



ANNUAL REPORT 2021/22

CHARGED TO GROW



CHARGED TO GROW

At WindForce, we continuously seek ways in which we can generate energy with minimum impact on our surroundings. Our current projects, as well as those slated for the future, will make a considerable impact on power generation in Sri Lanka by the use of natural and sustainable resources. Amidst the challenges of the year, we have renewed our commitment to long term growth and aiding the progress of the nation. We are charged to grow and look ahead to accelerated momentum in achieving our targets.

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Statement of Comprehensive Income

GRI 102-32, 46, 48-54

Scope and Boundary

This is the 2nd Integrated Annual Report published by WindForce PLC (WF). The current report has been structured to present a holistic review of WF's financial and non-financial performance for FY 2021/22. The reporting period covered is 1st April 2021 to 31st March 2022, which coincides with the Company's financial reporting cycle.

The report outlines WF's core business as a producer of renewable energy and covers the Company's operations in Sri Lanka, Pakistan, Uganda and Ukraine.

The Company's most recent past integrated report for the year ended 31st March 2021 is available for viewing and download under the investor relations tab on our corporate website - www.windforce.lk

Reporting Suite



Integrated Reporting

International Integrated Reporting Council's (IIRC) Reporting Framework



Financial Reporting

The Companies Act No. 7 of 2007
Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka



Risk and Governance Reporting

Code of Best Practice on Corporate Governance issued jointly by the Institute of Chartered Accountants of Sri Lanka (ICASL) and Securities and Exchange Commission of Sri Lanka (SEC)

Listing Rules of the Colombo Stock Exchange (CSE)



Sustainability Reporting

Global Reporting Initiative (GRI) Standards "In Accordance Comprehensive"

United Nations Sustainable Development Goals (SDG's)

Materiality

In seeking to inform shareholders and other stakeholders about the WF's economic, social and environmental performance for the review period, the report content has been developed based on the principle of Materiality.

Accordingly, the information presented in this report reflects the topics most relevant or "Material" to the Company as well as its stakeholders. The process for establishing these Material Topics is described in greater detail on page 45 of this report.

Forward Looking Statements

Certain statements in this integrated annual report contain certain forward-looking statements, mainly in reference to the growth and expectations of the Company, vis-a-vis the future economic outlook.

However, due to changes in economic and market conditions and regulatory or competitive environment, it is possible that future actual results may differ from those set out in the forward-looking statements. As such, WF does not undertake to review or revise any of these forward-looking statements at a later date. On this basis, the Company confirms that there are no restatements pertaining to the Annual Report for FY 2020/21.

Assurance

WF employs a combined assurance model to assess and verify the information contained within this integrated report. Accordingly, the content included herein has been first approved by the respective business heads and reviewed by the audit committee prior to submission for Board approval.

In addition, the financial statements have been audited by WF's external auditors - Messrs.'B.R. De Silva & Co. An independent report by them is available on page 131 of this report.

Board Responsibility Statement

The WF Board acknowledges its responsibility to ensure the accuracy of the integrated annual report for FY 2021/22. The Board has applied its collective expertise to assess the content of the report and is of the opinion that this report addresses all material issues and presents a fair and accurate view of WF's performance in the year under review.



Feedback on the Report

We welcome your feedback on this integrated annual report and request that all feedback and queries be directed to:

Lasith Wimalasena
Chief Executive Officer
lasith@windforce.lk



WindForce PLC is a leading renewable energy development company in Sri Lanka and has been a dominant player in Sri Lanka's wind power industry since its first project in 2010. The Company was established to handle all aspects of renewable energy development and today owns, develops and operates top-of-the-line power plants that are fully equipped to meet the growing demand for clean, green energy.

In addition to its dominant presence in the local wind power space, WindForce has further diversified into large-scale, ground and rooftop solar power generation systems and mini hydro plants, both locally and overseas. Having expanded its reach to Pakistan, Uganda and Ukraine, the Company continues to explore new opportunities to extend its global footprint.

WindForce has a team of professionals with years of experience and capability to work with advanced technologies while adapting to a range of diverse geographical conditions. With their wealth of knowledge on feasibility studies, engineering management, procurement, construction and maintenance of power plants, the WindForce team has time and again proven their ability to design, develop and maintain viable, sustainable and eco-friendly power plants on par with international standards.



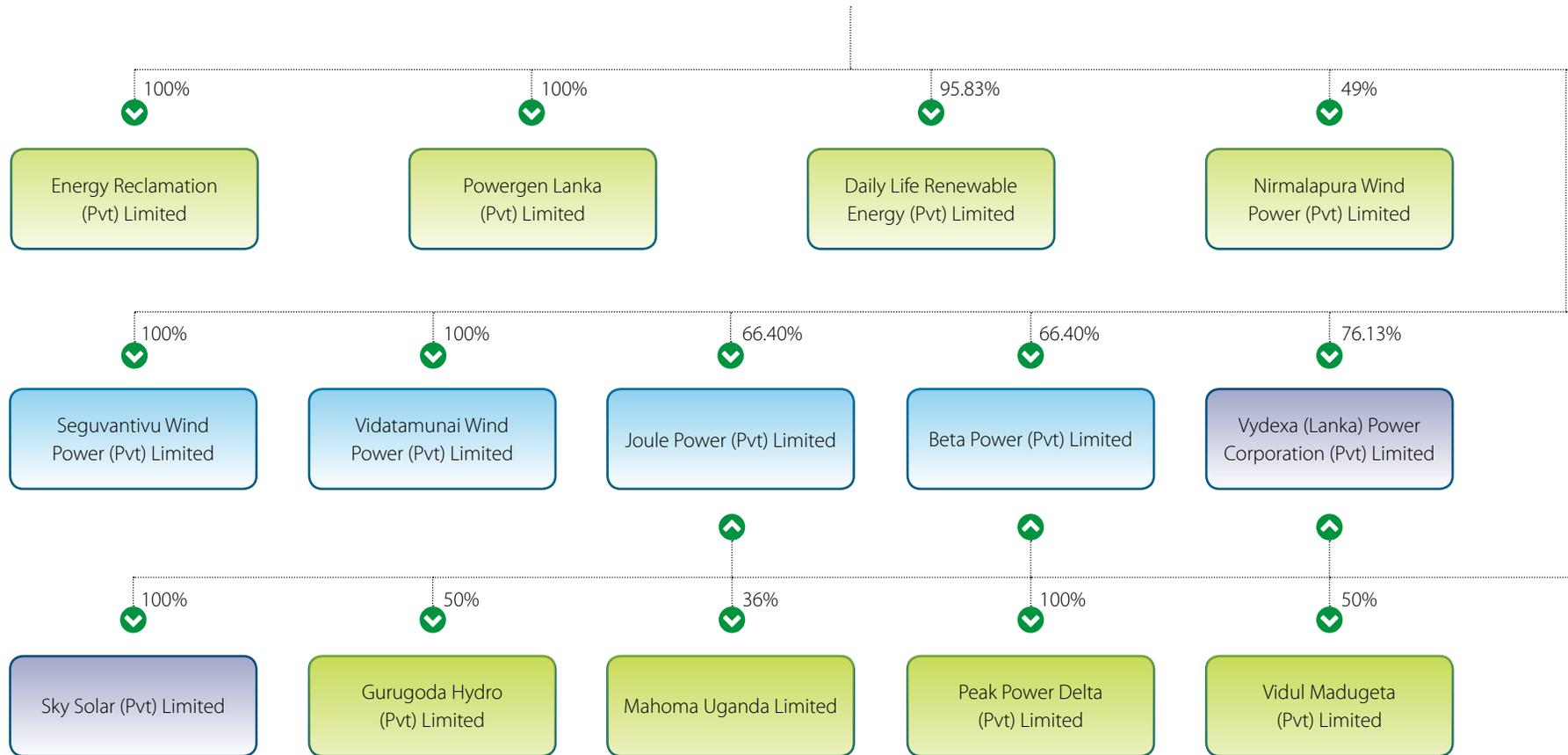
VISION

To pioneer and spearhead the growth of Renewable Energy in Sri Lanka and progress into overseas markets with the use of cutting edge technology and energy-efficient renewable energy plants that are socially, financially and legally sustainable to our investors in the long run.



MISSION

To hold our position as the largest contributor of Sri Lanka's renewable energy by investing in viable, eco-friendly and state-of-the-art renewable energy power plants and to venture beyond our shores and become prominent players in the global market.



Holding Company



Solar Power Plants



Wind Power Plants



Hydro Power Plants



Wind Power





69.2 MW

7 Plants

138,200MT CO₂ Saved (Estimated)

194.7GWh Annually

Seguwantivu



Name of plant Seguwantivu	Location Puttalam, Sri Lanka
Capacity (MW) 9.6	WindForce’s Investment (LKR) 1.2 Bn
Date of Commission May 10	WindForce’s Stake 100%
Estimated Annual Average Generation (GWh) 25	Annual Average CO₂ Savings (MT) 17,700

Vidatamunai



Name of plant Vidatamunai	Location Puttalam, Sri Lanka
Capacity (MW) 9.6	WindForce’s Investment (LKR) 1.5 Bn
Date of Commission July 10	WindForce’s Stake 100%
Estimated Annual Average Generation (GWh) 25	Annual Average CO₂ Savings (MT) 17,700

Nirmalapura



Name of plant
Nirmalapura

Location
Puttalam, Sri Lanka

Capacity (MW)
10.0

WindForce's Investment (LKR)
490 Mn

Date of Commission
July12

WindForce's Stake
49.00%

Estimated Annual Average Generation (GWh)
29.4

Annual Average CO₂ Savings (MT)
20,900

Daily Life



Name of plant
Daily Life

Location
Puttalam, Sri Lanka

Capacity (MW)
10.0

WindForce's Investment (LKR)
1.1 Bn

Date of Commission
July12

WindForce's Stake
95.83%

Estimated Annual Average Generation (GWh)
27.2

Annual Average CO₂ Savings (MT)
19,300

Powergen



Name of plant
Powergen

Location
Puttalam, Sri Lanka

Capacity (MW)
10.0

WindForce's Investment (LKR)
1.5 Bn

Date of Commission
July 12

WindForce's Stake
100%

Estimated Annual Average Generation (GWh)
22.5

Annual Average CO₂ Savings (MT)
16,000

Joule Power



Name of plant
Joule Power

Location
Kilinochchi, Sri Lanka

Capacity (MW)
10.0

WindForce's Investment (LKR)
580 Mn

Date of Commission
December 14

WindForce's Stake
66.40%

Estimated Annual Average Generation (GWh)
32.8

Annual Average CO₂ Savings (MT)
23,300

Beta Power



Name of plant
Beta Power

Location
Kilinochchi, Sri Lanka

Capacity (MW)
10.0

WindForce's Investment (LKR)
580 Mn

Date of Commission
December 14

WindForce's Stake
66.40%

**Estimated Annual Average
Generation (GWh)**
32.8

**Annual Average CO₂ Savings
(MT)**
23,300

Solar POWER





124.6 MW

11 Plants

160,300MT CO₂ Saved (Estimated)

227GWh Annually

Solar One



Name of plant Solar One	Location Welikanda, Sri Lanka
Capacity (MW) 10.0	WindForce's Investment (LKR) 490 Mn
Date of Commission December 16	WindForce's Stake 50.00%
Estimated Annual Average Generation (GWh) 21	Annual Average CO₂ Savings (MT) 16,000

Vydexa



Name of plant Vydexa	Location Vavuniya, Sri Lanka
Capacity (MW) 10.0	WindForce's Investment (LKR) 923 Mn
Date of Commission July 17	WindForce's Stake 76.13%
Estimated Annual Average Generation (GWh) 21.7	Annual Average CO₂ Savings (MT) 16,000

Suryadhanavi



Name of plant
Suryadhanavi

Location
Roof Tops, Sri Lanka

Capacity (MW)
11.4

WindForce's Investment (LKR)
360 Mn

Date of Commission
November 18

WindForce's Stake
88.00%

**Estimated Annual Average
Generation (GWh)**
15

**Annual Average CO₂ Savings
(MT)**
11,000

Sunny Clime



Name of plant
Sunny Clime

Location
Vavuniya, Sri Lanka

Capacity (MW)
1.0

WindForce's Investment (LKR)
48 Mn

Date of Commission
February 19

WindForce's Stake
90.00%

**Estimated Annual Average
Generation (GWh)**
1.7

**Annual Average CO₂ Savings
(MT)**
1,000

Seruwawila



Name of plant Seruwawila	Location Vavuniya, Sri Lanka
Capacity (MW) 1.0	WindForce's Investment (LKR) 48 Mn
Date of Commission February 19	WindForce's Stake 90.00%
Estimated Annual Average Generation (GWh) 1.7	Annual Average CO₂ Savings (MT) 1,000

Hirujanani



Name of plant Hirujanani	Location Roof Tops, Sri Lanka
Capacity (MW) 2.1	WindForce's Investment (LKR) 54 Mn
Date of Commission April 19	WindForce's Stake 66.00%
Estimated Annual Average Generation (GWh) 2.8	Annual Average CO₂ Savings (MT) 1,800

Harappa Solar



Name of plant
Harappa Solar

Location
Harappa, Pakistan

Capacity (MW)
18.0

WindForce's Investment (LKR)
109 Mn

Date of Commission
October 17

WindForce's Stake
12.85%

Estimated Annual Average Generation (GWh)
27

Annual Average CO₂ Savings (MT)
19,000

Gharo Solar



Name of plant
Gharo Solar

Location
Gharo, Pakistan

Capacity (MW)
50.0

WindForce's Investment (LKR)
969 Mn

Date of Commission
December 19

WindForce's Stake
30.00%

Estimated Annual Average Generation (GWh)
100

Annual Average CO₂ Savings (MT)
71,000

Tororo PV Power



Name of plant Tororo PV Power	Location Tororo, Uganda
Capacity (MW) 10.0	WindForce's Investment (LKR) 579 Mn
Date of Commission August 20	WindForce's Stake 80.00%
Estimated Annual Average Generation (GWh) 22.7	Annual Average CO₂ Savings (MT) 16,000

Semypolky Solar



Name of plant Semypolky Solar	Location Brovarskiy, Ukraine
Capacity (MW) 9.0	WindForce's Investment (LKR) 101 Mn
Date of Commission July 20	WindForce's Stake 12.50%
Estimated Annual Average Generation (GWh) 10.6	Annual Average CO₂ Savings (MT) 7,500

Sky Solar



Name of plant
Sky Solar

Location
Roof Tops, Sri Lanka

Capacity (MW)
2.1

WindForce's Investment (LKR)
265 Mn

Date of Commission
February 22

WindForce's Stake
100%

**Estimated Annual Average
Generation (GWh)**
2.8

**Annual Average CO₂ Savings
(MT)**
1,800



Hydro Power



26.3 MW

10 Plants

78,300MT CO₂ Saved (Estimated)

110.4GWh Annually

Energy Reclamation



Name of plant Energy Reclamation	Location Sitagala, Sri Lanka
Capacity (MW) 0.8	WindForce's Investment (LKR) 130 Mn
Date of Commission April 19	WindForce's Stake 100%
Estimated Annual Average Generation (GWh) 3.5	Annual Average CO₂ Savings (MT) 2,500

Terraqua International



Name of plant Terraqua International	Location Halathura Ganga, Sri Lanka
Capacity (MW) 1.3	WindForce's Investment (LKR) 300 Mn
Date of Commission February 09	WindForce's Stake 100%
Estimated Annual Average Generation (GWh) 4.9	Annual Average CO₂ Savings (MT) 3,500

Gurugoda Hydro



Name of plant
Gurugoda Hydro

Location
Kegalle, Sri Lanka

Capacity (MW)
1.2

WindForce's Investment (LKR)
80 Mn

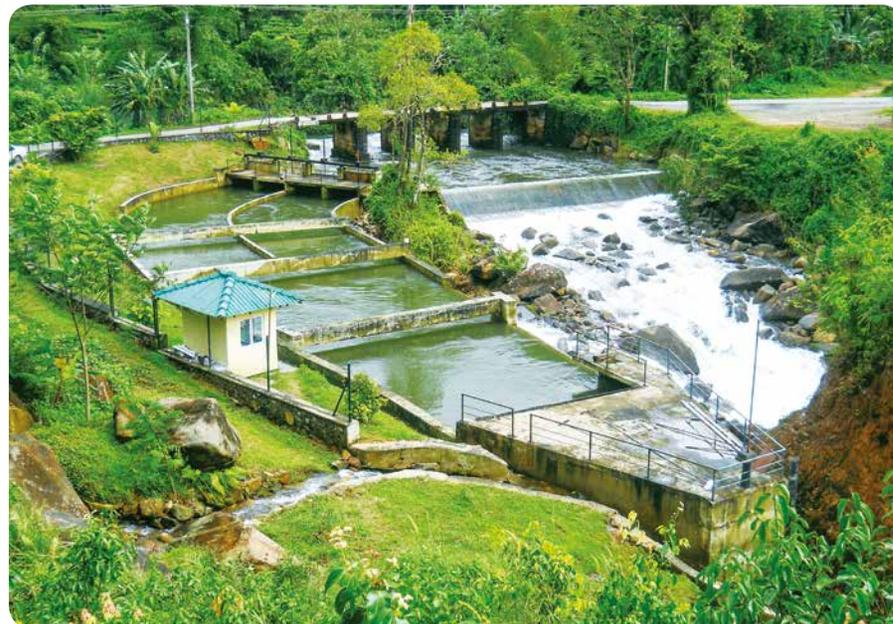
Date of Commission
March 10

WindForce's Stake
50.00%

Estimated Annual Average Generation (GWh)
3.3

Annual Average CO₂ Savings (MT)
2,300

Terraqua Kokawita



Name of plant
Terraqua Kokawita

Location
Kalawana, Sri Lanka

Capacity (MW)
1.2

WindForce's Investment (LKR)
327 Mn

Date of Commission
June 12

WindForce's Stake
100%

Estimated Annual Average Generation (GWh)
4.4

Annual Average CO₂ Savings (MT)
3,000

Vidul Madugeta



Name of plant
Vidul Madugeta

Location
Neluwa, Sri Lanka

Capacity (MW)
2.5

WindForce's Investment (LKR)
110 Mn

Date of Commission
November 13

WindForce's Stake
50.00%

Estimated Annual Average Generation (GWh)
11.2

Annual Average CO₂ Savings (MT)
8,000

Melanka Power



Name of plant
Melanka Power

Location
Haldummulla, Sri Lanka

Capacity (MW)
3.8

WindForce's Investment (LKR)
466 Mn

Date of Commission
February 14

WindForce's Stake
100%

Estimated Annual Average Generation (GWh)
12.3

Annual Average CO₂ Savings (MT)
8,700

Peak Power



Name of plant
Peak Power

Location
Ginigathena,
Sri Lanka

Capacity (MW)
2.0

WindForce's Investment (LKR)
230 Mn

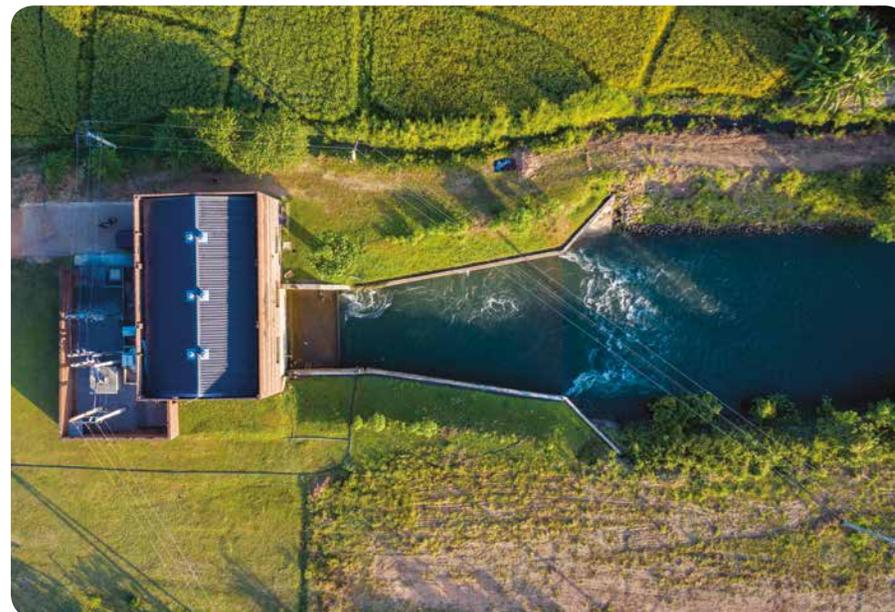
Date of Commission
May 16

WindForce's Stake
100%

**Estimated Annual Average
Generation (GWh)**
7.5

**Annual Average CO₂ Savings
(MT)**
5,300

H.P.D. Power



Name of plant
H.P.D. Power

Location
Dambulla, Sri Lanka

Capacity (MW)
3.2

WindForce's Investment (LKR)
382 Mn

Date of Commission
December 16

WindForce's Stake
100%

**Estimated Annual Average
Generation (GWh)**
16.7

**Annual Average CO₂ Savings
(MT)**
12,000

Mahoma Uganda



Name of plant
Mahoma Uganda

Location
Mahoma, Uganda

Capacity (MW)
2.7

WindForce's Investment (LKR)
98 Mn

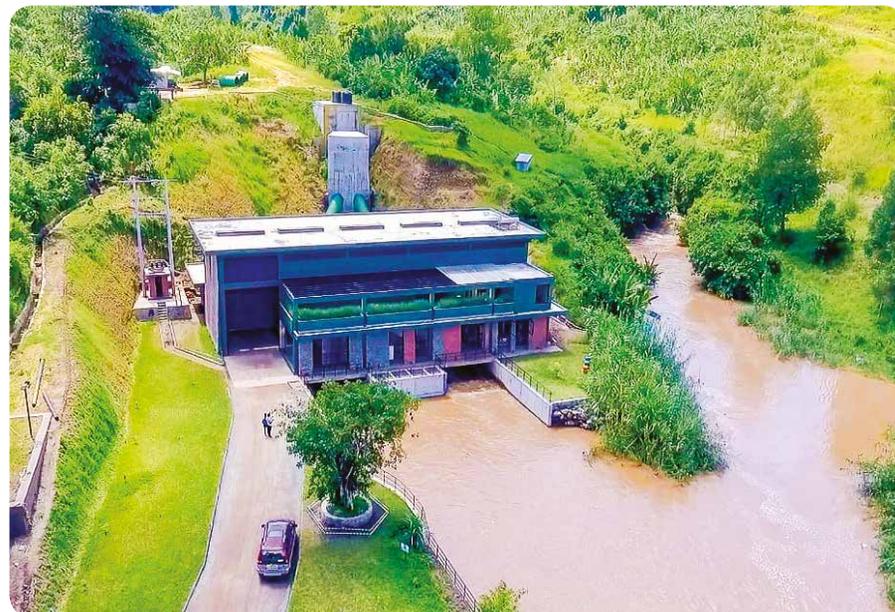
Date of Commission
October 18

WindForce's Stake
36.00%

Estimated Annual Average Generation (GWh)
9.9

Annual Average CO₂ Savings (MT)
7,000

Ziba



Name of plant
Ziba

Location
Kyambura, Uganda

Capacity (MW)
7.6

WindForce's Investment (LKR)
266 Mn

Date of Commission
July 19

WindForce's Stake
25.50%

Estimated Annual Average Generation (GWh)
36.7

Annual Average CO₂ Savings (MT)
26,000

Solar Universe



Name of plant

Solar Universe

Location

Vavunativu, Sri Lanka

Capacity (MW)

10

WindForce's Stake

33.33%

Expected Date of Commission

July 22

Hiruras Power



Name of plant

Hiruras Power

Location

Mannar, Sri Lanka

Capacity (MW)

15 (10+5)

WindForce's Stake

100%

Expected Date of Commission

December 22

**Image is not actual*



1 Ranil Pathirana

*Chairman,
Non-Executive Non-Independent Director*

Mr. Ranil Pathirana is the Chairman of WindForce PLC, where he serves in a non-Executive capacity.

