ltd was changed w.e.f 8 May 2024)
PAP SPGM Solar (Pvt) Ltd
PAP EGSS Solar (Pvt) Ltd
PAP MHPL Solar (Pvt) Ltd
PAP PTS Solar (Pvt) Ltd
R-E-D Capital Asia (Pvt) Ltd
Solar One Asia (Pvt) Ltd

Joint Ventures

Powergen One (Pvt) Ltd

Nature of business

To engage in and undertake to establish, operate and manage any form of renewable energy power plant, and engage in any business related with the renewable energy sector.

Directors

Mr. L.H.A.L.Silva (Chairman)
Mr. P.K. Pathmanatha (CEO/ Executive Director)
Ms. L.K.A.H.Fernando
Mr. D. Sooriyaarachchi
Mr. K. Kamburadeniya
Ms. C. Pietersz
Ms. N. Ranatunga (Appointed w.e.f 15 January 2025)

Board Secretary

Ms. R.Weudagedara

List of Sub Committees

Board Audit and Risk Committee

(Committee name renamed w.e.f

1 October 2024)

Ms. C. Pietersz (Chairperson)
Ms. L.K.A.H.Fernando
Mr. K. Kamburadeniya
Ms. N. Ranatunga (Appointed w.e.f 15 January 2025)
Mr. L. H. A. L. Silva (Resigned w.e.f 15 January 2025)

Board Nominations and Governance Committee

Mr. K. Kamburadeniya (Chairman)
Mr. L.H.A.L.Silva
Ms. L.K.A.H.Fernando
Mr. D. Sooriyaarachchi
Ms. C. Pietersz

Board HR & Remuneration Committee

(Committee name renamed w.e.f

1 October 2024)

Mr. K. Kamburadeniya (Chairman)
Mr. L.H.A.L.Silva
Ms. L.K.A.H.Fernando
Mr. D. Sooriyaarachchi
Ms. N. Ranatunga (Appointed w.e.f 15 January 2025)
Ms. C. Pietersz (Resigned w.e.f 15 January 2025)

Board Related Party Transactions Review Committee

Ms. N. Ranatunga (Appointed w.e.f 15 January 2025)
Mr. L.H.A.L.Silva
Ms. L.K.A.H.Fernando
Mr. D. Sooriyaarachchi
Ms. C. Pietersz (Resigned as the Chair w.e.f 15 January 2025)

Registrars

S S P Corporate Services (Pvt) Limited
No 101, Inner Flower Road
Colombo 3
Tel: +94112573894

Lawyers

Heritage Partners
No. 4, Heritage House,
Malalasekara Pedesa,
Colombo 07
Tel: +94 117550096

Auditors

M/s Ernst & Young
Chartered Accountants
Rotunda Towers,
No. 109, Galle Road,
Colombo 03
Tel : +94 11 246 3500

Bankers

Sampath Bank PLC
110, Sir James Peiris
Mawatha
Colombo 2.
Tel: +94112303050

National Development
Bank PLC
40,Mawam Mawatha
Colombo 2.
Tel: +94112448888

Seylan Bank PLC
90, Galle Road
Colombo 03.
Tel: +94112456135

DFCC Bank PLC
73/5, Galle Road,
Colombo 3.
Tel: +94 112350000

Bankers

Commercial Bank of Ceylon PLC
Commercial House
No 21, Sir Razik Fareed
Mawatha, Colombo 01.
Tel: +94112486028

Hatton National Bank PLC
Level 14, 479, T B Jaya
Mawatha
Colombo 10.
Tel: +94112660660

Union Bank of Colombo PLC
64 Galle Road,
Colombo 03.
Tel: 94112374100

Bank of Ceylon
No 1, BOC Square,
Bank of Ceylon Mawatha,
Colombo 01.
Tel: +94 112204444



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