Mr. Pathirana is a Fellow Member of the Chartered Institute of Management Accountants, UK (FCMA - UK) and holds a Bachelor of Commerce Degree from the University of Sri Jayewardenepura.

Mr. Pathirana is on the Boards of several listed entities. He is a Non-Executive Director of Ambeon Holdings PLC, BPPL Holdings PLC, ODEL PLC & Alumex PLC.

He also serves as a Director of the Hirdaramani Group which includes Apparel, Leisure & Investment Holding Companies. He is the Managing Director for Hirdaramani International Exports (Pvt) Limited. The Hirdaramani Group has apparel manufacturing facilities across Sri Lanka, Bangladesh, Vietnam and Ethiopia.

2 Asgi Akbarally

Deputy Chairman, Executive Non-Independent Director

Mr. Ali Asghar (Asgi) Akbarally serves as the Executive Deputy Chairman of WindForce PLC.

He holds a BSc Degree in Industrial Engineering from the California State University. He is also a Fellow Member of the Institute of Certified Professional Managers.

Mr. Akbarally also serves as the Chairman of Amana Bank PLC, the Chairman - Hermitage Resorts (Pvt) Ltd, Uthurumaafaru Holding (Pvt) Ltd Maldives, Lhaviyani Holdings (Pvt) Ltd and Cocoon Investments (Pvt) Ltd Maldives and a Director of Alumex PLC

He is an Executive Director of Akbar Brothers (Pvt) Ltd, one of Sri Lanka's largest diversified corporates, globally renowned for its tea exports. He also holds directorship in multiple subsidiaries and affiliates of the Akbar Group.

Mr. Asgi Akbarally is currently the Honorary Consul of the Hashemite Kingdom of Jordan. A classic car enthusiast, Mr. Asgi Akbarally has authored a coffee table book on "Classic and Vintage Automobiles of Ceylon" and is the Patron of the Classic Car Club of Ceylon.

3 Manjula Perera

Managing Director, Executive Non-Independent Director

Mr. Manjula Perera, who serves as an Executive Non-Independent Director on the WindForce PLC Board is also the Managing Director of the Company.

A Fellow of the Institute of Engineering and Technology, UK, Mr. Manjula Perera graduated with first-class honours in Electrical Engineering from the University of Moratuwa. Mr. Perera also holds a MEng from the University of Moratuwa.

He began his career at Lanka Transformers Limited, the largest private sector power generation company in Sri Lanka. He worked for over a decade at various managerial levels, from Design Engineer to Group Business Development Manager.

Entering the power generation sector as an entrepreneur in 2008, Mr. Perera partnered with a few local investment companies to develop mini hydro power plants and thereafter moved on to set up the first and largest wind power plant, at the time, in Sri Lanka, contributing directly to the National Grid.

4 Huzefa Akbarally

Non-Executive Non-Independent Director

Mr. Huzefa Akbarally is a Non-Executive, Non-Independent Director of the company.

Mr. Akbarally holds a Bachelor of Science Degree in Computer Science, a Bachelor of Engineering Degree in Electrical and Computer Systems Engineering and a Master of Engineering Science Degree by Research in Electrical and Computer Systems Engineering from Monash University Australia.

He serves on the board of Akbar Brothers and is the Chief Executive Officer of CleanCo Lanka Limited. Sri Lanka's premier exporters of ceylon tea, Akbar Brothers have business interests in mini hydro, wind power generation and pharmaceuticals.

5 Hussain Akbarally

Executive, Non-Independent Director

Mr. Hussain Akbarally serves as an Executive, Non-Independent Director on the WindForce PLC Board.

He holds a degree in Science from the University of Melbourne, and an MBA from Harvard Business School.

Mr. Akbarally currently serves as an Executive Director of Akbar Brothers (Pvt) Ltd, and its subsidiaries. Akbar Brothers is Sri Lanka's largest exporter of Ceylon Tea to the international market and has diversified interests in the areas of pharmaceuticals, import trading, renewable energy, property management, manufacturing, hospitality, agriculture and environmental control.

Mr. Hussain Akbarally is credited with spearheading the Group's diversification into the avenues of renewable energy, hospitality and agriculture amongst others. He was honoured as one of the New Energy Leaders by the Asian Development Bank in 2018 for his work in the renewable energy space.

6 Moiz Najmudeen

Non-Executive Non-Independent Director

Mr. Moiz Najmudeen serves as a Non-Executive Non-Independent Director on the WindForce PLC Board.

Mr. Moiz Najmudeen is a renowned entrepreneur and the Founder, Chairman and CEO of The Debug Group of Companies and its subsidiaries. In 1989 he established his first major endeavour where he founded Debug Computer Services and later changed the name to Debug Computer Peripherals (Pvt) Ltd.

Mr. Najmudeen later started Debug Investments to enter into the energy sector through investments in mini hydro, solar and wind power. The Company is now the largest entity in the Debug Group.

Mr. Moiz Najmudeen is the Founder of the Marina Leisure Club and Amber Collection, part of the Debug Hospitality and Leisure sector. He also co-owns the luxury hotel The Palm Stone Retreat in Kithulgala.

7 Vinod Hirdaramani

Non-Executive Non-Independent Director

Mr. Vinod Hirdaramani serves as a Non-Executive Non-Independent Director on the WindForce PLC Board.

Mr. Vinod Hirdaramani was educated at Harrow School in the UK and holds a BA Degree from the Northwestern University in the United States. He is an Alumnus of the Harvard Business School.

He joined the Board of Directors of the Hirdaramani Group in 1993. He oversees the functions of the Hirdaramani Group's Knit facilities in both Sri Lanka and Vietnam, and is mainly involved in the investments the group made in the renewable energy sector.

Mr. Hirdaramani also serves as a Director on many subsidiary companies of the group. The Hirdaramani Group own 38 facilities across Sri Lanka, Bangladesh, Vietnam and Ethiopia. He is a Member of the Young Presidents' Organization, where he served as the past Chapter Chair for the Sri Lanka Chapter.

8 Dilshan Hettiaratchi

Non-Executive Independent Director

Mr. Dilshan Hettiaratchi serves as a Non-Executive, Independent Director on the WindForce PLC Board.

Mr. Hettiaratchi is a Finance Professional. He is a CFA Charter Holder, an ACMA and holds an MBA from the University of Colombo. He also completed Leading Across Boundaries which is a High-Performance Leadership Programme offered by Saïd Business School of the University of Oxford.

With over 30 years of experience in the Finance and Banking sector, he is the Managing Director of Faber Capital Limited, which is an Investment Banking firm headquartered in Dubai. The firm specialises in Capital Markets, Renewable Energy and Advisory opportunities.

Prior to joining Faber Capital, he was the Managing Director and Head of Debt Capital Markets - MENA and Pakistan for Standard Chartered Bank. He is currently a Director of Amana Bank PLC and Asset Trust Management Limited, which is a SEC regulated Asset Management Company. He was also a Steering Committee member of the Gulf Bond and Sukuk Association (GBSA), and the Chair of the Government Bond issuance committee in 2011.

Mr. Hettiaratchi was intricately involved in the establishment of Sri Lanka's first Utility Scale Solar PV project.

9 Saumya Amarasekera

Non-Executive Independent Director

Mrs. Saumya Amarasekera, Attorney-at-Law counts over 34 years in active legal practice mainly in Civil Law practicing in the Original, Appellate and the Supreme Court. She was appointed a President's Counsel by the President of the Democratic Socialist Republic of Sri Lanka.

Her extensive knowledge and practice centres around the areas of Property Law, Family Law Testamentary and Trust Condominium disputes. She has handled litigation on behalf of large Finance Companies and Banks etc. in respect of money recovery cases. She has also appeared before International Arbitration Tribunals relating to disputes in connection with building constructions, etc. She holds a degree in Masters-of- Laws (LLM) from the University of Pennsylvania with particular emphasis on Insurance Law, Privacy and Defamation Law.

Mrs. Amarasekera presently serves on two Advisory Committees appointed by the Ministry of Justice for the Review of the Condominium Law and Review of the Registration of Title Act.

10 Savantha De Saram

Non-Executive Independent Director

Mr. Savantha De Saram, serves as a Non-Executive, Independent Director on the WindForce PLC Board.

Mr. De Saram is the Senior Partner of M/s D. L. & F. De Saram, Attorneys-at-Law and Notaries Public, specialising in infrastructure, M&A, cross border financing (including project financing) and corporate and commercial law. He has been in practice for over 20 years.

Mr. De Saram currently serves as a Non-Executive Director of BPPL Holdings PLC and Hunter & Company PLC.



Manjula Perera
Managing Director



Lasith Wimalasena
Chief Executive Officer



Sudath Chandana
Chief Operating Officer



Rusiri Cooray
Chief Financial Officer



Chamika Perera
Chief Development Officer



Prasanna Dissanayake
General Manager - Hydro



Chamira Gunaratne
General Manager - Wind



Sanjaya Navarathne
General Manager - Solar



Sanjeewa Dharamapriya
Deputy General Manager - Solar



Ahadha Hassen
Executive Secretary



Mervyn Francis
Manager - Accounting



Lalith Hewagama
Manager - Operational Finance



Aravinda Karunaratne
*Manager - Operation and
Maintenance*



Rajkumar Kanagaratnam
*Manager - Operation and
Maintenance*

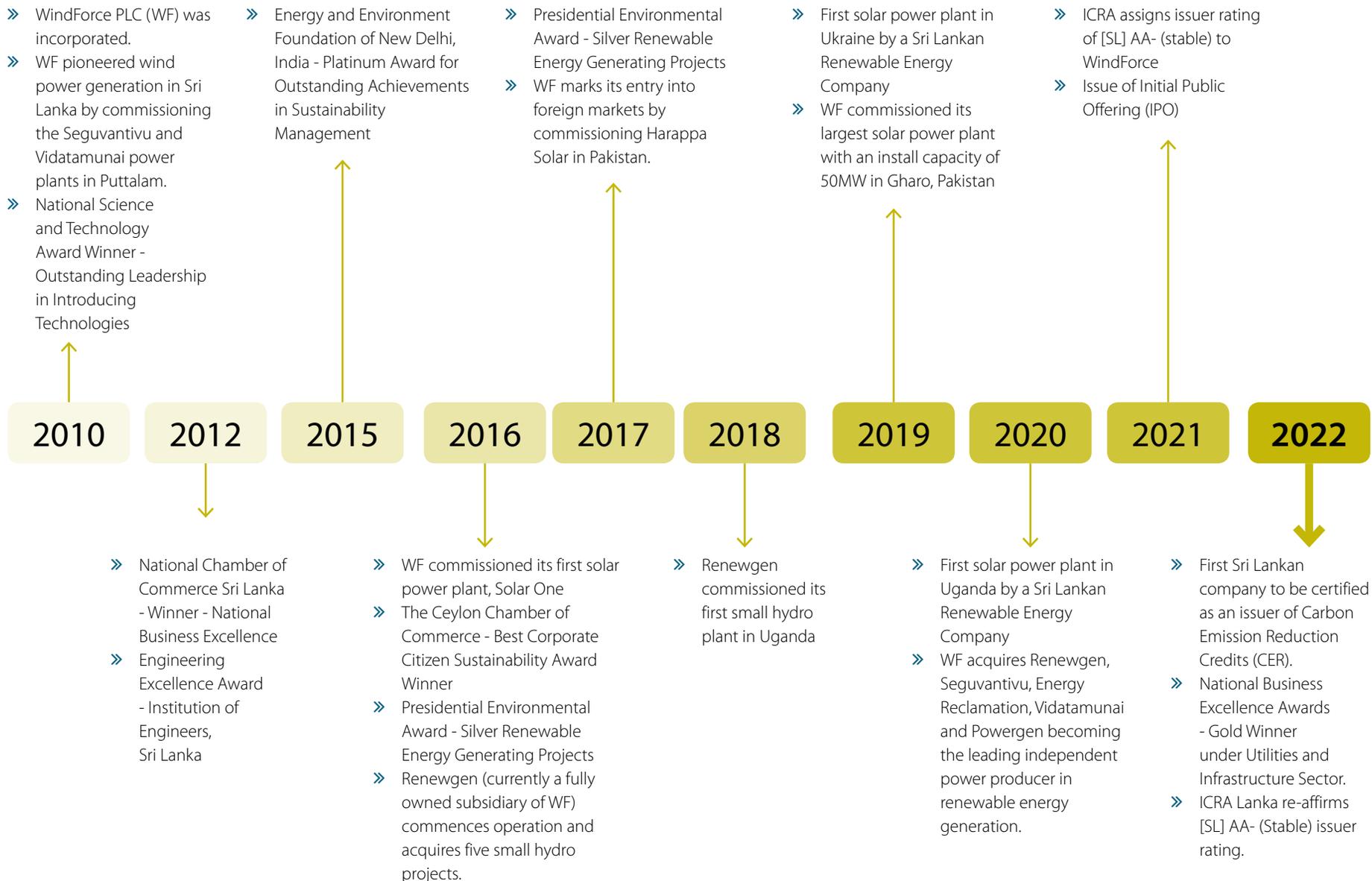


Roshan Akaravitage
*Manager - Operation and
Maintenance*



Nimanthi Mihirani
Manager - Logistics

GRI 102-7



Year ended 31st March	LKR '000	2022	2021	%
Operating Results				
Group Revenue		4,367,373	4,310,110	1%
Operating Profit		2,538,446	2,559,213	-1%
Profit Before Taxation		2,237,825	2,547,754	-12%
Profit After Taxation		1,951,827	2,146,249	-9%
Profit Attributable to Parent		1,574,934	1,749,819	-10%
Gross Dividend Paid		1,756,000	400,000	339%
Financial Position				
Total Assets		30,447,945	34,033,446	-11%
Stated Capital		18,226,456	14,984,610	22%
Retained Earnings		2,494,597	2,731,034	-9%
Equity Attributable to the Equity Holders of the Parent		20,880,477	20,958,613	0%
Total Liabilities		7,627,011	11,194,231	-32%
No. of Ordinary Shares	No. '000	1,350,769	1,148,154	18%
Current Assets		8,991,125	12,409,681	-28%
Current Liabilities		2,379,572	5,216,096	-54%
Gearing Ratio	%	19.21	21.85	-12%
Return on Capital Employed	%	9.28	10.30	-10%
Shareholder Information				
Return on Assets	%	6.41	6.31	2%
Earnings Per Share	LKR	1.17	1.52	-23%
Dividend Per Share	LKR	1.30	0.35	273%
Dividend Payout	%	89.97	18.64	383%
Net Asset Value Per Share	LKR	15.46	18.25	-15%
Market Capitalisation		21,477,226	N/A	
Float Adjusted Market Capitalisation		5,197,274	N/A	
Price Earning Ratio	Times	13.64	N/A	
Interest Cover	Times	7.11	7.06	1%
Highest Price for the year	LKR	23.00	N/A	
Lowest Price for the year	LKR	15.80	N/A	



**GROUP
REVENUE**
LKR 4.4 Bn



**GP
MARGIN**
62%



**NET
PROFIT
MARGIN**
45%



**Total Energy
Generation**
500.2GWh



**Estimate CO₂
Saved**
378,600 MT



**Total
Workforce**
150



**Number of
Injuries**
0



**Investment in
CSR**
LKR 35.6 Mn



**CSR
Beneficiaries**
4000+



**Training Hours
Per Employee**
9.9 Hrs



**MW added for
the year**
2.1MW



**Overseas
Installed Capacity**
97.3MW



**Local Installed
Capacity**
122.8MW

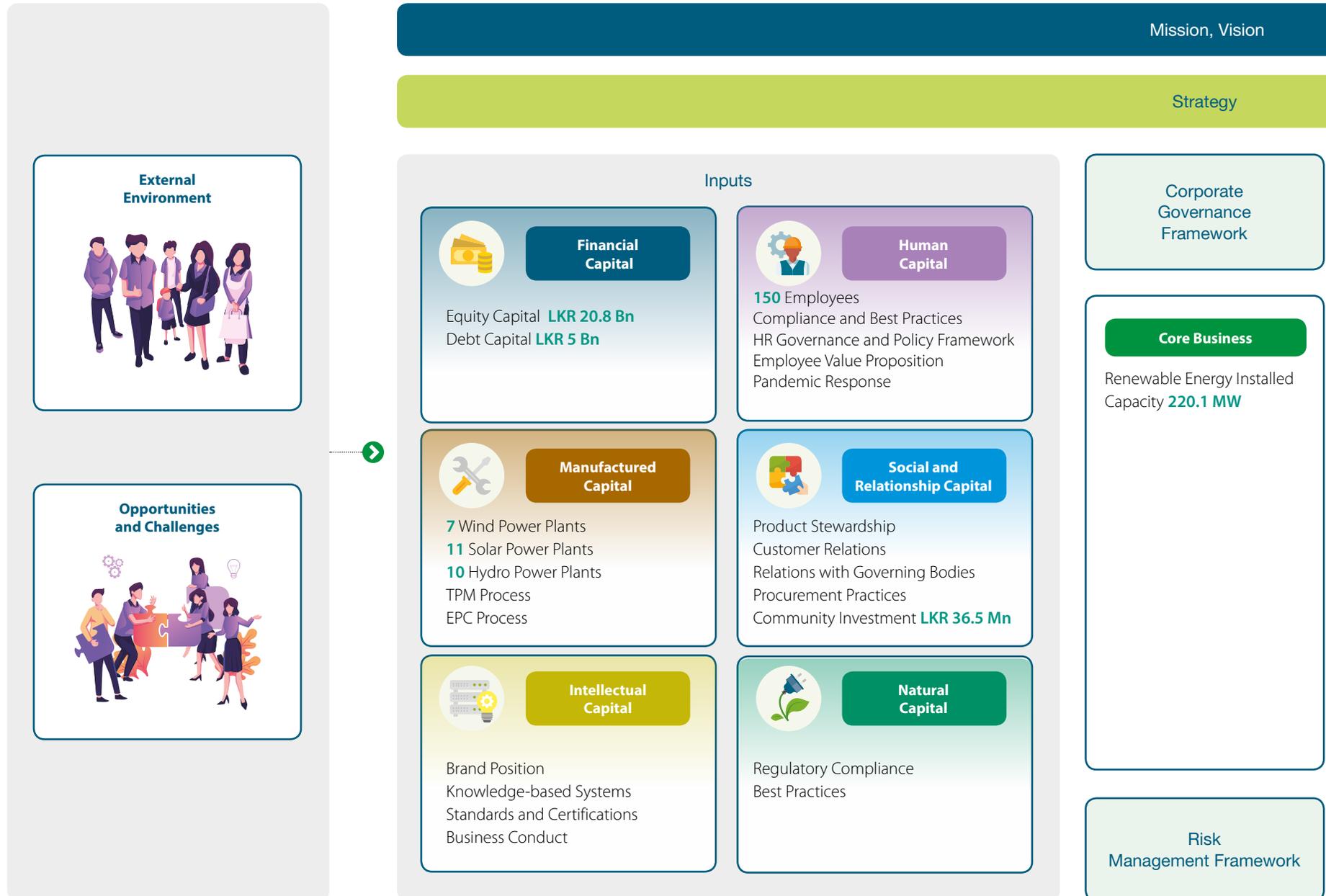


**Installed Capacity Under
Construction**
25MW



STRATEGY

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Outputs for WindForce

AA- (Stable) Issuer Rating re-affirmed by ICRA Lanka

High overall Brand Ranking

Recognition as a global renewable energy company

Ability to attract foreign investors

Lower costs through operational excellence

Higher employee productivity and motivation

Low employee attrition

Strong track record to support future business growth

Enhanced reputation as a responsible corporate steward

Inputs



Shareholders

- » ROE **9.35%**
- » ROCE **9.28%**
- » Dividend Payout **LKR 1.76 Bn**



Suppliers

- » Total Value distributed **LKR 4.8 Bn**
- » Percentage on Local Suppliers for operational projects **63%**
- » Percentage on Local Suppliers for new projects **44%**
- » New suppliers on-boarded **73**



Customers

- » Energy Generated **500 GWh**
- » Product Safety Violations **None**
- » Reported incidents of anti-competitive behaviour **ZERO**



Regulators

- » Contribution to the national renewable energy agenda
- » Reported Incidents of non-compliance of environmental regulations **None**
- » Reported incidents of bribery and corruption **None**
- » Operations at risk for corruption **None**
- » Operations at risk for Human Rights **None**
- » Direct/Indirect political contributions made **None**
- » Health and Safety violations **None**



Employees

- » Total monetary benefits paid **LKR 226 Mn**
- » Fatalities **0**
- » Major Injuries **0**
- » Minor Injuries **0**
- » Incidents of discrimination **0**
- » Ratio of entry level wage (men:women) **1:1**



Communities

- » Emissions from core business **ZERO**
- » Livelihood development opportunities
- » Community Infrastructure development
- » Emergency relief assistance

Since inception WF's strategy has remained firmly anchored to its mission. Hence, we use a combination of short, medium and long-term planning cycles to enable WF to realise its strategic intent; while striking the right balance to safeguard stakeholder interests.

WF's overall strategy is underpinned by four Strategic Pillars that have been established by scrutinising the list of Material Topics relevant to the Company. These four Strategic Pillars serve as the main nerve centre providing directional guidance regarding the allocation of resources.

Basis of Strategy Formulation and Execution





Progressive Growth

Targets and Objectives

- Maintain a strong renewable energy mix
- Maintain an optimal split between local and overseas project exposure
- Maintain overall gearing ratio at 25%-50%

Strategic Drivers

- Continuously expand the project pipeline to maintain a diversified portfolio of renewable energy assets, including wind, solar, hydro and alternative clean energy
- Gain first mover advantage in overseas markets
- Maintain an optimal balance between equity and debt to safeguard the balance sheet
- Seek out value adding partnerships to support value creation



Focus for 2021/22

- 📍 Commenced construction of the 10MW Solar Universe solar plant in Vavunativu, Sri Lanka. Agrovoltaic pilot project.
- 📍 Acquired 2.1MW Sky Solar rooftop solar plant in Sri Lanka.
- 📍 Commenced construction of 15MW Hiruras wind power plant in Mannar, Sri Lanka.



Operational Excellence

Targets and Objectives

- Aim for 97% plant availability
- Ensure optimal energy generation at all plants

Strategic Drivers

- Adoption of the latest renewable energy technology for wind, solar, hydro and waste-to-energy
- Implementation of globally recognised management systems in projects in quality, EHS and risk management activities.
- Engineering-Procurement-Construction (EPC) Process
- Strengthen tacit knowledge of employees
- Encourage innovation among teams



Focus for 2021/22

- 📍 In-house management of O&M activities at all plants
- 📍 Total number of training hours - 1,491 hours



A Great Place to Work

Targets and Objectives

- Maintain over 85% employee satisfaction
- Minimise employee attrition
- Ensure ZERO fatalities or accidents

Strategic Drivers

- ISO 45001 - Occupational Health and Safety Management Standards
- Employee Value Proposition
- Employee Relations



Focus for 2021/22

- 📍 Total monetary benefits distributed to employees - LKR 226 Mn
- 📍 Employee safety measures in response to the COVID-19 pandemic



Contribution to the National Development Agenda

Targets and Objectives

- Lead the way towards Sri Lanka's energy transition
- Drive Sri Lanka's efforts to achieve carbon neutral status
- Support Sri Lanka's contribution to the UN SGDs

Strategic Drivers

- Be the largest private sector renewable energy company contributing to the national grid
- Contribute to SDG 7, 9 and 17 through the core business
- Community investment to drive SDG 1, 2, 4, 6, 8,10,13 and 15



Focus for 2021/22

- 📍 Total of 21 CSR projects carried out
- 📍 Investment in CSR of LKR 35.6 Mn
- 📍 4000+ Beneficiaries

GRI 102-29, 31, 47, 103-1-3

The determination of Materiality provides context regarding the most material topics that drive our business. Material topics offer insights into future trends, business risks, and opportunities that influence our ability to create value and are thus a crucial part of WF's strategic planning and reporting processes.

Since undertaking our first Materiality Assessment in the previous financial year, the management deemed it appropriate to conduct a formal Materiality Assessment every two years.

Therefore, the material topics and the topic boundaries reported in the previous financial year remain unchanged for FY 2021/22 as well.

Our 4-Step Materiality Determination Process



Material Topic	Topic Boundary	Why it is considered Material	Management Approach	Further References	Evaluating the effectiveness of our management approach
Financial Stability	Internal	Improves shareholder returns and strengthens brand equity	Consistent revenue growth and strong cost management	Financial Capital - Page 66	NPBT
					NPAT
					ROE
					Credit Rating
					No. of new projects
Working Capital Management	Internal	Ensures business continuity	Strike the optimal balance between equity, debt and investor funding	Financial Capital - Page 66	Liquidity Ratio
					Debt: Equity Ratio
Asset Base	Internal/ External	Strengthens industry standing	Diversified investment strategy	Manufactured Capital - Page 70	Growth in Asset Base
					No. of new projects
Technology Systems	Internal/ External	Increases customer and investor confidence	Procurement practices	Social and Relationship Capital - Page 84	No. of new projects
			Product stewardship	Intellectual Capital - Page 73	
			Business networks		
Ethical Business Conduct	Internal/ External	Enhances brand credibility	Business conduct	Intellectual Capital - Page 73	Incidents of non-compliance
			Customer relations	Social and Relationship Capital - Page 84	Brand awards
			Relations with governing bodies		Plant availability
					No. of new projects
Excellence in Quality	Internal/ External	Increases customer and investor confidence	Investment in knowledge-based systems	Intellectual Capital - Page 73	
			Total Productive Maintenance (TPM)	Manufactured Capital - Page 70	
			EPC process		
			Governance and Oversight		

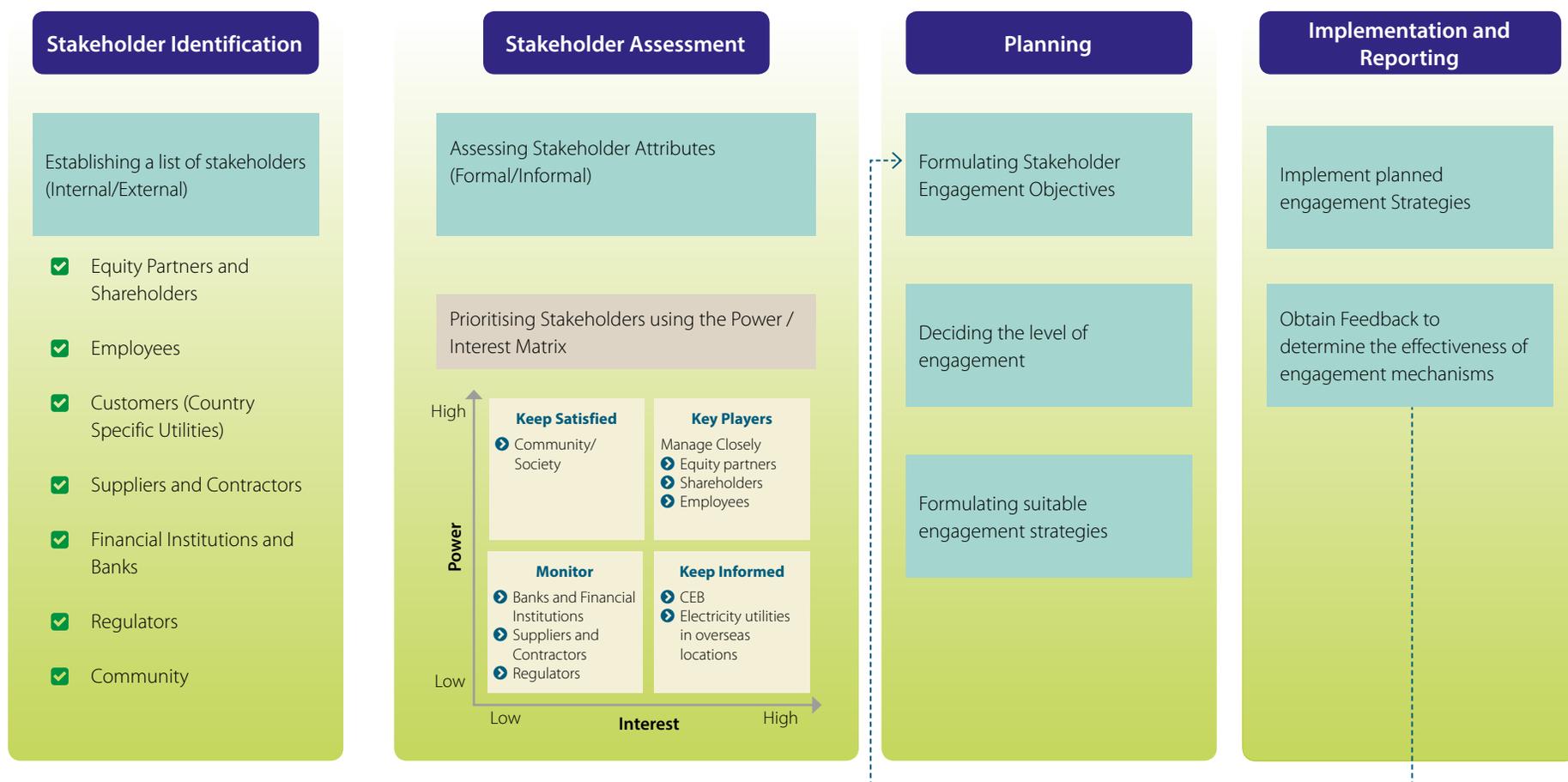
Material Topic	Topic Boundary	Why it is considered Material	Management Approach	Further References	Evaluating the effectiveness of our management approach
Strategic Partnerships	Internal/ External	Increases customer and investor confidence	Business networks	Intellectual Capital - Page 73	
			Standards and Certifications	Social and Relationship Capital - Page 84	
			Procurement practices		
Motivation and Team Spirit	Internal	Contributes towards the achievement of corporate objectives	Employee Value Proposition	Human Capital - Page 77	Employee satisfaction level
Culture and Work Ethic	Internal	Builds team spirit and loyalty among the workforce	HR governance and policy framework		Employee attrition rate
Knowledge Enhancement	Internal/ External	Contributes towards the achievement of corporate objectives	Investment in knowledge-based systems		On-time completion of projects
			Total Productive Maintenance (TPM)		Improved efficiency at existing plants
			EPC process		Safety track record
Health and Safety	Internal/ External	Increases employee confidence	Compliance and Best Practices		
			HR Governance and Policy Framework		
Work-Life Balance	Internal	Strengthens ability to retain key staff	HR Governance and Policy Framework		
			Compliance and Best Practices		
Corporate Stewardship	Internal/ External	Helps reduce socioeconomic disparity	Community investment	Social and Relationship Capital - Page 84	Direct contribution to communities
					No. of beneficiaries
Environmental Impact	Internal/ External	Supports the national environmental goals	Regulatory compliance	Natural Capital - Page 89	Incidents of non-compliance
			Best Practices		Contribution to the national renewable energy mix

GRI 102-40, 42-44

Stakeholder engagement is vital to ensure that our business remains sustainable in the long term. We believe that regular and ongoing engagement with our stakeholders helps to improve the overall performance of our business, enhance our institutional knowledge and strengthen our social and relationship capital, all of which contributes towards augmenting our reputation and status quo as a leading global renewable energy producer.

A comprehensive Stakeholder Management Process is in place to ensure we derive the best possible outcomes from stakeholder engagement.

Stakeholder Management



Stakeholder Group	Engagement Methodology		Key concerns raised	Our Response
	Medium	Frequency		
Employees	<ul style="list-style-type: none"> ➤ Management meetings ➤ Internal communication ➤ One-on-one discussions ➤ Performance reviews 	<ul style="list-style-type: none"> ➤ Continuous and ongoing 	<ul style="list-style-type: none"> ➤ Performance evaluation ➤ Remuneration ➤ Training and development 	<ul style="list-style-type: none"> ➤ Compliance and Best Practices ➤ HR Governance and Policy Framework ➤ Employee Value Proposition
Equity Partners and Shareholders	<ul style="list-style-type: none"> ➤ Board meetings ➤ AGM ➤ Announcement on the CSE and WF digital platforms 	<ul style="list-style-type: none"> ➤ Quarterly ➤ Annually ➤ As required 	<ul style="list-style-type: none"> ➤ Business plan and strategy ➤ ROI and Risk ➤ Sustainability 	<ul style="list-style-type: none"> ➤ Risk Management Framework ➤ Brand Positioning ➤ Business Conduct
Financial institutes and Banks	<ul style="list-style-type: none"> ➤ Progress reports ➤ Announcements and financial publications on the CSE website 	<ul style="list-style-type: none"> ➤ Quarterly/Annually ➤ As needed 	<ul style="list-style-type: none"> ➤ Business performance ➤ Project financing 	<ul style="list-style-type: none"> ➤ Corporate Governance Framework ➤ Business Conduct
Customers (Electrical utility in the relevant countries)	<ul style="list-style-type: none"> ➤ One-on-one meetings 	<ul style="list-style-type: none"> ➤ As required 	<ul style="list-style-type: none"> ➤ Tariff rates ➤ Project commissioning and Grid interconnection 	<ul style="list-style-type: none"> ➤ Submitting relevant information as mentioned in the SPPAs ➤ Adhering to the regulations determined by the customer in the relevant countries.
Community/ Society/ Environment	<ul style="list-style-type: none"> ➤ On-site visits ➤ Meeting with community appointed leader 	<ul style="list-style-type: none"> ➤ Quarterly 	<ul style="list-style-type: none"> ➤ CSR ➤ Community needs and requirements 	<ul style="list-style-type: none"> ➤ Community Investment Programme
Suppliers and Contractors	<ul style="list-style-type: none"> ➤ Meetings ➤ Company/Site visits 	<ul style="list-style-type: none"> ➤ Project Related 	<ul style="list-style-type: none"> ➤ Prices ➤ Quality ➤ Credit Period ➤ Transparency ➤ Terms of Contract 	<ul style="list-style-type: none"> ➤ Appointment of a special procurement team ➤ Preparation of a dedicated procurement plan
Government institutions	<ul style="list-style-type: none"> ➤ Meetings ➤ WF website ➤ Networking events ➤ Press releases 	<ul style="list-style-type: none"> ➤ Project Related 	<ul style="list-style-type: none"> ➤ Compliance to laws ➤ Health and Safety ➤ Government initiated projects 	<ul style="list-style-type: none"> ➤ Adhere to laws and regulations ➤ Ensure health and safety mechanisms ➤ Contribute to good causes and initiatives

GRI 102-12

Sustainability is at the center of everything we do - literally and figuratively. WF's core business as a producer of renewable energy is, in itself, a part of the solution for the most significant sustainability topic in the modern era - the global fight against climate change.

To ensure WF remains on track to contribute to global sustainability goals, we benchmark our performance against the UN Sustainable Development Goals (SDG's), where the 17 SDGs and their 169 allied targets set a clear and well defined framework for organisations and governments to pivot towards sustainable growth.

On this basis, WF's main contribution is to Goal 7: Affordable Clean Energy. In addition, we have also implemented a 5-pillar sustainability strategy to make a meaningful contribution towards the other goals.



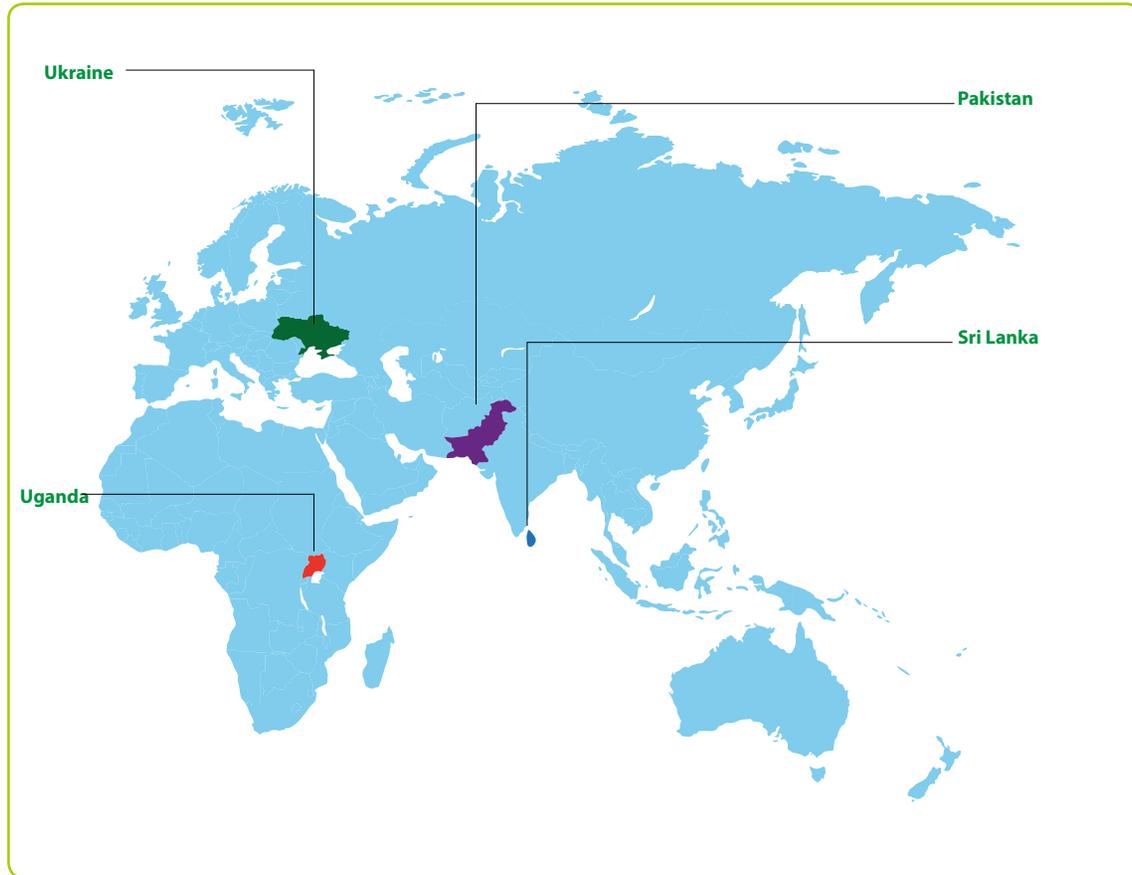
Contributing to selected SDG's through our Sustainability Framework



7.A Promote access, technology, and investments in clean energy

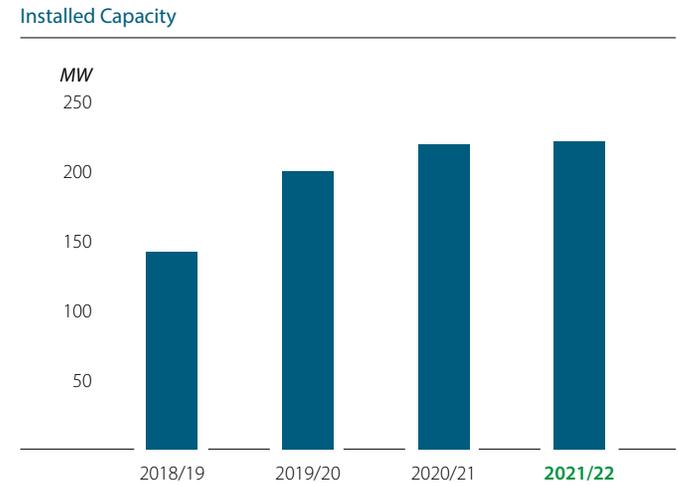
- WF's currently uses AE59 Wind turbine generators and Vensys 82 Wind energy converters at all existing plants.
- All new plants will be equipped with Goldwin GW 121 Wind turbines
- Bi-facial solar modules have been commissioned at all WF's ground solar plants.
- WF's latest ground solar project will be Sri Lanka's first agrovoltaic solar plant.

7.1 Universal access to modern energy
7.B Expand and upgrade energy services for developing countries



7.2 Increase global percentage of renewable energy

👉 4 year summary of WF installed capacity



"It is safe to say that WF's success within a span of 12 years, is primarily the result of good governance and strong leadership by the Company's Board of Directors. Since the inception, our governance frameworks have continued to evolve in tandem with the Board's efforts to embed good governance practices across every aspect of the business."



It is my great pleasure to present the Annual Report and Financial statement of WindForce PLC (WF) for the year ended 31st March 2022. It has been just over a year since our successful IPO and since that time our teams have worked diligently to deliver on the ambitious proposals outlined in the Prospectus.

To outline our financial results for the FY 2021/22, WF achieved a Revenue of LKR 4.4 Bn. In the light of the sudden flotation of the Sri Lankan Rupee and other fiscal changes, the company absorbed a net loss of LKR 255 Mn on foreign currency loans, which mainly contributed to the 9% decline in our PAT. The Company declared and paid a dividend of LKR 1.30 per ordinary share to shareholders resulting in a dividend payout of 90%. WF's issuer rating of (SL) AA- (stable) was reaffirmed by ICRA Lanka Limited for the second consecutive year.

Being able to produce consistent results in an environment fraught with uncertainty, speaks volumes of the robustness of our strategy, the agility of our business model and the commitment of our team.

Renewable Energy Bandwidth

This past year saw WF adopting an ambitious approach combining both organic and inorganic growth levers to accelerate our investments into renewable energy.

We kicked off the financial year with the acquisition of 33.33% of the equity stake in Solar Universe through a share purchase, giving WF seamless access to proceed with the development of the 10MW ground-mounted solar power plant in Vavunathivu, for which approvals were already secured. The relevant power purchase agreement had also already been signed with the Ceylon Electricity Board (CEB). Construction work on the LKR 1.4 Bn project commenced in October 2021 and is expected to be fully commissioned in July 2022.

I am pleased to report that WF was awarded approvals for another 15MW wind power project in Mannar. The new plant - WF's 11th investment into wind power, once completed will increase the installed capacity of our wind energy portfolio to 85MW. Work on this project commenced at the beginning of this year and is progressing well towards meeting the December 2022 commissioning deadline.

In September 2021, WF acquired 100% ownership of Sky Solar (Pvt) Ltd from Sunshine Energy (Pvt) Ltd for a consideration of LKR 265 Mn, thus gaining access to Sky Solar's 2.1MW Rooftop Solar portfolio located in and around the western province.

We have also made major strides in expanding our footprint in overseas markets. With investments in Pakistan, Uganda and Ukraine and a collective overseas installed capacity of 97.3MW, WF stands out as Sri Lanka's leading renewable energy operator with a significant overseas footprint. Our expansion plans received a further boost this past year as we have submitted a bid for a 30MW capacity expansion at WF's Tororo Solar PV plant in Uganda. Work on this project was delayed due to practical issues stemming from securing USD in Sri Lanka. We are now resolving these issues to ensure the project work can start in due course.

Meanwhile, after careful scrutiny of our renewable energy investment strategy in Sri Lanka and WF's way forward, we made a strategic decision to exit from the waste-to-energy project which we were pursuing at the end of the previous financial year.

Integrated Solutions

Our efforts to position WF as an integrated solutions expert continue to gather momentum as we advance our engineering and innovation capabilities to sustain the expansion in our project pipeline.

Prompted by the numerous challenges emanating from the external environment in the year under review, our teams focused on creating self-sustaining ecosystems to support our operations. Consequently, not only were we able to reduce our dependence on imported inputs for our construction and operational requirements but we were also able to transform our operational modalities to increase efficiency and lower average plant costs. Many of these initiatives and their impacts are discussed at length across this report.

Governance and Stewardship

It is safe to say that WF's success within a span of 12 years, is primarily the result of good governance and strong leadership by the Company's Board of Directors. Since inception, our governance frameworks have continued to evolve in tandem with the Board's efforts to embed good governance practices across every aspect of the business.

In the current financial year, the Board, assisted by the Audit Committee, focused on reviewing and updating the Company's internal control framework. An independent consultant was appointed to undertake a comprehensive due diligence exercise, including compliance and process audits.

The Board was keen to establish a formal structure to advance WF's advocacy for sustainable development in line with global best practices, especially to strengthen reporting on Environmental, Social and Governance (ESG) matters against the UN Sustainable Development

Goals 2030 agenda and the latest Global Reporting Initiative Standards. Work on this is ongoing, and our next annual report will cover WF's progress on ESG targets for the benefit of all our stakeholders.

Outlook and Prospects

Even as Sri Lanka's economic future appears to be shrouded in uncertainty; I have no doubt that the government's commitment to renewable energy will remain a key mandate. On a related note, I hope urgent action will be taken by authorities to implement a sustainable power generation plan to drive the expansion of the Country's renewable energy infrastructure.

Admittedly the next two years may still be somewhat challenging for the renewable energy sector, including for WF. Nevertheless, our diversified portfolio, brand reputation and solid balance sheet will give WF the strength to power through.

That said, WF will continue to focus on the long term, where we will aim to spearhead investments that deliver sustainable clean energy to our customers in Sri Lanka and overseas.

Appreciations

I wish to take this opportunity to thank my colleagues on the Board, for their active participation in all Board matters and for the support extended to me at all times.

On behalf of the Board, I would like to extend our thanks to our MD and CEO and entire, the Corporate Management Team and all employees for the tenacity and innovation they continue to demonstrate each year.

The Board joins me in thanking our shareholders, and other stakeholders for their continued confidence in our business. We seek your continued support to realise the WF vision in the years ahead.



Ranil Pathirana

Chairman, Non-Executive, Non-Independent Director

15th June 2022




ReGen
POWERTECH

“Being a key player in a highly specialised business that is constantly evolving, it is critical that our teams are competent and have the right skills to keep pace with the growth of the industry. This drives us each year to upskill our teams to keep on par with global trends and provide them opportunities to augment their skills.”



In another exciting year at WindForce, the team yet again secured a strong performance across all silos of the business. An ambitious expansion strategy, coupled with consistent performance and a pivot towards operational excellence, the team continued to innovate within the business. As always, our efforts are deeply rooted in our collective commitment towards mitigating the effects of climate change.

Since our IPO, we have invested in key endeavors to expand our contribution to the country's renewable energy reserves, in the face of an evolving economic landscape, our investments in plants overseas and our lean approach to the local business continue to serve our bottom line. These forward thinking strategies have prepared us to not only face but rise above economic variables and ensure our teams and output continues to thrive.

Financial Performance

True to our commitments for the year, WindForce delivered a strong fiscal performance for FY 2021/22, marked by solid year on year improvements across all key indicators.

Strong contributions from all three sectors - Wind, Solar and Hydro, ensured WindForce's consolidated revenue reached LKR 4.4 Bn. However, our profit after tax saw a decline of 9% to LKR 1.95 bn this year.

Although a 6% increase was noted in cost of sales as a result of the depreciated cost increase from our Tororo Power Plant and escalated spare parts and service cost due to rupee depreciation, overall cost structures remained within benchmark levels. A noteworthy reduction in O&M expenses was also observed for the second consecutive year as we continued to phase out our practice of outsourcing O&M activities at wind plants to overseas specialists. As of end March 2021, O&M activities at our Nirmalapura, Joule and Beta plants were handled by our in-house teams, with only the PowerGen wind plant under a servicing contract with an overseas specialist.

Prompt payments from our overseas projects ensured consistent cash flow and financial hygiene throughout the year, mitigating any lags in the CEB's stop-start repayment method. Supported by strong liquidity buffers and prudent management of operational costs, project financing, our expansion plans continued as per the scheduled.

Whilst our most powerful and respected resource is nature, we are bound by its fluctuations, our team harnesses their knowledge in projected patterns of weather and localities to ensure a cumulative financial performance despite seasonal shifts.

Business Performance

All our 28 plants across the three sectors of Wind, Hydro and Solar remained fully and consistently operational throughout the current year.

Wind power generation improved by 6% year on year as the Nirmalapura, DLRE and PowerGen wind power plants resumed operations after a hiatus of 13 months owing to the CEB transformer failure at the Norochcholai Wind Collector Substation.

Hydropower output volumes also registered a significant increase on the back of heavy rainfall in catchment areas.

The Solar segment output remained on par with the previous year. In a notable addition to the Solar installed capacity came through WF's acquisition Sky Solar (Pvt) Ltd, to give WindForce an additional 2.1MW of rooftop solar capacity.

I am pleased to note that our project pipeline made excellent progress as we kicked off work on the construction of the 15MW Wind power plant in Mannar - WindForce's most ambitious local project to date. This venture also marks another key milestone for WindForce, in that it is the first time the end-to-end Engineering, Procurement and Construction (EPC) process is being managed by our in-house teams and it is indeed inspiring to see them take to the task with enthusiasm and commitment.

Construction on the 10MW ground-mounted solar project in Vavunathivu which commenced in October 2021, fell slightly behind schedule owing to the dual impact of import restrictions and the lack of adequate dollar liquidity in the Country's financial system towards the end of 2021. Nevertheless, we are confident that we will be able to meet the scheduled commissioning timeline set for July 2022.

WindForce's overseas plants in Pakistan, Uganda and Ukraine performed as per projected expectations. The collective output from overseas plants positively contributed to our generation portfolio, supported by a full years' contribution from both the Semypolky solar plant in Ukraine and the Tororo Solar PV power plant in Uganda.

WF's bid for another 30MW capacity expansion at the Tororo Solar PV plant has been submitted and is pending approval of the generation license from the Electricity Regulatory Authority in Uganda. In fact our long term plans look at a wide-scale expansion in the African region that has proven to be very accessible and rewarding as our strategy comes together.

Leadership in Innovation

The commitment to innovation is deeply entrenched in our core purpose as a company and is at the heart of our daily operations. This was displayed in abundance this past year, as frequent power interruptions compromise the effectiveness of solar rooftop systems. We explored avenues of developing a smart hybrid solution that could assist owners of rooftop Solar PV systems to harness solar energy in the event of a power outage.

Meanwhile, keen to minimise our exposure to foreign currency in any way possible, we leveraged the expertise of our in-house teams to create a solar tracker mechanism to improve PV panel efficiency.

We are currently working on another groundbreaking e-mobility solution, which when commercialised will give WindForce first mover advantage in this evolving space.

Competency Development

Being a key player in a highly specialised business that is constantly evolving, it is critical that our teams are competent and have the right skills to keep pace with the growth of the industry. This drives us each year to upskill our teams to keep on par with global trends and provide them opportunities to augment their skills.

Having taken over the EPC and O&M processes during the year, we felt it was important to focus more intently on promoting continuous professional development across our cadre. We encouraged our engineering and technical teams to be bold in their quest for knowledge. In fact we are proud to say that many of the new innovations pioneered this year, are the result of this self-driven approach to learning in this highly digitalized era.

Awards and Accolades

The awards and accolades we have received over the years speak volumes to the progress WindForce has made since commissioning its first plant in 2010. In the year under review, WindForce was declared the Fastest Growing Renewable Energy Company in Sri Lanka at the Global Business Outlook (GBO) Awards for 2021, an accolade we believe is in line with our achieved goals and impending ones.

WindForce also clinched the Gold Award under the Utilities and Infrastructure category at the National Business Excellence Awards 2021 and the highly coveted Utility Scale IPP of the Year under the Solar Category awarded by EQ PV Invest Tech Sri Lanka.

Also our very first Annual Report for FY 2021/22 received the Certificate of Compliance at the 56th Annual Report Awards conducted by the Institute of Chartered Accountants of Sri Lanka.

One of our highly valued accolades was the title secured by one of our female professionals which was the Women's Leadership & Business Excellence Awards in 2021 also awarded by EQ PV Invest Tech Sri Lanka, underpinning the value we place on a diverse workforce.

Way Forward

The future of our business will remain firmly anchored to Sri Lanka's goal of expanding its renewable energy bandwidth in the coming years, in the face of increasing need locally. Given that at present only a mere 40% of the Country's energy is supplied by renewable sources, therein lies immense growth opportunities for WindForce to deepen its penetration. We have already made significant headway in this regard, having received provisional approvals by the

Sustainable Energy Authority for two large ground solar projects.

Equally importantly we will focus on achieving the key milestones set for our two ongoing projects - 15MW Wind power plant in Mannar and the 10MW ground-mounted solar project in Vavunathivu. Given their scope and scale, I expect both projects to be key learning experiences for our teams. The Vavunathivu project will be the first time our teams will be working with agrovoltaic technology.

At a macro level, we envisage the near term to be challenging as the country struggles during these turbulent economic times. As Sri Lanka works to correct its current economic imbalances, payment delays by the CEB are likely to become more pronounced. This together with prolonged import restrictions and the devaluation of the Rupee is likely to have an impact on business in the industry. We see this as an opportunity to pivot and make our work more efficient.

We believe our diversified portfolio of renewable energy assets in Sri Lanka as well as our well-established presence in overseas markets will provide the impetus for WindForce to rise during these tough times. We will continue to keep a keen eye on the long term, where I expect our scalability and industry-leading expertise to be the key pivots in spearheading our future endeavours.

Appreciations

As I have continually stated over the years, our people continue to be the backbone of WF's success. This past year was another prime example of how our people rallied together to bring to life WindForce's vision. I take this opportunity to thank each and every one of you for your commitment.

I also wish to express my gratitude to WindForce's Chairman and Board of Directors for supporting me personally and extending their guidance to the team.

Many thanks also to the Ceylon Electricity Board and the Sustainable Energy Authority of Sri Lanka for their cooperation. I also place on record my appreciation for the regulatory bodies and utilities in all countries where we operate.

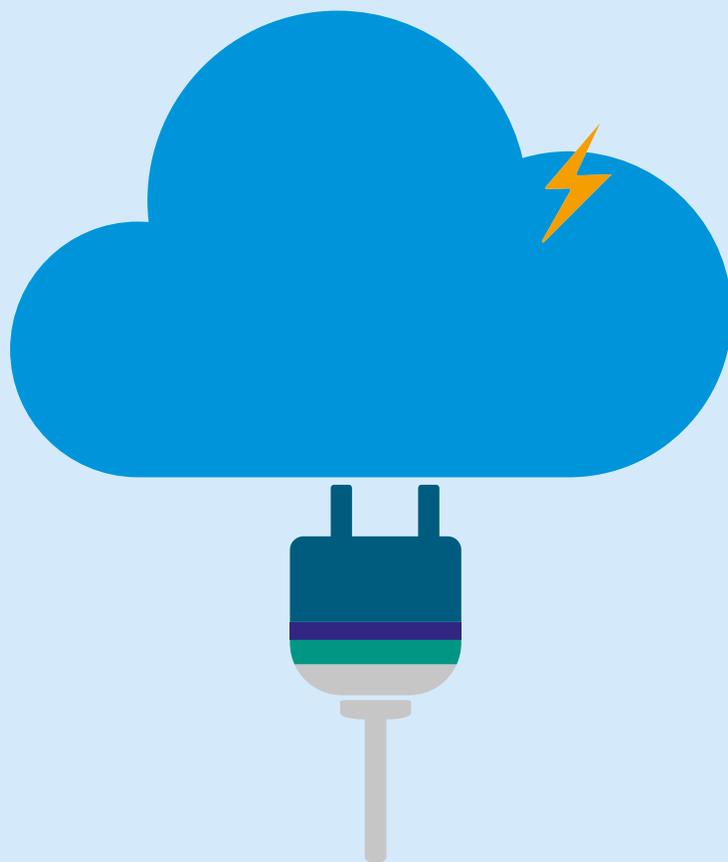
In conclusion, I would like to thank our shareholders for their continued support in the Company. I encourage you to join us this year as we drive the future of the business from strength to strength.



Manjula Perera

Managing Director, Executive, Non-Independent Director

15th June 2022



PERFORMANCE

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Global Energy Trends for 2021

1. Demand for Electricity at a 10-year High

Electricity demand rebounded strongly in 2021, rising by the most ever in absolute terms: 1,414 TWh from 2020. This was also the fastest in demand growth since 2010. Many advanced economies rebounded back to pre-pandemic levels after falls in 2020.

2. Wind and Solar Become the Fastest Growing Sources of Clean Electricity - hitting a Tenth of Global Electricity

Clean electricity sources generated 38% of the world's electricity in 2021. Wind and solar generated over a tenth (10.3%) of global electricity for the first time in 2021, rising from 9.3% in 2020, and twice the share compared to 2015 when the Paris Climate Agreement was signed (4.6%). Wind generation rose by +14% in 2021 (the highest since 2017), and solar by +23% (the highest since 2018). Taken together, wind and solar are now the fourth largest source of electricity in the world. They were also the fastest-growing clean sources in 2021.

50 countries have now crossed the 10% wind and solar landmark, with seven new countries in 2021 alone: China, Japan, Mongolia, Vietnam, Argentina, Hungary and El Salvador. Three countries — the Netherlands, Australia, and Vietnam — shifted over 8% of their total electricity demand from fossil fuels to wind and solar in just the last two years.

Despite a record rise in wind and solar generation, only 29% of the global rise in electricity demand in 2021 was met with wind and solar.

Meanwhile production of hydroelectricity declined by 2% in 2021, due to low rainfall in key countries such as China, Brazil, the US and Turkey.

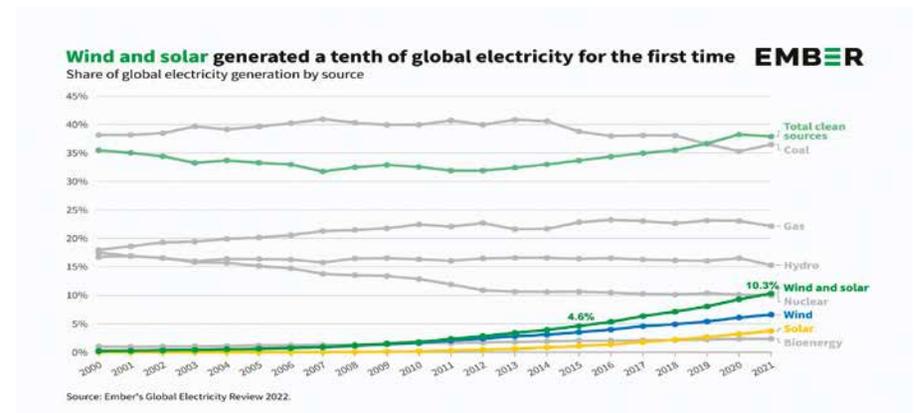
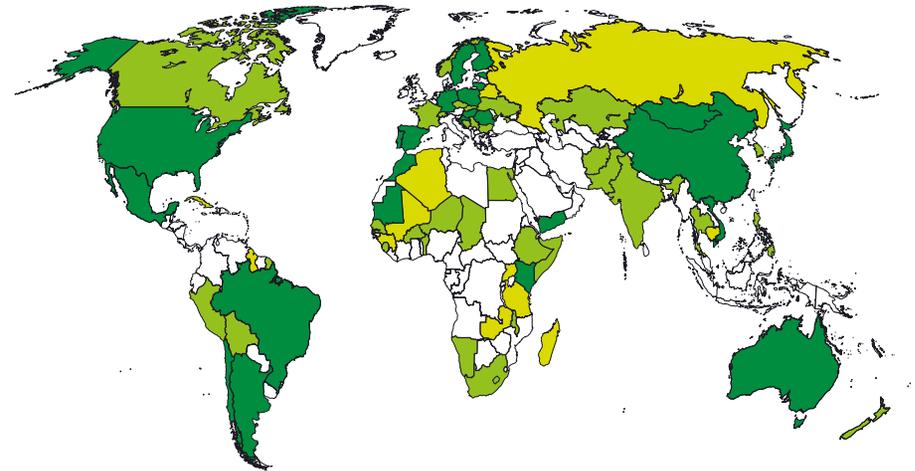
3. Coal Power Reaches a New High

Almost 59% of the electricity demand rise in 2021 was met by coal generation. Coal power rose by 9.0% in 2021 to 10,042 TWh, a new all-time high and 2% above the previous record set in 2018. It was the biggest percentage rise on record since at least 1985, taking coal generation to 36% of global electricity.

New coal records were set throughout Asia in 2021, where electricity demand boomed, including in China (+9%), India (+11%), Kazakhstan (+6%), Mongolia (+13%), Pakistan (+8%), the Philippines (+8%) and most likely Indonesia (data not yet available).

4. Record Rise in Global Emissions

The record rise in coal, coupled with a modest rise in gas generation, saw power sector CO₂ emissions rise by 7% (778 million tonnes) in 2021 - the largest absolute rise ever, and the largest percentage rise since 2010. This rise follows from a fall in 2020, but that fall was only 3%. This takes power sector emissions to a new record of over 12 billion tonnes of CO₂, beating the previous record in 2018 by 3%.



Future Outlook - Net-Zero Target

In May 2021, the International Energy Agency (IEA) published its Net Zero by 2050 report, which sets out a roadmap to facilitate the transition of the electricity sector from being the highest emitting sector in 2020, to being the first sector to hit net zero globally by 2040.

Towards this end, Solar generation needs to rise seven-fold by 2030, taking it from 4% of global electricity in 2021 to 19% by 2030. That means maintaining a year-on-year growth of 24%; growth last year was 23%, and averaged 33% over the last ten years.

Wind generation needs to rise four-fold by 2030, taking it from 7% of global electricity in 2021 to 21% by 2030. That is a year-on-year growth of 18%; growth last year was 14%, and averaged 15% over the last ten years.

Hydro generation needs to rise 40% by 2030, keeping its market share almost unchanged as electricity demand rises. That means a year-on-year growth of 4% from 2021 to 2030. The last ten years grew by 2% on average.

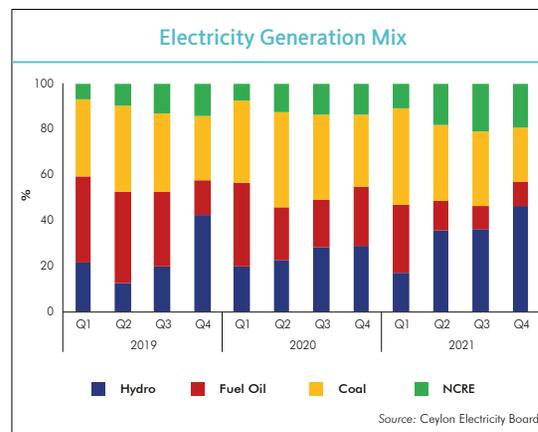
Source: Ember Global Electricity Review 2022

2021 Energy Sector Update - Sri Lanka

Electricity demand continued to expand in line with the recovery in economic activity in 2021. During the year, electricity generation grew by 6.4% to 16,716 GWh, compared to the previous year, with an increased share of hydropower generation.

Supported by consistently high rainfall in catchment areas, total electricity generation through hydro sources increased by 44.2% to 5,640 GWh in 2021, while the share of hydropower in total electricity generation increased to 34% in 2021 from 25% recorded in 2020.

Meanwhile, power generation through Non-Conventional Renewable Energy (NCRE) sources registered a significant growth of 56.6% to 2,922 GWh, largely driven by the addition of new renewable energy plants to the national grid, particularly the 100MW Mannar wind plant.



Source: CBSL AR 2021

The share of power generated by the CEB, out of total power generation, stood at 76% in 2021, while the remainder was purchased from Independent Power Producers (IPPs), engaging the supply of NCRE.

With the onset of dry weather leading to the rapid depletion of reservoir water levels and the consequent reduction in hydro power generation saw the increased reliance on thermal-based power generation. However, faced with difficulties in fuel procurement amidst soaring global energy prices, the CEB was forced to implement a load shedding plan from February 2022 onwards.

Future Prospects for Sri Lanka's Energy Sector

The Government's policy target of meeting 70% renewable energy share in the overall generation mix appears to remain intact, which augurs well for the prospects of the NCRE industry. While several large projects were in the pipeline as of 2021, expeditious implementation will be the key to safeguarding the Country's energy security. In this regard, some notable positives are evident, including the appointment of a Cabinet Subcommittee in February 2022 to develop strategic plans for renewable energy development and propose measures to mitigate potential lapses in the implementation of proposed renewable energy projects.

WindForce made steady progress on the operational front with all plants operating consistently throughout the year. Overall generation volumes increased by 4% compared to the previous year.

While there was no change in installed capacity in the wind sector, WF's wind generation volumes increased by 6% year on year as output at the Company's Nirmalapura, DLRE and PowerGen wind power plants all resumed normal power distribution from August 2021 after an interruption of several months due to the failure of the 75 MVA transformer at the CEB owned Norochcholai Wind Collector Substation. Moving ahead with its project pipeline, WF commenced construction on the 15MW Mannar Wind power plant for which approvals were secured in 2020. Work on the project commenced in February 2022. With WF taking on the entire EPC process for the first time, the project is expected to make good progress towards meeting the scheduled completion deadline in December 2022. When commissioned, this new plant will boost WF's installed capacity by a further 7%.

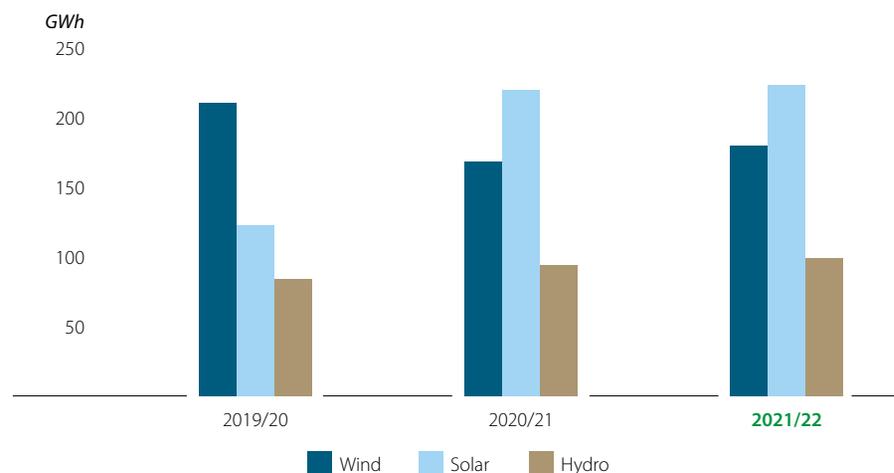
Solar generation output was stable and more or less on par with the previous year. The Company's ongoing solar project in Vavunathivu that commenced in October 2021, fell slightly behind schedule due to the combined impact of import restrictions and the forex liquidity crisis that materialised towards the end of 2021. Nonetheless with almost 90% of the work complete by end-March 2022, project commissioning is planned for mid July 2022. In other developments, WF acquired 100% stake in Sky Solar (Pvt) Ltd which owns and operates 2.1MW of rooftop solar at eight factories around Colombo. The acquisition increases WF's installed capacity to 220.1MW from 218MW.

Meanwhile, WF's solar plants in Pakistan, Uganda and Ukraine were fully operational throughout the year. The collective output from overseas plants contributed significantly to WF's generation portfolio as the Semypolky solar plant in Ukraine and the Tororo Solar PV power plant in Uganda, both completed their first full year of operations. On a related note, WF has applied for a 30MW capacity expansion at the Tororo Solar PV plant in Uganda and is awaiting approval from the Electricity Regulatory Authority. However, challenged by the restrictions on foreign currency repatriation from Sri Lanka, overseas pipeline expansion plans were put on hold in the current financial year.

Meanwhile bolstered by the consistently high rainfall received in the Country's catchment areas, hydropower generation volumes increased by 5% compared to the previous year.

Key Performance Highlights

Plant Performance (3 Year Comparison)

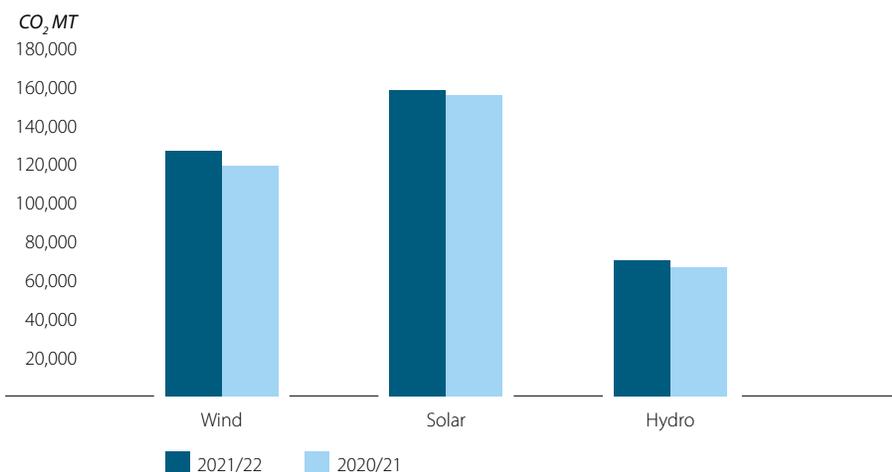


3 Year Generation Comparison

	2021/22	2020/21	2019/20
Total Generation Volume (GWh)	500.20	481.21	415.73
Wind (GWh)	178.80	168.09	209.72
Solar (GWh)	222.50	219.35	122.31
Hydro (GWh)	98.90	93.77	83.70
Installed Capacity (MW)	220	218	199

CO ₂ Savings			
	21/22(MT)	20/21(MT)	% Increase
Wind	126,900	119,300	5.98%
Solar	158,000	156,000	1.26%
Hydro	70,200	66,558	5.18%

CO₂ Savings



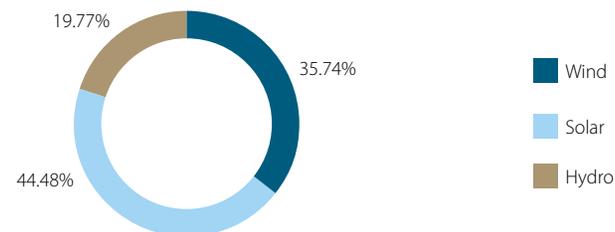
Future Plans

Going forward, WF will continue to focus on supporting the Sri Lankan government's 2030 target to reach 70% power generation through renewable sources. Responding to the Expression of Interest called by the Ministry of Power and Energy in this regard, WF initiated the bidding to secure projects across solar and wind sectors. Through these projects, WF will aim for capacity expansion, targeting a total installed capacity of 500MW by 2026.

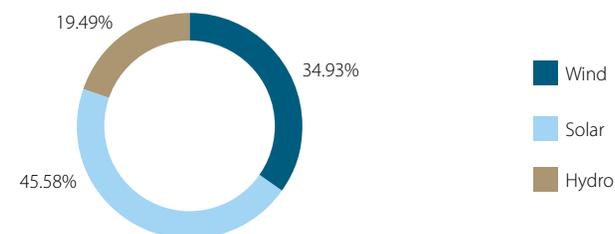
Equally important, WF will focus on expanding its overseas footprint. Efforts in this regard have already commenced with feasibility studies in progress to drive capacity expansion across Uganda, Malawi, and Pakistan.

Energy Generation Mix

2021/22



2020/21



Power Plant Breakdown



WindForce Portfolio GRI 102-4

Entity	Location	Installed Capacity (MW)	Date of Commissioning	Estimated Annual Average Generation (GWh)	Annual Average CO ₂ Savings (MT)	PPA Years Left	Plant Load Factor
Wind Power Projects							
Seguwantivu	Puttalam	9.6	May-10	25	17,700	8.0	33%
Vidatamunai	Puttalam	9.6	Jul-10	25	17,700	8.2	32%
Nirmalapura	Puttalam	10	Jul-12	29.4	20,900	10.2	33%
Daily Life	Puttalam	10	Jul-12	27.2	19,300	10.2	43%
Powergen	Puttalam	10	Jul-12	22.5	16,000	10.2	23%
Joule Power	Kilinochchi	10	Dec-14	32.8	23,300	12.6	40%
Beta Power	Kilinochchi	10	Dec-14	32.8	23,300	12.6	41%
Solar Power Projects							
Solar One	Welikanda	10	Dec-16	21	16,000	14.7	24%
Vydexa	Vavuniya	10	Jul-17	21.7	16,000	15.1	24%
Suryadhanavi	Roof Tops	11.4	Nov-18	15.03	11,000	16.5	16%
Sunny Clime	Vavuniya	1	Feb-19	1.68	1,000	16.8	25%
Seruwawila	Vavuniya	1	Feb-19	1.68	1,000	16.8	24%
Hirujanani	Roof Tops	2.1	Apr-19	2.8	1,800	16.8	18%
Harappa Solar	Pakistan	18	Oct-17	27	19,000	20.4	24%
Gharo Solar	Pakistan	50	Dec-19	100	71,000	22.6	24%
Tororo PV Power	Uganda	10	Aug-20	22.74	16,000	18.3	22%
Semypolky Solar	Ukraine	9	Jul-20	10.6	7,500	18.2	13%
Sky Solar	Roof Tops	2.1	Feb-22	2.8	1,800	16.8	15%
Hydro Power Projects							
Energy Reclamation	Sitagala	0.8	Apr-19	3.5	2,500	2.0	42%
Terraqua International	Halathura Ganga	1.3	Feb-09	4.9	3,500	6.8	41%
Gurugoda Hydro	Kegalle	1.2	Mar-10	3.3	2,300	7.8	31%
Terraqua Kokawita	Kalawana	1.2	Jun-12	4.4	3,000	10.1	35%
Vidul Madugeta	Neluwa	2.5	Nov-13	11.2	8,000	11.5	42%
Melanka Power	Haldummulla	3.8	Feb-14	12.3	8,700	11.8	37%
Peak Power	Ginigathhena	2	May-16	7.5	5,300	14.0	45%
H.P.D. Power	Dambulla	3.2	Dec-16	16.7	12,000	14.6	41%
Mahoma Uganda	Uganda	2.7	Oct-18	9.9	7,000	16.4	50%
Ziba	Uganda	7.6	Jul-19	36.7	26,000	17.2	58%



What are the Key Components of Our Financial Capital



Equity Capital



Investor Capital



Debt Capital



Retained Earnings

Why do we invest in developing Financial Capital?

- To enable continuous investments in capacity expansion to strengthen the asset base
- To augment WF's competitive advantage and enhance brand position against peers
- To support the development of team expertise
- To build trust with all related stakeholder customers and business partners

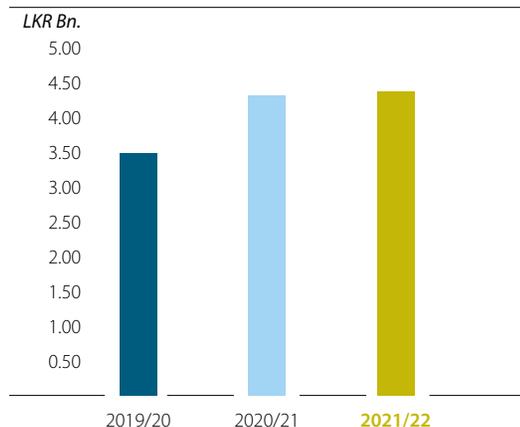
How it impacts on our other forms of Capitals

- ▶ MANUFACTURED CAPITAL
- ▶ INTELLECTUAL CAPITAL
- ▶ HUMAN CAPITAL
- ▶ SOCIAL AND RELATIONSHIP CAPITAL

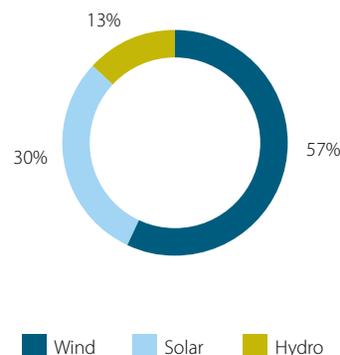
What is our Management Approach for Financial Capital?

We aim to manage our Financial Capital efficiently and effectively in order to continuously enhance the value delivered to shareholders, after meeting all financial obligations and contributing towards community wellbeing. To achieve these objectives, our Financial Capital management programme is based on three pillars - Profitability, Asset Management, Liquidity and Solvency.

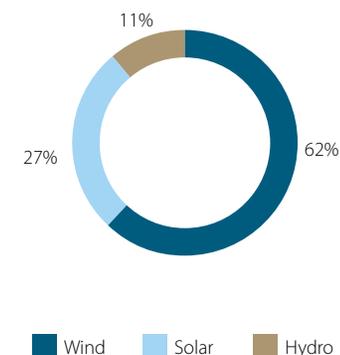
Revenue (LKR Bn)



Revenue 2021/22



Revenue 2020/21



Profitability

Revenue

Consolidated Revenue for the FY 2021/22 was LKR 4.4 Bn, a 1% increase (equivalent of LKR 57 Mn) over the LKR 4.3 Bn reported in the previous financial year. Revenue generated from supply of renewable energy (wind, solar and hydro power) were the main contributors, accounting for more than 98% share of WF's total revenue.

In FY 2021/22, wind sector revenue declined by 8% year on year following the tariff rate drop at the Daily Life and PowerGen plants as both plants transitioned to the second phase of their operation with effect from August 2022. From the start of the financial year until August 2021, revenues at both plants were affected by the inability to supply power to the grid owing to the transformer failure at the CEB's Norochcholai power plant. Overall wind power generation volumes for the year were further affected by blade damages due to lightning strikes at the Joule and Beta power plants.

In contrast revenue in the solar sector increased by 15% compared to the previous year, driven by a full years' generation at the Tororo solar plant in Uganda. Additional capacity from the newly acquired rooftop solar plant Sky Solar in September 2021 also contributed towards the increase in solar revenue.

Hydro sector revenue too recorded a strong 14% improvement over the previous year, backed by consistently high rainfall in the catchment areas throughout 2021.

Based on the above performance, the revenue mix between wind, solar and hydro changed slightly in the current financial year to 57%, 30%, and 13% respectively compared to 62%, 27% and 11% respectively in the previous financial year.

Revenue generated from Management Fees and Operational and Maintenance (O&M) fees accounted for 2% of the total revenue for FY 2021/22.

Gross Profit

Gross Profit showed a marginal 2% decline compared to the previous year, mainly due to the increase in the cost of sales. Cost of sales increased by 6% compared to the previous year amidst additional expenses attributed to additional solar capacity due to the full years' operations at the Tororo plant and the newly acquired Sky Solar plant in September 2021. Margins also came under pressure on the back of the Rupee depreciation in March 2022 which pushed up the cost of imported spare parts.

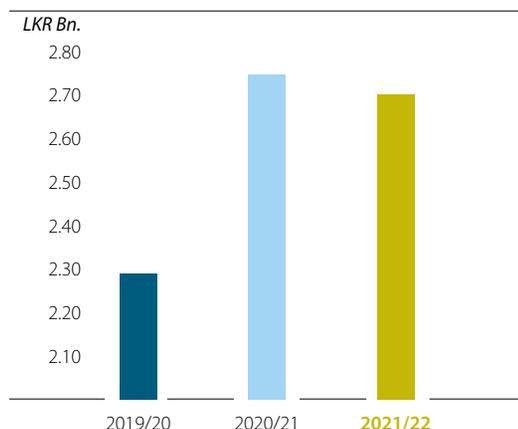
Administrative Expenses

A 9% increase in administrative expenses was noted in FY 2021/22 compared to the previous year, owing to the allocation of significantly higher resources towards Research and Development coupled with the increased personnel expenses as well as the additional administration costs for the Tororo plant and the newly acquired Sky solar plant.

Finance Costs

Finance Costs declined by 13% year on year as the Company proceeded to settle a majority of its outstanding project loans. Driven by the lower finance cost, Interest Cover improved by 7.06 times to 7.11 times in the year under review.

Gross Profit (Billion)



Net Exchange Loss

The unforeseen decision by the Central Bank to allow greater flexibility in the determination of the exchange rate in early March 2022 after many months at a hard peg, saw the Company absorbing a significant exchange loss on foreign currency loans. The loss amounting to LKR 255 Mn was absorbed between January to March 2022 quarter. However, it is important to note that all overseas project revenue is entirely foreign currency denominated, and all foreign currency debt is backed by foreign currency assets. Accordingly, in dollar terms, total foreign currency assets stood at twice the total foreign currency debt as of 31st March 2022. Further the gain of 158 Mn, from Currency translation of overseas operations is shown under Other Comprehensive Income.

Share of Results to Equity Shareholders

The share of Associate Profits, recorded a drop of 22% year on year with Nirmalapura WPP's profit share drop, as a result of the aforementioned challenges that affected in wind energy revenue for FY 2021/22. Additionally, Vidul Madugeta MHPP's entered into its second tariff tier in operation in November 2021, which also attributed to the drop in associate profits.

Tax Liabilities GRI 207-1

The tax expense for the FY 2021/22 was LKR 286 Mn, 29% less than the LKR 402 Mn assessed for the previous financial year. Tax expense for the year comprises of Income tax, Deferred Tax and Withholding Tax paid to the Uganda Revenue Authority for the Revenue generated in Uganda which cannot be claimed as a Tax Credit in Sri Lanka.

Please refer Note 30.4 (a) in Financial Statements for applicable Tax exemptions for Group companies and Note 30.4 (b) for the Group companies liable to tax at concessionary rates.

Net Profit Attributed to Shareholders

A culmination of the aforementioned reasons, Net Profit attributed to ordinary shareholders declined from LKR 2.15 Bn in FY 2020/21 to LKR 1.95 Bn in the current financial year, denoting a 9% drop year on year.

Earnings Per Share (EPS)

EPS dropped by LKR 36 cents due to a combination of the post-IPO increase in the weighted average number of shares and the decline of Net profit attributable to Ordinary shareholders.

Return on Capital Employed (ROCE)

ROCE declined from 10.30% to 9.28% as a result of the decline in EBIT. However it is important to note that this decline in EBIT is mainly attributed to the LKR 255 Mn net Loss from the translation on foreign currency denominated Borrowings to reporting currency.

		2022	2021
Earnings Per Share	LKR	1.17	1.52
Interest Cover	Times	7.11	7.06
ROA	%	6.41%	6.31%
Gearing Ratio	%	19.21%	21.85%
ROCE	%	9.28%	10.30%
Net Assets per Share (NAV)	LKR	15.46	18.25
Credit Rating (ICRA)		[SL] AA- (Stable)	[SL] AA- (Stable)

Asset Management

Return on Assets (ROA)

ROA improved from 6.31% to 6.41% in the current financial year, reflecting effective asset utilisation compared in the previous year.

Net Assets per Share (NAV)

Net Assets per Share recorded a decline from LKR 18.25 to 15.46 due to the increase in the number of shares issued at the IPO.

Liquidity and Solvency

Gearing

Borrowings reduced by 15% year on year as a majority of project loans were settled in full during the current financial year. Consequently the Company's Gearing ratio declined from 21.85% in the previous year to 19.21% in FY 2021/22.

Credit Rating (ICRA)

WindForce PLC's [SL]AA- (Stable) Issuer Rating was reaffirmed by ICRA Lanka Ltd, for the second consecutive year.

Economic Value Added GRI 201-1

Direct Economic Value Generated and Distributed		
	LKR '000	
	2022	2021
Value Created		
Gross Revenue	4,367,373	4,310,110
(-) Cost of Goods and Services (Excluding depreciation and remuneration to employees)	(652,632)	(605,534)
Value added from operations	3,714,741	3,704,576
Other Income	250,315	249,293
Finance Income	222,903	148,627
Total Value Created	4,187,959	4,102,497
Value Distributed		
Operating Costs	300,713	285,767
Remuneration to the Employees	241,036	199,361
Directors' Fees and Remuneration	2,863	1,100
Community Investments	35,628	25,930
Payment to Government	285,998	401,505
Interest Cost	366,538	420,559
Dividends	1,756,000	400,000
Total Value Distributed	2,988,775	1,734,222
Total Value Retained	1,199,184	2,368,274

What are the Key Components of Our Manufactured Capital



Wind, Solar and Hydropower Plants, including Land, Buildings, Machinery and Equipment

Why do we invest in developing Manufactured Capital?

- To expand WF's installed capacity in order to sustain Revenue growth over time
- To strengthen WF's brand positioning
- To ensure strong, reliable and uninterrupted electricity generation for customers
- To create learning opportunities to sharpen team expertise

How it impacts on our other forms of Capitals

- FINANCIAL CAPITAL
- INTELLECTUAL CAPITAL
- SOCIAL AND RELATIONSHIP CAPITAL
- HUMAN CAPITAL

What is our Management Approach for Manufactured Capital

We aim to develop a diversified portfolio of renewable energy investments to strengthen WF's market presence, while ensuring these assets continue to operate at optimal levels.

WF's Plant Infrastructure Management Programme

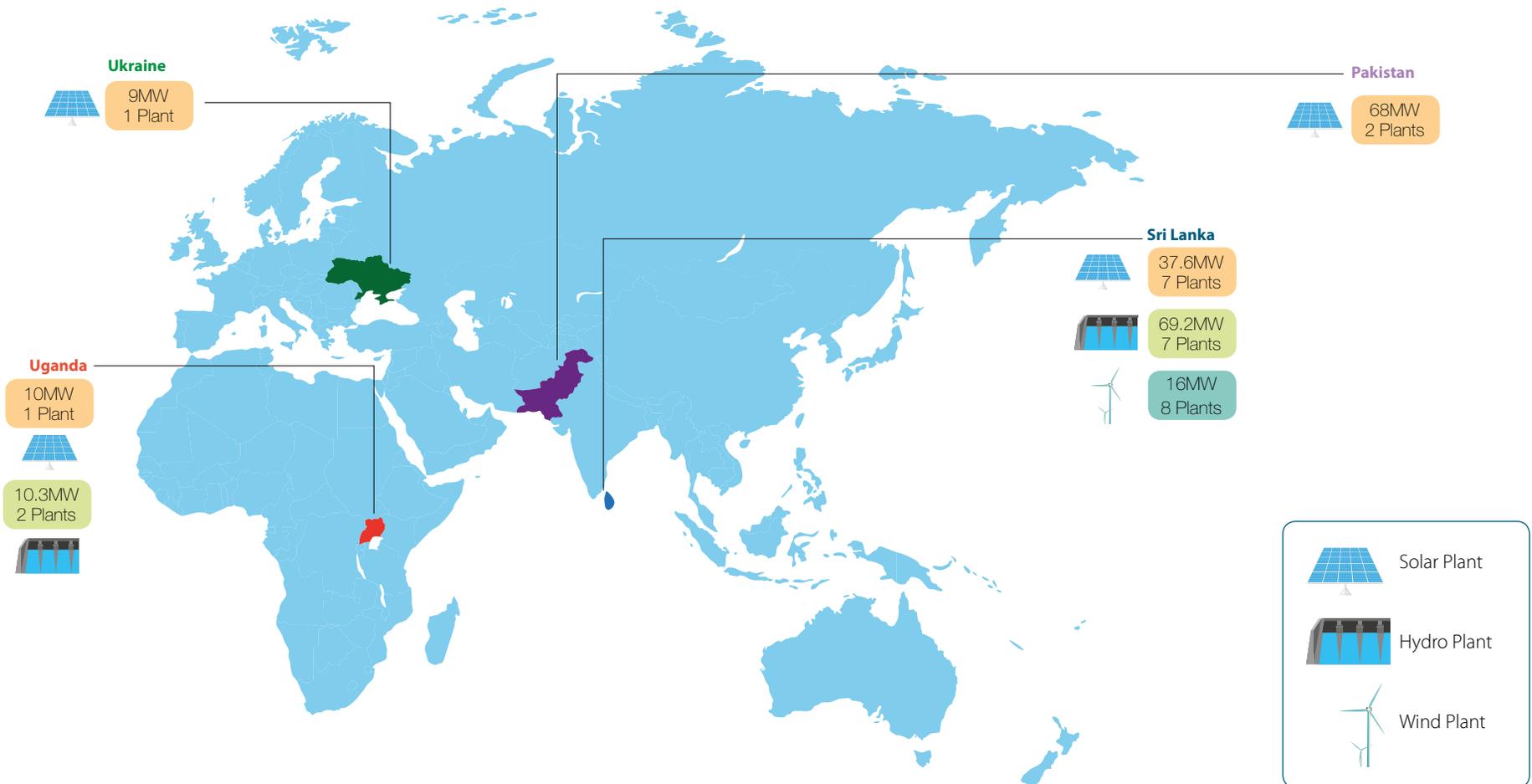


- Location Strategy
- EPC Process
- Technology and Innovation
- O & M
- Protection Coverage

Plant Infrastructure GRI 102-4.6

Since commissioning its first Renewable Energy Plant - the 10MW Seguwantivu Wind Power Plant in 2010, WF has continued to invest in Sri Lanka's wind power sector, while strategically expanding into the solar and hydropower sectors as well. Today, WF has a collective installed capacity of 123MW across 22 operational plants around Sri Lanka - 7 wind power plants, 7 solar power plants and 8 hydropower plants. All our plants operate through the CEB's (Ceylon Electricity Board) 3-tier Power Purchase Agreements spanning over a period of 20 years.

An ambitious global expansion strategy saw WF in 2017 venturing overseas. Since then, we have made renewable energy investments in Pakistan, Uganda and Ukraine, which together account for installed capacity of 97MW. These plants also operate through long term Power Purchase Agreements with the respective utilities in these countries.



Location Strategy

The location of our plants play a major role in its overall efficacy throughout the lifetime of and the plant. Plant locations are determined after careful assessment of weather data as well as geographical and topographical profiles of the area.

Accordingly, all our plants are located in areas within high density wind corridors, while are as with high Annual Average Global Horizontal Irradiance (GHI) are earmarked for ground solar power plants. Hydropower plants are typically located in catchment areas with high rainfall.

The land for our projects are usually obtained through a long-term lease either from the Government or from private parties, which has resulted in almost 59% of WF's projects being on leasehold land.

EPC (Engineering-Procurement-Construction) Process

The EPC process is vital in ensuring the quality and long-term sustainability of our infrastructure. The EPC process for all new projects is managed in-house, where WF's industry leading team of experts handle all aspects of the project from the design, technology planning, risk management to quality and OHS planning, along with budgeting, procurement planning and implementation. Project implementation is handled by our engineers who are assigned as Project Managers based on their field of expertise (Wind, Solar, Hydro). Civil construction work is outsourced to a contractor under the strict supervision of the Project Manager. Project Managers have access to in-house support services such as Finance, Logistics and Design & Engineering.

Strict governance and oversight by the Chief Development Officer (CDO) supports every aspect of the EPC process. All Project Managers report to the CDO throughout the duration of the project.

Technology and Innovation

Investing in the latest technology provides a significant advantage in improving the efficiency of plant operations. The use of technology also reduces the risk of human error and in turn enhancing the overall sustainability of plant operations. To ensure that our plant infrastructure is on par with the latest global technology, WF has, since the inception, procured technology systems from leading global suppliers with a strong track record and long term service support.

On this basis, we have invested in Type AE59 wind turbine generators and Vensys 82 wind energy converters at our wind power plants. We are currently installing Goldwind GW 121 wind turbines at our latest wind power project.

Our solar power plants use bifacial solar modules with string inverter technology and a single axis tracking system. Our latest ground solar project in Vavunathivu will be the first project in Sri Lanka to use agrovoltaic technology.

Equipment at WF's hydro power plants are all by world-renowned European specialists such as Global Hydro GmbH, Repros GmbH and Kolektor Turboinstitut d.o.o.

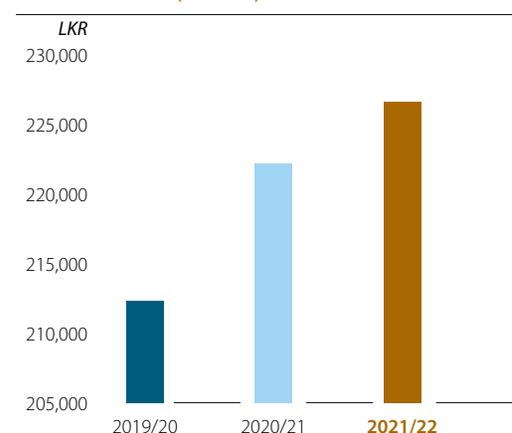
Operations and Maintenance (O & M)

O & M activities are designed to support optimal plant performance. We have adopted the globally accepted TPM principles to drive O & M activities at all our plants, where our teams work towards achieving an average 95% plant availability at all times.

Protection Coverage

All Company assets are adequately covered by insurance against natural disasters and all foreseeable eventualities. In FY 2021/22, LKR 66.5 Mn was incurred on insurance premiums for this purpose.

Cost of the Assets (LKR '000)



	LKR '000		
	FY 2019/20	FY 2020/21	FY 2021/22
Cost of the Assets (LKR)	21,230,999	22,213,706	22,655,269
Additions (LKR)	10,646,095	1,011,548	480,397
Value of Asset Base as at the end of the year (LKR)	15,275,257	15,239,784	14,629,777

What are the Key Components of Our Intellectual Capital



Brand Reputation

IT Systems

Business Networks



Knowledge-based Assets

Standards and Certifications

Business Ethics

Why do we invest in developing Intellectual Capital?

To strengthen WF's brand credentials to help in securing new partners in order to grow revenue and market share

To invest in a solid knowledge-base that can drive innovation and better use of physical assets

To develop employees' knowledge in order to strengthen their commitment to the Company

Pursue new strategic partnerships to facilitate business expansion and entry into new overseas markets

To increase the synergy between intangible assets to better serve stakeholder and build relationships with suppliers and business partners.

How it impacts on our other forms of Capitals

➤ FINANCIAL CAPITAL

➤ MANUFACTURED CAPITAL

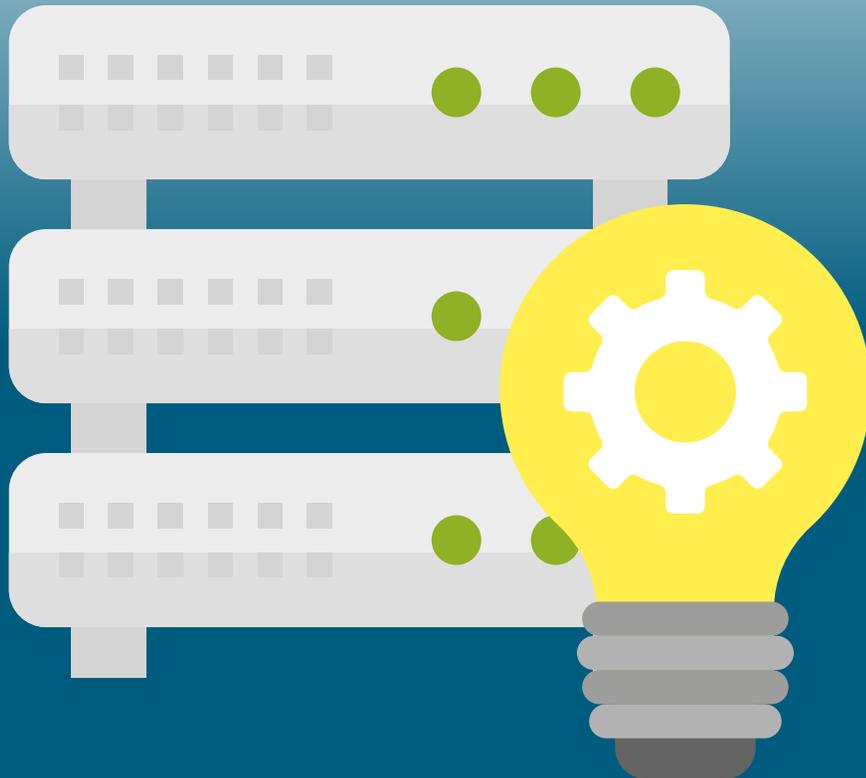
➤ HUMAN CAPITAL

➤ FINANCIAL CAPITAL

➤ SOCIAL AND RELATIONSHIP CAPITAL

What is our Management Approach for Intellectual Capital?

Focus on strengthening core aspects of the business in a way that will provide a distinct advantage over peers



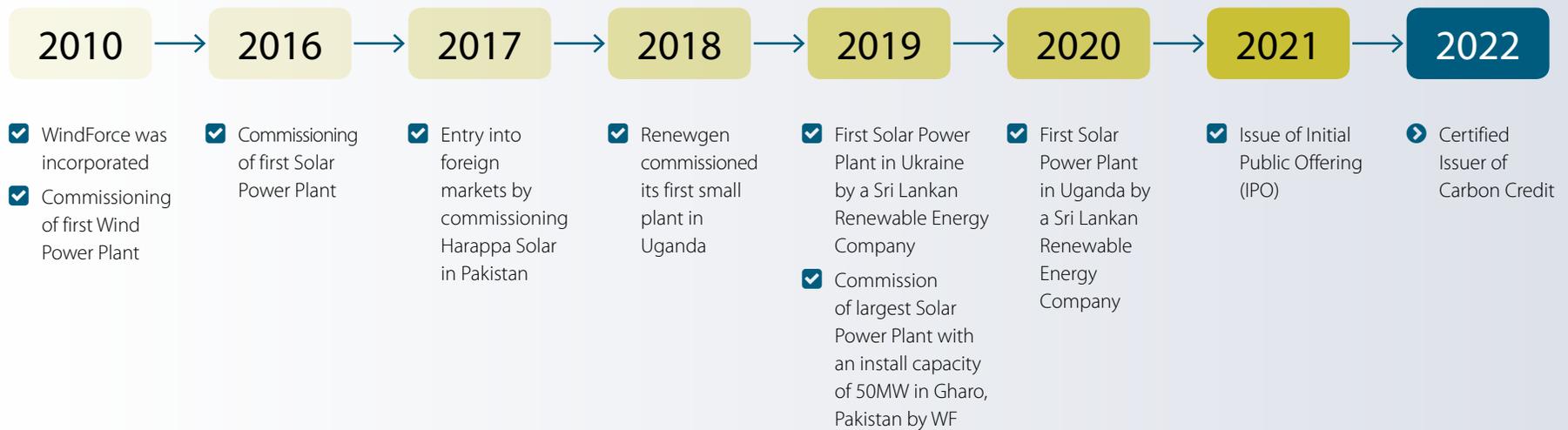
Brand Reputation

The “WindForce” brand is synonymous with renewable energy in Sri Lanka. Our journey began in 2010 when we invested in two 10MW wind power plants in Puttalam, Sri Lanka, which put Sri Lanka on an accelerated path towards decarbonisation.

Over the years, WF has steadily increased its bandwidth across the local renewable energy domain. Today with a footprint spanning across the three major energy verticals - wind, solar and hydro power, WF has emerged as the leading private sector renewable energy producer in the Country.

Since the inception, we always sought to differentiate ourselves through our responsible end-to-end approach to business where we undertake to finance, design, construct, commission and maintain all our energy plants. In fact, WF has been identified by SL utilities as the most preferred renewable energy developer due to our reputation for timely delivery of projects and consistent performance.

Key Milestones



Our proven track record in Sri Lanka was a key lever in WF's entry to the overseas market. Since undertaking its first 10MW solar energy project in Welikanda, Sri Lanka, in the year 2016, WF has expanded its global presence and today has large overseas footprint.

WF's brand reputation is further augmented by the ability to deliver consistent profits and a strong balance sheet. The stability of the Company and the credibility of the WF brand is further reaffirmed by the AA- (Stable) issuer rating for the FY 2021/22, by ICRA Lanka Limited.

In the current financial year, the WF brand achieved yet another important milestone by becoming one of the first independent renewable energy producers in Sri Lanka authorised to issue "Carbon Emission Reduction (CER)" credits. The CER credits, governed by the UNFCCC, can be purchased by organisations looking to set off their carbon footprint locally or internationally.

Brand Performance - FY 2021/22

Name of the Award/ Ranking	Awarding Body
Fastest Growing RE Company in Sri Lanka	Global Business Outlook
Compliance Certificate (Annual Report 2020/21)	Institute of Chartered Accountants of Sri Lanka
Utility Scale IPP of the Year (Solar Category, Sri Lanka Annual Solar Awards 2021)	EQ International
Transparency in Corporate Reporting (Ranked 32nd Rank with a rank of 7.23)	Transparency International Sri Lanka
National Business Excellence Award (Gold Award under the "Infrastructure and Utilities" Sector)	National Chamber of Commerce of Sri Lanka

Knowledge-based Assets

WF's knowledge-based assets are central to our day-to-day operations. Our knowledge base is a combination of special competencies gained through licenses and accreditations as well as the innate knowledge and expertise acquired by our teams by working on the job.

WF engineers are accredited by the RISO Campus of the Technical University of Denmark (DTU) for Wind Resource Assessment and Modelling. We invest considerable resources each year to build the capacity of our internal teams. We recruit fully-qualified and credentialed engineers who have graduated from top engineering universities and institutes and possess a proven track record in renewable energy project design and operation. All our engineers are encouraged to pursue continuous professional development to enable them to stay up-to-date on the latest design and operational developments in the global renewable energy sphere. Further we make sure that our technical officers have the right skills and expertise to complement our business operations.

Investments in developing WF's knowledge base continues to deliver tangible benefits in our day to day operations. For example, our teams have been responsible for some groundbreaking innovations such as the Solar tracker and are currently in the process of developing vehicles for e-mobility, that may give WF first mover advantage when commercialised.



WindForce receives Gold award at the NBEA Award Ceremony under the Infrastructure and Utilities Sector

Key Initiatives for FY 2021/22

670 hours of technical training for technical staff

Incurred LKR 2.3 Mn to commission new IT platforms (FCCS Oracle System and MiHCM HR software)

LKR 1.9 Mn incurred on upgrading IT security Systems
Value transformation programme to disseminate WF's core values to employees

Standards and Certifications

Standards and certifications contribute towards enhancing our knowledge base and thereby adding further credibility to our operations. Careful to subscribe to the right standards and certifications that add value to our business, we have adopted the following global best practices;

- ▶ ISO 10006:2017 - Guidelines for Quality Management in Projects
- ▶ ISO 14001:2015 - Environmental Management Standards
- ▶ ISO 45001:2018 Occupational Health and Safety Management Standards

IT Systems

WF's IT systems collectively create a solid ecosystem to provide critical support and ensure smooth operations at all times. To meet our business needs, we procure only licensed software from reputed global vendors. Our ERP system - Dynamics NAV by Microsoft and FCCS Oracle with its cloud-based architecture support our financial system, while our human resource management activities are managed by the MiHCM HR software platform. Our security and integrity of our information is assured by the latest firewalls and several layers of network protection.

The Supervisory Control and Data Acquisition systems (SCADA) at majority of our solar power plants, have been developed by our own engineers. These systems being more adaptable to our local climatic conditions, have allowed us to generate significant internal cost savings, while also preventing the outflow of foreign currency from the Country.

Business Networks GRI 102-13

As a renewable energy producer, business networks support our operations in various ways. We have found that the right business partnerships create opportunities for knowledge enhancement and facilitation of business expansion and diversification. Based on this strategic approach we have entered into long-term partnerships with Norsk Solar, a globally renowned integrated renewable energy solutions provider. We also have also tied up with Frontier Energy, a major investor in renewable energy in Africa.

Apart from this, as an approved training partner for the IESL (Institute of Engineers - Sri Lanka) WF has to access top engineering talent.

Business Ethics

GRI 102-16, 17, 205-1-3, 307-1, 419-1

Responsible business ethics play a fundamental role in supporting our business approach to provide integrated renewable energy solutions. Regulatory compliance is the first point of reference in our ethics framework. WF maintains a zero-tolerance policy for non-compliance of regulatory requirements covering all socio-economic and environmental regulations applicable to the business.

This commitment is cascaded down through our Conduct Policies that outline appropriate behaviours expected of WF employees, while our Disciplinary and Termination Policy covers sets out guidelines on how allegations of bribery, corruption and other ethics violations will be dealt with. All Directors and employees, including WF internal security teams are made aware of these policies. Employees can reach out to either the Managing Director or the CEO to receive advice regarding ethics related matters, obtain further clarity on policies or discuss any concerns/ grievances that arise from either party.

In an effort to further reinforce the commitment to ethics, a set of core values were established for the Company. The core values - Dedication, Team Spirit, Mutual Respect, Achievement, Dynamism, Integrity, Responsibility and Innovation, represent the essence of what WF's stands for.

WF's operations are not at risk for corruption. No incidents of corruption were reported in the current financial year.

There were no reported incidents of non-compliance of socio-economic or environmental regulations in the current financial year.

What are the Key Components of Our Human Capital



150
Employees



3 Females
in leadership
positions

Why do we invest in developing Human Capital?

- To strengthen WF's ability to drive long-term sustained earnings
- To augment WF's competitive advantage and enhance brand position against peers
- To ensure more effective and efficient use of the Company assets
- To build trust with all related stakeholders, customers and business partners

How it impacts on our other forms of Capitals

- ▶ FINANCIAL CAPITAL
- ▶ INTELLECTUAL CAPITAL
- ▶ MANUFACTURED CAPITAL
- ▶ SOCIAL AND RELATIONSHIP CAPITAL

What is our Management Approach for Human Capital?

Our approach to Human Capital development is based on WF's unique culture that requires employees to fully commit to their work, but also keep in mind that their loved ones remain their #1 priority. Accordingly, we encourage collaboration, promote autonomy and recognise teamwork as the basis of driving personal growth. By emphasising these underlying principles, we seek to ensure that every one of our employees remains fully engaged and motivated to work towards the success of the Company.

Compliance

Shop and Office Employees Act, No. 19 of 1954
Factories Ordinance (No. 45 of 1942)

HR Policy Frame-work

Recruitment Protocol
On-boarding Protocol
Safety Policy
Conduct Policies
Employee Handbook



Best Practices

ISO 45000
Occupational Health and Safety Standard
Equal opportunity and non-discriminatory employment
No Child Labour
No forced or compulsory labour

WF's track Record

GRI 408 -1, 409-1, 406-1, 403-9

Attrition rate
8%

Child Labour incidents
ZERO

Forced or Compulsory Labour incidents
ZERO

Incidents of Discrimination
ZERO

Fatalities
ZERO

Major Injuries
ZERO

HR Governance

HR activities are managed centrally under the stewardship of WF's CEO who is in charge of the Company's Human Capital Management activities. In this capacity the CEO oversees the implementation of the Board approved policy framework pertaining to human capital matters.

The Company's senior management also plays an active role in all strategy driven HR processes, such as cadre planning, on-boarding, performance management and employee relations.

Cadre Planning

Cadre planning is an important tool in ensuring the availability of adequate Human Capital to support the diverse needs of the Company. The cadre planning exercise is undertaken alongside the annual budgeting cycle, where WF's head of departments works closely with the CEO and Chief Operating Officer (COO) to determine the cadre requirements for the forthcoming financial year, with due consideration of the strategy and business plan.

On-boarding

Given WF's unique multi-generational workforce profile, we consider on-boarding to be the first strategic lever in helping new recruits absorb WF's unique culture and work ethics. Our approach to on-boarding is employee specific and aims to empower each recruit through tailor made training interventions / work assignments relating to their specific job role. New recruits for senior roles, including engineers and managerial positions are mentored by members of WF's Corporate Management as part of their on-boarding process.

Remuneration and Benefits

GRI 202-1, 401-2, 403-6, 405-2

WF offers industry competitive remuneration and benefits, where a merit based approach ensures that employees are adequately compensated for their capability for a particular role.

As an equal opportunity employer, the remuneration and benefits offered to men and women performing similar roles are the same. This principle applies to all employee categories from entry level to the top Management, where the salary ratio between men and women stands at 1:1.

WF CEO is tasked with reviewing the Company's Remuneration and Benefits structure to ensure they remain on par with the market, with any recommendations subject to the approval

of the Remuneration Committee. The CEO is responsible for implementing these approved structures.

All permanent employees of WF are entitled to the following benefits:

- Life and Surgical Insurance cover
- Medical insurance covering OPD expenses
- Annual Bonus linked to company profitability
- Compulsory annual/ blocked leave

GRI 401-3

Maternity Leave for the FY 2021/22

No. of female employees who took maternity Leave	0
No. of female employees who returned to work after completing their maternity Leave	0

Performance Management

For WF to compete effectively in the dynamic and fast evolving renewable energy sector, it is imperative that all our employees remain performance driven. To support this objective, we have implemented a two pronged performance management system to ensure all permanent employees of the Company have their performance assessed at least once every year.

The performance of plant employees are monitored continuously by the respective Plant Manager to assess how employees operate individually and as part of the team. Plant Managers are expected to maintain ongoing conversations with employees to discuss any performance gaps and identify training needs. Findings are formally reviewed by the cluster General Manager jointly with the Plant Manager bi-annually in the presence of the employee and again at the conclusion of the financial year.

The performance of administrative and managerial level employees is evaluated through one-on-one discussions between the employee, MD / CEO. Throughout the year, the management team comprising the CEO, COO, CFO & CDO keep track of the performance of managerial level employees to assess their performance against assigned tasks. All WF employees have the opportunity to meet with the MD and CEO at any given time, to discuss any concerns they have.

Decisions regarding increments and promotions are made based on the results of the annual performance appraisal process

GRI 404-3

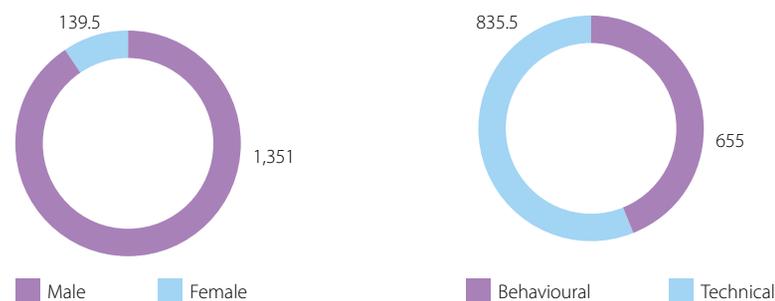
Employee Category	Total employees in the category	No. of employees receiving the annual performance appraisal		
		Total	Male	Female
Senior Management	5	3	2	1
Middle Management	11	11	10	1
Executives	18	18	12	6
Non-executives	116	115	115	0

Training and Development

WF's training focus is aimed at delivering high quality learning opportunities to enable employees to sharpen their skill set in order to support the Company's objectives as well as to advance their career prospects. Employee training needs are established during the performance review process or through recommendations made by Plant Managers / Department Heads.

Meanwhile our annual TPM Challenge creates a platform for continuous learning among our plant teams. The main aim of the TPM Challenge is to challenge employees to innovate and explore new techniques to drive overall plant efficiency.

Training Hours 2021/22



GRI 404-1-2

Training Focus - FY 2021/22

Programme Description	Target Group	No. of Participants	Training Hours		
			Total	Male	Female
Total Productivity Management	Plant Technical Teams	19	400	400	0
Soft skills development, Effective communication and Personal Development	Senior Engineers and Finance	15	358	358	0
ISO 45001: Health & Safety management system and Occupational Health and Safety	Engineering	6	137.5	137.5	0
Motivation and teamwork soft skills development training	Plant Teams	33	280.5	280.5	0
Adoption of new MIS systems-	Finance and HR Teams	13	82	36	46

Training Highlights



The Group recorded a total of 1,490.5 hours of training.
Average of 9.9 hours of training per employee

Initiation of a soft skills development programme for our plant staff which will continue to the next year.

12 week Personal Development programme for our Engineers.

100% increase in training hours compared to last year.

GRI 102-8, 401-1, 405-1

As at 31st March 22	Females	Males	Total
Full time	8	142	150
Contract	0	1	1
New Hires	4	20	24
Turnover	1	11	12

Turnover

	2021/22	2020/21	2019/20
Employee Turnover	12	7	5

Age category Breakdown

As at 31st March 22	Females	Males	Total
Total workforce			
18-30	2	48	50
31-45	6	71	77
46-55	0	18	18
56+	0	5	5

Turnover

18-30	1	6	7
31-45	0	2	2
46-55	0	1	1
56+	0	2	2

New hires

18-30	2	16	18
31-45	2	3	5
46-55	0	1	1
56+	0	0	0

Health and Safety

GRI 403-1-5, 8

The production of renewable energy does not present a risk of ill health nor the likelihood of developing occupational diseases. Nonetheless in the interest of the safety and wellbeing of employees and others at our sites, WF remains fully committed to comply with all applicable safety regulations. In Sri Lanka, the Factory Ordinance No 45 of 1942 is the main legislative instrument on Occupational Health and Safety, while our global operations adhere to the applicable safety regulations in their respective jurisdictions.

Our commitment to safety goes beyond compliance wherein our Board approved Health and Safety Policy sets out our overarching safety principles and outlines the Company's safety ambitions. These are operationalised through WF's safety management system, which is guided by the latest version of the ISO 45001 Occupational Health and Safety Standard. The safety management system covers safety aspects typically associated with the construction of wind / solar / hydro power plants as well as for the operation and maintenance of these plants.

For all new projects, a comprehensive safety risk assessment is conducted at the project planning stage to identify the potential risk associated with the project based on its nature and complexity. Appropriate procedures and protocols are identified and established, with special emphasis on elimination or substitution of high risk activities, while engineering controls, signage/warnings, administrative controls, and using personal protective equipment are kept prominent.



Harness check and strapping at our wind power plants

Sector specific safety and procedure manuals have been developed and implemented under the stewardship of the respective Plant Manager to address ongoing safety concerns in the day-to-day plant operations. These procedures are comprehensive and cover all potential safety risks to employees. Subcontractors, visitors and any other parties at our project site or power plant also benefit from these safety protocols and standards.

GRI 403-7

Potential Safety Risks for WF			
New Project Construction		Operational Plants	
Identified Safety Risk	Mitigating Action	Identified Safety Risk	Mitigating Action
Burn risk due to high voltage hazard	Isolation procedures Lockout and tag-out procedures	Burn risk due to high voltage hazard	Isolation procedures Lockout and tag-out procedures
Theft of items at construction sites or during transportation	Adequate security at sites with plant parts stored in locked warehouses Appropriate insurance policies to cover theft and damage	Injuries caused due to Un-calibrated or defective lifting tools/ equipment	Load testing of lifting equipment and constant inspection of all tools/ equipment
Common Safety Risks (New Project Construction + Operational Plants)			
Identified Safety Risk		Mitigating Action	
Working at heights	Adoption of high H&S standards and equipment such as ropes and harnesses and anti-slip safety shoes Continuous training and inspection on all H&S procedures and equipment.	Injuries caused by falling objects	Safety helmets and hard boots are made a requirement
Entrapment and ergonomic failure hazards	Proper personnel training to all relevant employees on safe work practices and rescue. Safety signs and adequate safety systems in place.		



Employee input is greatly encouraged in supporting the continuous improvement of our safety performance. Daily “Toolbox” meetings are conducted at all operational plants to discuss and identify the hazards and risks associated with ongoing work. Accident Reports and statistics are documented and presented by the respective Plant Manager at the Monthly Management meetings with the Management Committee. Improvements and necessary corrective actions are also determined at the Management Meeting. The Management Committee conducts bi-annual safety audits at all operational plants and performs random spot checks to identify hazards at ongoing construction sites. A formal annual safety audit is conducted by WF’s COO for all sites.

Safety training is a major component of our safety management programme. The total training hours for the year amounted to 137.5. In addition, special training on various topics is also provided from time to time.

Employee Relations

GRI 102-41, 402 -1

We want our employees to know and understand that they are a part of a closely knit team where the contribution of everyone is considered to be equally important to the Company’s overall success. Premised we seek to earn the trust and respect of employees right from the start of their journey with WF. Our customized on-boarding initiatives (described above) aims to establish a culture of openness and ongoing communication between employees and the Company’s leadership. These principles are cascaded down through our open door policy which enables WF employees to reach any member of the top management.

All employees, including plant teams have the opportunity for a one-on-one meeting with WF’s MD and CEO bi-annually to discuss their performance and their grievances. Weekly stand up meetings allow Heads of Departments / clusters to connect with WF’s Management Committee. At plant level, Plant Managers engage with their respective teams through daily toolbox meetings.

Typically the toolbox and stand up meetings, are used as the channels to keep plant teams and administrative employees respectively informed of operational changes. In this way, employees are given a minimum of two weeks of prior notice ahead of implementing operational changes.

Being upfront with our employees and communicating frequently and openly with them at all times, has ensured that no collective bargaining agreements are needed.



WindForce is a certified training body of the Institute of Engineers of Sri Lanka

Work-life Balance

Our work-life balance initiatives are based on the principle that their family should be the employees' #1 priority. Accordingly, we have declared a 40 hour work week for all administrative employees. They are not required to report to work on Saturday or Sunday. As a policy no employees are contacted by the top management after 5 pm, unless urgent. A shift/roster base system is in place at the plants as well to promote a healthy work-life balance.

We have also introduced flexible working hours for administrative employees. For practical reasons, the flexi hours option is not extended to project and plant teams. Plant teams are rostered and work in 12 hour shifts.

It is compulsory for all WF employees to utilise a minimum of 70% of their annual leave during the course of the year.



WindForce Annual Corporate Retreat



Women Empowerment - Rock Climbing Retreat

Key Initiatives for FY 2021/22

LKR 226 Mn monetary benefits paid to employees (LKR 170 Mn - 2020/21)

LKR 26 Mn WF's contribution to EPF and ETF (LKR 19 Mn - 2020/21)

LKR 14 Mn Contributed to the gratuity fund (LKR 13 Mn - 2020/21)

No salary cuts or retrenchments due to COVID

Hired WF's first female into the C-panel - the first female CFO in the Company's 12 year history

24 new recruits were on-boarded

LKR 1.9 Mn invested in training

LKR 3.5 Mn incurred on safety system improvements and training

137.5 hours of Safety training for Plant teams

What are the Key Components of Our Social & Relationship Capital



Customer Trust
Regulator Approval



Supplier Loyalty
Community Respect

Why do we invest in developing Social & Relationship Capital?

- To create a firm foundation to expand our project pipeline, thereby growing our market share and enhancing earnings capability
- To earn the goodwill of customers, regulators, suppliers and the community in order to enhance WF's overall reputation and credibility
- To receive feedback and suggestions from customers to drive continuous improvement
- To inspire employees to learn through innovation

How it impacts on our other forms of Capitals

- ▶ FINANCIAL CAPITAL
MANUFACTURED CAPITAL
- ▶ INTELLECTUAL CAPITAL
- ▶ MANUFACTURED CAPITAL
- ▶ HUMAN CAPITAL

What is our Management Approach for Social & Relationship Capital

Create a climate of trust by prioritising stakeholder interests and thereby ensure they remain invested in WF's progress over the long run

Responsible Products

As a producer of electricity, our customers are the utility companies in the countries where we operate. The supply of electricity is based on the quality standards specified in the respective Grid Codes included in the long term power-purchase-agreement between WF and the respective utility. Hence our primary responsibility with regard to our product is to consistently fulfill these grid code requirements throughout the duration of the power purchase agreement and ensure an uninterrupted supply of electricity. Towards this end, we operate and maintain our plants using the TPM (Total Productive Maintenance) protocols to improve the team's productivity and innovation by focusing on proactive as well as preventative techniques for increasing plant and equipment efficiency and reliability. On this basis we have been able to ensure plant availability of over 97%.

- ▶ Sri Lanka – Ceylon Electricity Board (CEB)
- ▶ Uganda – Uganda Electricity Transmission Company Limited (UETCL)
- ▶ Pakistan - K-Electric Limited (KE), Central Power Purchasing Agency (Guarantee) Limited
- ▶ Ukraine – Energorynok

Customer Relationship Management

GRI 416-2

We maintain a straightforward approach to connect with our customers based on open and transparent communication. Dedicated liaison officers handle regular and ongoing communication with customers, while WF's top management (Managing Director, Chief Executive Officer and Chief Operating Officer) formally meet with customers several times a year to discuss and address any mutual concerns. These forums also serve as an opportunity for customers to raise any complaints.

Apart from this, our customers can make a written complaint, by email or by calling in. Reinforcing our commitment to handle all complaints effectively and efficiently, we educate employees regarding WF's complaint resolution procedure and empower them to proactively resolve issues.

In FY 2021/22, there were no complaints reported in relation to non-compliance of Grid Codes, product safety or any other regulatory compliance requirements.

WF's Customers





Regulatory Compliance

Given the nature of our business, WF's operations come under the purview of various regulatory bodies both at an international and local level. We aim to maintain good relationships with all these regulatory bodies, firstly and foremost by complying with all relevant regulations applicable at the construction stage and in running our operational plants. In Uganda, WF is required to submit annual techno financial reports to the regulator.

Sri Lanka	WF's Regulators and Governing Bodies
Board of Investments of Sri Lanka (BOI)	At the construction stage
Forest Department	
Department of Archaeology	
Civil Aviation Authority of Sri Lanka	Running of operational plants
Sri Lanka Sustainable Energy Authority (SEA)	
Public Utilities Commission of Sri Lanka (PUCSL)	
Ceylon Electricity Board (CEB)	

Ukraine	Uganda
Energomarket	Electricity Regulatory Authority (ERA)
The National Commission for State Regulation of Energy and Public Utilities, Ukraine	Uganda Electricity Transmission Company Limited (UETCL)
National Energy and Utilities Regulatory Commission (NEURC)	Uganda Revenue Authority (URA)
State Fiscal Service (Ukraine)	Ministry of Energy & Mineral Development
	State Ministry for Energy
	National Environment Management Authority (NEMA)
	Directorate of Water Resource Management (DWRM)

Supplier Relationships

We consider all our suppliers to be equally important contributors to our value chain and as such seek to form long term relationships for mutual benefit. Our supplier relationship management strategy is based on open and transparent two-way communication, trust and mutual respect to support the amicable resolution of issues coupled with the flexibility and willingness to adapt and realign when needed.



GRI 102-9-10, 204-1

WF's Supply Chain Profile

Project Related Suppliers

c local contractors / service providers to facilitate new project construction requirements such as piling, civil construction, erection, logistics, heavy-lifting, transport, etc.

Operational and Maintenance (O&M) Related Suppliers

O&M suppliers provide necessary requirements for the day to day running of plant operations.

Services and consumables for O&M requirements are obtained or procured locally. However, spare parts are sourced from overseas from Original Equipment Manufacturers (OEM) or recommended suppliers.

Approximately 54% of the average annual procurement spent is attributed to local suppliers.

Procurement Best Practices

GRI 308-1, 414-1

To ensure we work only with the suppliers who are the best fit for WF, we have adopted global best practices for the selection and on-boarding of local suppliers. We select local suppliers for project requirements based on the project plan which outlines in detail the products and services required at each stage of the project. Suppliers are strictly vetted on multiple levels, including product quality, performance track record, compliance of the identified standards, certifications, competitiveness, the ability to meet the stated timelines / warranties and guarantees, adaptability to the relevant climatic conditions and long-term availability of the spares, and any other relevant matters. We also look into the labour and environmental compliance status of suppliers.

As the final stage of the evaluation process, a comparative assessment among peers is carried out prior to shortlisting candidates. Shortlisted suppliers are submitted to WF's top management for review and final approval. Approved suppliers are secured through contracts for a specific duration. Once all suppliers for the project have been mobilised, a procurement plan is drawn up giving due consideration to the interface management of various products and services as well as to establish and agree on the division of work among the various suppliers.

We select local O&M suppliers using our vendor database. The database contains the vendors for all goods and services, to enable quick and efficient selection of suppliers to meet the day to day operational requirements at our plants. The vendor database is reviewed and updated annually by WF's top management team.

With regards to our overseas OEM suppliers, we work with manufacturer recommended suppliers. When seeking out new OEM suppliers we refer to international sources such as the Bloomberg recommended Tier-1 supplier database.

Community Impact Assessment

GRI 203-1-2, 413-1-2

The day to day running of our plant operations do not have any negative impact on the community or the environment. While the project construction stage may pose some challenges to the community in terms of the disturbances to their daily routines, our projects also provide significant benefits for surrounding communities in terms of the development of road and drainage infrastructure along with various indirect job opportunities.

Meanwhile, to determine the potential impact to surrounding communities and the ecosystems in the vicinity due to our project construction activities, we conduct an environmental and social impact assessment prior to the commencement of every project. This is a mandatory requirement undertaken with the guidance of the Central Environmental Authority. Based on the findings, we take appropriate action to minimise the impact to the community and prevent any deterioration in their quality of life. Where needed we provide compensation and have in the past even undertaken to relocate communities by providing housing and land for cultivation.

Community Engagement

WF considers ongoing engagement as an integral part of its effort to build trust with the community. An appointed liaison officer at every project handles community relations, while we have also identified an informal community leader as spokesperson to work with the liaison officer to address any issues. If needed, the Chief Engineers of the relevant sectors provide oversight and guidance to liaison officers to resolve any issues with pressing issues escalated to the respective sector General Managers for appropriate action.

Through their ongoing interactions with the community spokesperson, liaison officers are also expected to identify and propose suitable projects that align with WF's five-point CSR strategy. Projects identified in this way are presented for the review and approval of the top management prior to incorporation in the annual CSR plan and budget.

Community Investment

WF's five-point community investment strategy is guided by the UN Sustainable Development Goals (SDG's) and represents our efforts to make a meaningful change for under-served communities. Our five-point strategy applies to all WF locations.

Community Projects



Community & Livelihood Development (Sahana)

- » Donation to the Arka initiative for the payment of salaries of women employed from local the community who will be manufacturing sanitary pads
- » Created smart classroom for Gamini Vidyalaya, Kalawana for the benefit of 600 students in the school
- » Donated dry rations to 150 low-income families whose income was affected due to the COVID-19 pandemic
- » A competition organised by the University of Colombo to provide an opportunity for young innovators to present fresh and creative ideas on Smart City & Eco-friendly concepts. 200+ participants entered the competition
- » Donation of water bowsers for 200 families in the community in Tororo
- » Providing street lamps to Sapumalgaskada Temple Vavuniya
- » Providing Juki sewing machines to 5 women entrepreneurs in a rural fishing community in the coastal belt of Chilaw
- » Donated dry rations to 10 pregnant mothers in Polonnaruwa
- » Donation of Diesel Generator for Church, Nannattan
- » Construction of Ayurvedic hospital in Pallei, Jaffna
- » Construction of Semakkalai crossroad in Jaffna



Environmental Conservation (Harithahuruwa)

- » Planting of 1000 mangrove plants in the Puttalam lagoon. A continuation of the Mangrove Tree Planting programme that was initiated in 2021.
- » Planted 1000 trees in the Yalgiri forest reserve in collaboration with Rotaract club of University of Sri Jayewardenepura
- » Tree planting programme organized in Tororo



Education & Childhood Development (Sipsathara)

- » Sponsorship for online education for AL students conducted by all university student's association in Vavuniya for the benefit of 800 students
- » Providing drinking water filters for the benefit of 150 students & staff in Pallewala Gamini Vidyalaya
- » Construction of 2 classroom blocks, office,s storage room for a school in Tororo



Pure Hands for Emergency Relief (Athahitha)

- » Donated dry rations to 500 low-income families whose income was affected due to the Covid pandemic
- » Donated dry rations to 130 families in Puttalam who were affected by the floods in November



Health Care (Suvadiri)

- » Complete renovation and donation of COVID-19 equipment in Kalawana Base Hospital
- » Complete renovation and donation of COVID-19 equipment in Puttalam Base Hospital
- » Health camp was organized in Tororo which included health check-ups and issuance of necessary medication. 500 families benefited



Handover of a classroom for a school in Tororo, Uganda



Clean water project to community in Tororo, Uganda

What are the Key Components of Our Natural Capital



Natural Resources: Sun Irradiance, Wind, Rainwater

Why do we invest in developing Natural Capital?

- To improve the sustainability of the business and create a foundation to generate consistent returns over time
- To increase employee awareness and participation in global issues such as climate change
- To strengthen WF's brand reputation as an environmental champion
- To increase access to affordable clean energy

How it impacts on our other forms of Capitals

- FINANCIAL CAPITAL
- HUMAN CAPITAL
- INTELLECTUAL CAPITAL
- SOCIAL AND RELATIONSHIP CAPITAL

What is our Management Approach for Natural Capital?

Make a clear positive contribution towards managing the impacts of climate change over time

Risks and Opportunities to WF due to Climate Change

GRI 102-11, 201-2

WindForce relies on renewable natural resources such as Wind, Solar Irradiance, and Rain for its core business activities. Any variation in these resources due to climate change will have a direct impact on the performance of the Company either negatively or positively. For example; heavy rainfall in catchment areas will benefit hydropower generation. However, it has been observed that rainwater retention in Sri Lanka's main catchment areas has decreased significantly as a result of accelerated deforestation in recent years. Therefore, harnessing the maximum power of the hydropower plants has decreased.

Meanwhile natural disasters that occur due to climate change ex: lightning storms, floods, hurricanes may affect our installations if the threshold levels exceed the design parameters. This can negatively affect the performance of the Company in the long term. However, all our wind, solar, and hydropower plants are designed on par with global resilience parameters for extreme climatic conditions.

In seeking to mitigate the impacts of climate change, WF applies the precautionary principle to ensure all Company assets are covered by insurance against natural disasters and all foreseeable eventualities while our operations are covered under business interruption risk to safeguard WF's financial position against such events.

On the other hand, as a renewable energy producer, WF has the opportunity to contribute towards reversing the impacts of climate change. By generating renewable energy to replace energy generated through non-renewable fossil fuels, we are effectively supporting the reduction of global Greenhouse Gas (GHG) emissions which are the main contributory factor to climate change. Moreover, as opposed to the extensive air and water pollutants emitted by coal and natural gas plants, our renewable energy operating plants emit no GHG to the environment and as such do not have a detrimental impact on the surrounding environment or to community life.

Environmental Compliance

GRI 307-1

Environmental Compliance forms the first point of reference for WF's approach to managing its Natural Capital. As a renewable energy producer, there are specific environmental regulations applicable to our business. These include the National Environmental Act No.

47 of 1980 and its amendments No 56:1988 and 53:2000 as well as the project-specific environmental conditions outlined as part of the approval process.

WF strictly complies with all applicable environmental regulations. There were no incidents of non-compliance of environmental compliance reported in the year under review or in any prior year since the Company's inception.

Environmental Stewardship

Environmental Management System (EMS)

WF seeks to lead by example by engaging global best practices for environmental management at its operational plants. Towards this end, we obtain all applicable approvals from the relevant Environmental authorities depending on the plant type and area. Obtaining such approvals may on occasion require WF to make procedural adjustments as per the guidelines issued by the respective governing authorities. In addition, internally we set environmental performance objectives and targets and couple it with ongoing monitoring of these objectives in order to drive continuous improvement of WF's environmental performance.

Energy Management

GRI 302-4

Electricity is the primary source of energy used to power electromechanical equipment at our power plants on a day-to-day basis.

The respective Plant Managers are responsible for managing energy consumption in line with targets set under the EMS. They are also encouraged to pursue innovative solutions to improve energy efficiency of electromechanical equipment. The energy efficiency of equipment is measured on an ongoing basis by the Company's technical teams, with necessary recommendations for upgrades being brought to the attention of the Corporate Management Team. In the year under review, the conducting wire of the internal tower line of the beta plant was replaced with an energy efficient wiring, resulting in a monthly cost saving of approximately LKR 250,000.

Meanwhile at the project construction stage, the Company's engineering teams who oversee the design, procurement and operations ensure that all electromechanical equipment sourced is energy efficient. Strict technical guidelines are in place to support these activities.

Water Management

GRI 303-1

Water is mainly used for the cleaning and maintenance of our solar power plant infrastructure. Deep tube wells have been installed at most of our ground-mounted Solar PV power plants, to meet the needs of the respective plant. The runoff from the water used for washing and cleaning of dust from Solar PV panels does not contain any chemicals and as such is released used for on-site irrigation purposes.

At our rooftop solar projects, the water used for washing is from the same source of the respective factory. In this case the water source could either be groundwater or pipe-borne water drawn from municipal lines.

Carbon Emission Reduction (CER) Issuer Status

WF is the first local renewable energy producer in Sri Lanka authorised to issue "Carbon Emission Reduction (CER)" certificates for organisations keen to purchase carbon credits. The CER certificate issued by WF will recognise the purchasing organisations' efforts to reduce carbon dioxide emissions through investments in renewable energy.

Environmental Protection and Conservation Initiatives

Going beyond business, WF has a focused environmental protection and conservation initiative under the theme - Harithahuruwa. The programme is a key pillar of WF's CSR umbrella and applies to all Company locations in Sri Lanka and overseas.

Key ongoing programmes under the Harithahuruwa initiative;

Mangrove planting programme - Initiated in 2021, the programme targets planting of 1,000 mangrove plants in the Puttalam lagoon.

Tree Planting Programme (Sri Lanka) - An ongoing initiative by WF. The latest phase of the programme saw WF collaborating with the Rotaract club of University of Sri Jayewardenepura to plant 1,000 trees at the Yalgiri forest reservoir

Tree Planting Programme (Uganda) - An initiative by WF's Tororo operation to plant 100 trees in the vicinity of the plant



1000 tree planting project at Yalgiri forest reservoir





COMPLIANCE

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GRI 102-11

The management of risk remains a critical component in the execution of our strategy. In our dynamic operating environment, strong risk management fundamentals are essential to ensure our business continues to grow in order to meet the key deliverables of all stakeholders. Our risk management approach seeks to achieve the following specific objectives:

- Identify key risks applicable to WF
- Continuously re-profile all key risks vis-a-vis changes in the internal business framework as well as the external operating environment to ensure risk frameworks are equipped to support the business strategy
- Ensure adequate controls are in place to manage key risk in day-to-day business operations

To achieve these aforementioned objectives, we have adopted a three-pronged risk management approach based on Governance, Direction and Culture.

Risk Governance GRI 102-30

Effective Risk Management begins with effective Risk Governance. The WF Board as the ultimate authority within the Company, provides strategic over-sight for risk management. In exercising its risk management duties, the Board has established a Risk Governance Structure based on the three-lines-of-defense principle that outlines risk management duties and responsibilities across the Company.



Risk Direction

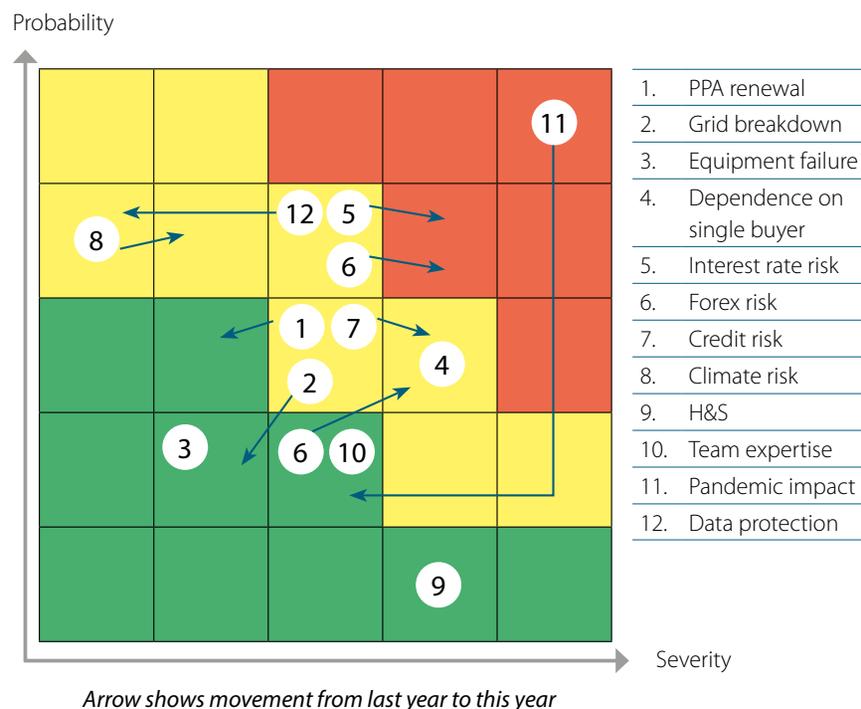
The Board provides direction regarding the acceptable risk tolerance limits for each key risk. This is internalised through Board-approved policies, standards and procedures that serve as guide to operational teams in their day-to-day business.

Risk Culture

A proactive Risk Culture is central to ensuring the effective implementation of the three-lines-of-defense mechanism. As such the Board strives to build a strong risk awareness culture by fostering appropriate values and behaviors that shape risk decisions of the management and employees in line with the Company's risk management objectives.

Managing WindForce's Key Risks

Risk Heatmap



GRI 102-15

RISK CATEGORY	RISK EVENT	RISK IMPACT	FY 2021/22	FY 2020/21	MITIGATION STRATEGIES
Business Risk	Non-renewal of the power purchase agreements leading to the closure of plants	Loss of Revenue Deterioration of the assets	L	M	Ongoing efforts to raise awareness regarding the importance of energy generation through renewable energy to secure renewal of PPA's
	Breakdowns / failures at the CEB's transmission grid substations preventing the distribution of generated electricity		L	M	Addressing such issues at the time of PPA signing and renewal Ensuring adequate insurance to cover potential losses arising from such eventualities
	Lower power generation due to equipment failure		L	L	Maintain sufficient inventory of critical equipment Build team expertise to ensure O & M can be handled in-house and swiftly.
	Challenges leading to delays in project commissioning	Impact on profitability due to cost overruns	H	H	Detailed project planning Link the sales tariff to USD until project COD
	Issues arising as a result of the overdependence on a single customer / utility	Settlement delays by the customer leading to cash flow and liquidity constraints	M	M	Creating new revenue streams by diversifying into new foreign markets Creating additional revenue streams through new Product Development through R&D Collective negotiations through renewable energy associations
Financial Risk	Interest Rate Risk	Adverse impact on profits due to higher finance costs	H	L	Maintaining a combination of fixed and variable interest rates Negotiations with banks to obtain favourable rates
	Exchange Rate Risk	Cost overruns at on-going projects due to the depreciation in the local currency Supply chain issues arising as a result of delays in opening of LC's	H	H	Use of hedging/forward contracts Advance currency booking for foreign remittances Negotiated payment terms Extension of existing foreign borrowing facilities
	Credit Risk	Impact on liquidity due to delayed payments by CEB and other customers (foreign)	M	M	Enter into legally binding agreements with CEB and other foreign utilities

RISK CATEGORY	RISK EVENT	RISK IMPACT	FY 2021/22	FY 2020/21	MITIGATION STRATEGIES
Strategic Risks	Reduced energy generation due to low wind speeds	Loss of Revenue	L	L	Evaluating wind speed and trends in the air flow patterns at the feasibility stage ensures that WF's wind plants are built at sites with optimal wind resources for power generation.
	Reduced energy generation due to changes/ fluctuations in solar irradiance	Loss of Revenue	L	L	Evaluating solar irradiance levels at the feasibility stage ensures that WF's solar plants are built at optimal locations. Use of bi-facial technology in solar panels Use of battery storage facility
	Reduced energy generation due to erratic rainfall and prolonged drought conditions	Loss of Revenue	M	M	At the feasibility stage, the Company hires experts in hydrology to assess the historical flow and duration curve for viability of potential sites for hydropower generation, including an assessment of rainfall patterns to ensure hydropower plants are optimally located
	Disruption of natural water flows that could potentially harm surrounding ecosystems and agricultural zones	Negative perceptions among the community	L	L	WF's hydropower plants are designed by taking into consideration the uninterrupted natural flow of water and the needs of all stakeholders who depend on the water resource, ensuring a sustainable operation of the plant.
Operational Risks	Health and Safety of people	Lost days due to injuries could affect the project completion deadlines	L	L	Adoption of global best practices for health and safety management at construction sites and operational plants
	Team Expertise	Inability to achieve plant productivity and quality targets due to lack of adequately skilled workers	L	L	Adopting a team-based work ethic to promote continuous learning Structured retention and growth plans for better career prospects within the Company
	Pandemic impact	Losses due to business disruptions caused by lockdowns and mobility / travel restrictions as global well as the breakdown in global supply chains	M	H	Implementing the "bio-bubble" model to safeguard plant the workforce Mobilising work-from-home arrangements for administrative teams Moving to digital platforms to connect with overseas business partners Increased focus on procurement planning and inventory management
IT Risk	Breach of the Company's IT Systems	Negative impact from the loss of Company data due to file corruption, data leakage and external cyber threats	L	L	Internal IT controls Regular maintenance, IT audit, updating and back-up of systems and data Introduction of new firewall systems

Chairman's Statement on Corporate Governance

As a Board, we believe that a strong governance framework is fundamental for managing the day to day business to support the delivery of WindForce's strategy. I am pleased to report that, in our first full year as a listed business, the WF Board has focused on promoting a consistently high standard of governance throughout the Company. Operating under the delegated authority of the Board, the Audit Committee, Remuneration Committee and Related Party Transaction Review Committee, continued to work towards further strengthening the Company's systems of governance and internal controls. The Reports of these Committees, shown on pages 120, 121 and 122 respectively, describe in detail the work done in this past year.

In the year under review, the Board further reinforced its commitment to improve transparency and build trust with stakeholders.

As Chairman of the Board, I wish to declare that all employees of WF, including the Board of Directors and Corporate Management Team have acted in compliance with the applicable regulatory and statutory requirements and have discharged their duties in accordance with the policies, procedures and standards set out under the Company's Corporate Governance Framework.



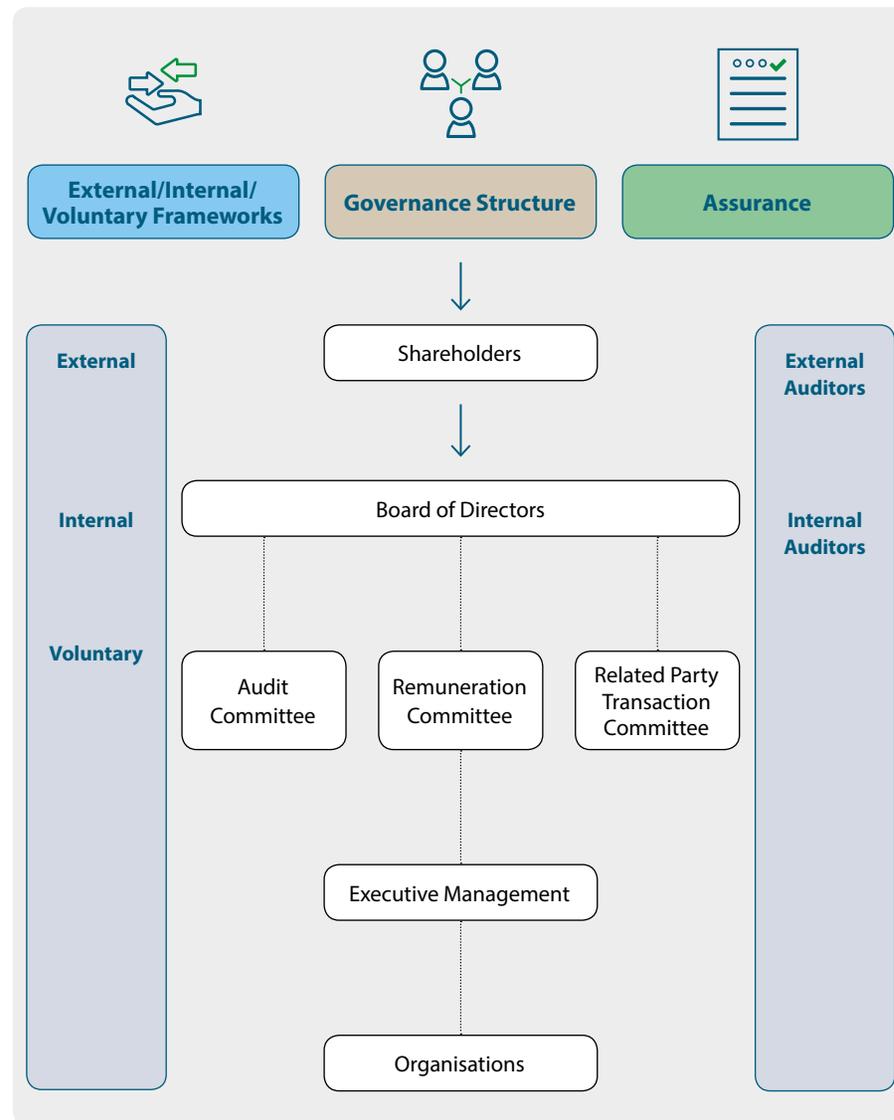
Ranil Pathirana
Chairman

15th June 2022

WindForce's Approach to Corporate Governance GRI 102-16

WF's overall approach to good governance is framed by the regulatory frameworks applicable to the business, the internal mandates governing our operations and the best practices voluntarily adopted by the Board. These frameworks together with the Company's governance structure and assurance processes, provide a foundation to deliver sustainable growth, earn the trust of all stakeholders of the Company and make an effective contribution towards the development of the nation.

Corporate Governance Framework and Governance Structure



External

- Companies Act No 7 of 2007
- Listing rules of Colombo Stock Exchange
- SEC Rules
- Shop and Office Employees (Regulation of Employment and Remuneration) Act, No. 19 of 1954
- Sri Lanka Accounting Standards – SLFRSs & LKASs
- International Financial Reporting Standards – IFRS
- Business-specific regulations

Internal

- Vision, Mission, Values
- Articles of Association
- Board Charter
- TOR of Board Committees
- Board-approved policy frameworks for governance, risk, and operational areas
- Code of Conduct for Employees

Voluntary

- Code of Best Practice on Corporate Governance
- GRI Standards issued by the Global Reporting Initiative
- IR Framework issued by IIRC
- Code of Ethics of Institute of Engineers of Sri Lanka (IESL)
- UN Sustainable Development Goals

Board of Directors GRI 102-18, 20-24, 26, 405-1

WF's Board of Directors are the highest governing body within the organisation. The Board functions independently of the management in seeking to provide strategic direction to support long term value creation for all stakeholders. In doing so, the Board is guided by the WF's vision, mission, corporate values, as well as the articles of association. The Board remains the ultimate authority in charge of ensuring all internal directives, policies and procedures are developed and properly implemented across the business in order to safeguard the interests of stakeholders. In discharging these responsibilities, Directors individually and the Board, are collectively expected to act honestly and in good faith in the exercise of due care and to act in the best interest of the Company and its stakeholders.

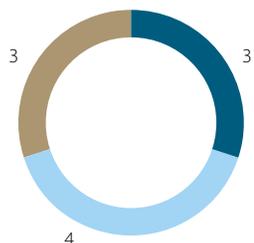
Moreover, the following matters are reserved specifically for consideration and approval by the WF Board;

- Approving the Company's strategy and business plan
- Approving major acquisitions, investments and capital expenditure
- Dividend policy
- Changes to the capital structure
- Amending the TOR's of Board committees
- Appointments to the Board and Board committees
- Senior executive appointments
- Amendments to key policies and procedures

Board Commitments

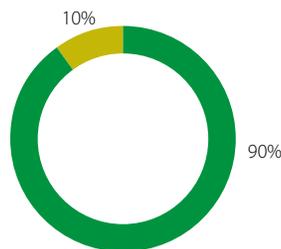
Leadership	Accountability	Transparency	Ethics	Continuous Improvement	Stakeholder Engagement
The Board provides leadership and strategic oversight of the Company's affairs to ensure that all stakeholder interests are protected	The Board is responsible for ensuring that WF complies with all statutory and regulatory requirements applicable to the Company's operations in all Countries where WF is present	The Board ensures transparent disclosure of the Company's financial and non-financial results in compliance with all statutory reporting requirements as well as best practices	The Board Sets the tone from the top for shaping a culture that not only supports the achievement of business strategies, but also drives decisions that are lawful, ethical and responsible, and that lead to better sustainable outcomes	The Board proactively promotes the early adoption of regulations and drives continuous improvement of its corporate governance framework in line with good governance best practices	The Board promotes ongoing engagement with stakeholders and has implemented a broad framework to support constructive two-way communication

Board Composition



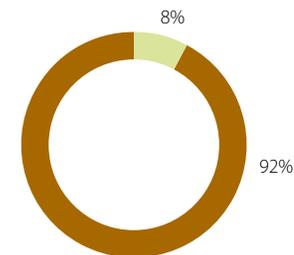
- Independent Non-Executive Directors
- Non-Independent Non-Executive Directors
- Non-Independent Executive Directors

Board Gender Diversity

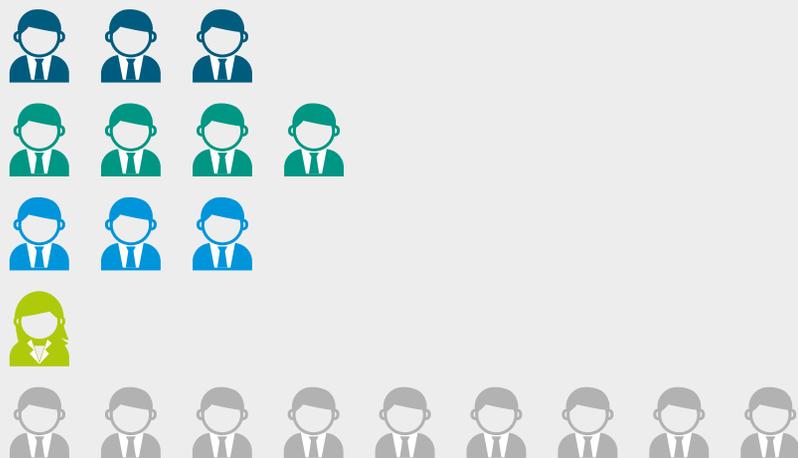


- Males
- Females

Tenure



- 3-6
- 0-3



Board Composition:

● Independent Non Executive Director (INED)	3
● Non Executive Director (NED)	4
● Executive Director (ED)	3
● Females	1
● Males	9

Board Composition

WF's Board of Directors has the size and structure necessary to promote efficient functioning and maximize participation, in accordance with the Company's share capital structure as well as the geographical distribution and complexity of the business. The WF Board as at 31st March 2022 comprised 03 Executive, 04 Non-Executive Directors and 03 Independent Non Executive Directors. The current Board is well balanced reflecting a high degree of diversity defined by age, educational qualifications, field of expertise and special skills.

Independent Directors

The WF Board comprises of three Independent Non-Executive Directors who play a significant role in enriching the Board balance. Their varied expertise and experience, supports active debate of Board decisions and prevents possible conflicts of interest that may emerge from such decision-making.

The appointment of Independent Directors is carried out in line with the provisions of the CSE's listing rules, with due consideration of WF's Board diversity indicators.

Conflict of Interest

Directors are required to disclose any conflict or potential conflict of interest, be it direct or indirect, in relation to a transaction or proposed transaction with the Company. Where a Director has a conflict or potential conflict of interest in relation to any matter, he/she is expected to immediately declare his/her interest and refrain from participating in discussions regarding the transaction and also abstain from voting in relation to the conflict-related matters.

Division of Responsibilities

There is a clear and distinct division of responsibilities between the Chairman and the Managing Director (MD) which ensures there is a balance of power and authority.

The Chairman is responsible for ensuring Board effectiveness and conduct. The Chairman is responsible for chairing the Board, overseeing its effective operation, ensuring that the information Directors receive is sufficient to make informed decisions and for facilitating effective debate at Board meetings.

The MD functions under the delegated authority of the Board and is responsible for the performance of the Company. In this capacity, the MD is accountable for implementing Board approved policy frameworks and for leading the Corporate Management Team on matters including but not limited to, strategy, risk management, governance, compliance, liquidity management, and financial reporting.

Board Meetings

The Board meets every quarter with additional meetings if and when required. It is mandatory for all Directors to attend scheduled Board Meetings. Directors are expected to be well prepared in order to contribute effectively at meetings. To facilitate this, Directors can request information or clarifications from the Company Secretary or any member of WF's Senior Management. Directors can also obtain advice from external specialists.

Ensuring the Effectiveness of Board Meetings



Before the Meeting

- » Board meetings are scheduled as per the meeting calendar prepared annually in advance by the Company Secretary in consultation with the Chairman
- » The Chairman draws up the agenda in consultation with the MD/CEO and the Company Secretary to ensure that there is sufficient information and time to address all agenda items.
- » Circulation of Board papers including the agenda to all Directors, at least 7 days prior to the scheduled meeting date



At the Meeting

- » The Chairman conducts the meeting and encourages constructive dialogue and active debate on agenda matters
- » WF's Corporate Management Team may be invited to attend Board meetings to discuss specific areas
- » The Company Secretary is present at all Board meetings and records detailed minutes of the proceeding



After the Meeting

- » The Chairman conducts the meeting and encourages constructive dialogue and active debate on agenda matters
- » WF's Corporate Management Team may be invited to attend Board meetings to discuss specific areas
- » The Company Secretary is present at all Board meetings and records detailed minutes of the proceeding

Meeting Attendance

	Committee Meetings			
	Board Meetings	Remuneration Committee	Audit Committee	Related Party Transactions Review Committee
Ranil Pathirana	5	2	Not a Member	Not a Member
Asgi Akbarally	5	Not a Member	Not a Member	Not a Member
Manjula Perera	5	Not a Member	Not a Member	Not a Member
Huzefa Akbarally	3	Not a Member	Not a Member	3
Hussain Akbarally	5	Not a Member	Not a Member	Not a Member
Moiz Najmudeen	5	Not a Member	5	Not a Member
Vinod Hirdaramani	4	Not a Member	Not a Member	Not a Member
Saumya Amarasekera	5	Not a Member	Not a Member	4
Dilshan Hettiaratchi	4	2	5	Not a Member
Savantha De Saram	5	2	5	4

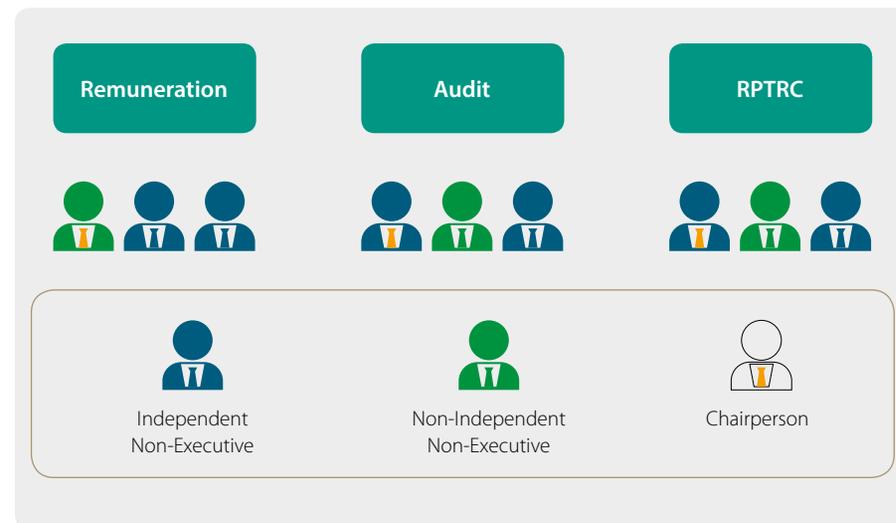
Directors Training

GRI 102-27

All Directors are encouraged to pursue continuous professional development, while appropriate external training is arranged where necessary, at the Company's cost. These are typically aimed at supporting Directors to update their knowledge on regulatory, legal and accounting frameworks that are relevant to the Company.

Board Committees

The WF Board has appointed three Committees to assist in the discharge of Board functions, specifically in providing oversight for key aspects of the business. Each Committee operates as per Board approved Terms of Reference outlining duties and setting out authority. Each year the Board allocates necessary resources to enable the board committees to undertake their specific roles.



Board Responsibility for FY 2021/22

Area	Key Activities	Area	Key Activities
 Strategy and Purpose	<ul style="list-style-type: none"> Review and approval of new plant investments Approval of annual budgets Approval and distribution of dividend for FY 2021/22 	 Operational Performance Against Strategy	<ul style="list-style-type: none"> Performance of plants Discussion of projects in the pipeline
 Risk Management and Assurance	<ul style="list-style-type: none"> Evaluation of Compliance and H&S policies 	 Governance and Control	<ul style="list-style-type: none"> Reviewal of board policies and TOR (Terms of Reference) for such Sub-committees Action plan for recommendations by the Board and Stakeholders
 Financial Performance and Reporting	<ul style="list-style-type: none"> Review financial performance of the Company based on management reports Approved quarterly financials for publication Approved the annual report for publication Setting of the AGM date for the FY 2021/22 	 Culture and Conduct	<ul style="list-style-type: none"> Reviewed and updated the Code of Conduct with special emphasis on strengthening the Company-wide ethics frameworks.
 People Development	<ul style="list-style-type: none"> Employee safety amidst the COVID-19 pandemic Guidance for the recruitment of senior management employees Approving the 3-year succession plan for middle management 	 Stakeholder Engagement	<ul style="list-style-type: none"> Evaluation of shareholder communication Evaluation of stakeholder recommendations
 Sustainability	<ul style="list-style-type: none"> Engaged independent advice to implement a structured ESG framework from 2023 onwards 		

Corporate Management Team

The Corporate Management Team is headed by the Managing Director (MD). Other members of the Corporate Management Team include; WF's Chief Executive Officer, Chief Operating Officer, Chief Development Officer and, Chief Financial Officer, who each provide oversight for their respective area.

The Board holds the Corporate Management Team responsible for ensuring the day-to-day functions of the Company are carried out in line with the Board approved strategy, risk management objectives, policy frameworks and ethics expectations.

Board Composition, Committees and Expertise

	Tenure to Date	Current Profile	Membership of Committees	Competencies and Experience
Mr. Ranil Pathirana	12 Years	Chairman, Non-Executive, Non-Independent Director	■	● ● ● ●
Mr. Asgi Akbarally	12 Years	Deputy Chairman, Executive Non-Independent Director		● ● ● ● ●
Mr. Manjula Perera	12 Years	Managing Director, Executive Non-Independent Director		● ● ● ● ●
Mr. Huzefa Akbarally	12 Years	Non-Executive, Non-Independent Director	◇	● ● ● ●
Mr. Hussain Akbarally	1 Year	Executive, Non-Independent Director		● ● ● ● ● ● ●
Mr. Moiz Najmudeen	12 Years	Non-Executive Non-Independent Director	△	● ● ● ● ●
Mr. Vinod Hirdaramani	12 Years	Non-Executive Non-Independent Director		● ● ● ●
Mr. Dilshan Hettiaratchi	1 Year	Non-Executive Independent Director	▲ □	● ● ● ● ●
Mrs. Saumya Amarasekera	1 Year	Non-Executive Independent Director	◆	●
Mr. Savantha De Saram	1 Year	Non-Executive Independent Director	□ △ ◇	● ●

□ Remuneration Committee

△ Audit Committee

◇ Related Party Transaction Review Committee

■ ▲ ◆ Chairperson

● Finance

● Engineering

● Management

● Law

● Investment Management

● IT/Technology

● Marketing

● Renewable Energy

● Corporate Finance

● Industry and Commerce

● Sustainability

● Hospitality

● Healthcare

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
A. Directors		
A.1 The Board	Every Public Company should be headed by an effective Board, which should direct, lead and control the Company.	
A.1.1 Frequency of Board Meetings	Board meetings are usually held on a quarterly basis. Special Board meetings are convened whenever necessary. Urgent matters are referred to the Board via circulation. Five Board Meetings were held during the period under review. Please refer page 101 for the attendance of the Directors at Board meetings.	Complied
A.1.2 Responsibilities of the Board	The Group's financial performance and key highlights of the business segments, projects which are forecasted to be completed by the Company, status of the current projects and etc are reviewed and discussed, among other matters, at Board Meetings. Please refer "Responsibilities" on page 102.	Complied
A.1.3 Compliance with laws and access to independent professional advice	The Board collectively and the Directors individually act in accordance with the laws of the country of operation which are applicable to the business enterprise. A comprehensive Statutory Compliance report prepared by the Head of Finance is presented on a quarterly basis at Board meetings	Complied
A.1.4 Company Board Secretary	The Company Secretary advises the Board and ensures that matters concerning the Companies Act, Board procedures and other applicable rules and regulations are followed. All Directors have access to the services of the Company Secretary. Appointment and removal of the Company Secretary is a matter for the Board as a whole.	Complied
A.1.5 Independent judgment	All Directors bring independent judgment, and in particular the Independent Non-Executive Directors provide an unbiased, independent, varied and experienced perspective to the Board. The Board is responsible to discharge their duties on the matters concerning to the Board including strategy, performance, resource allocation, risk management, compliance and standards of business conduct	Complied
A.1.6 Adequate time and effort by the Board and Company	All Directors of the Company dedicate adequate time and effort at Board and Sub Committee meetings to fulfil their duties. Further they also spend their time before and after the meetings to ensure that the duties and responsibilities owed to the Company are discharged to higher standards of acceptability. This supplements by a time allocation for familiarization with business operations, risks and controls.	Complied
A.1.7 Calls for resolutions	One third of Directors can call for resolutions to be presented to the Board where they feel it is in best interest to the Company	Complied

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
A.1.8 Appropriate Training and Board Induction	<p>The Board provides strategic direction to the development of a sound business strategy which is aimed at the long-term sustainability and continuous growth of the Company.</p> <p>The Company recognizes that there is need for continuous training and expansion of the knowledge and skills required to effectively perform duties as a Director. As such the Board regularly reviews and agree on the training and development needs of Directors.</p>	Complied
A.2 Chairman and Chief Executive Officer	There are two key roles at the top of every public company – conducting the business of the Board and facilitating Executive responsibility for management of the Company’s business. There should be a clear division of responsibilities at the head of the Company which will ensure a balance of power and authority between the Chairman and Managing Director, such that no one individual has unfettered power of decision making.	
A.2.1 Division of responsibilities between Chairman and Managing Director	<p>The Chairman and MD positions are held by two separate individuals.</p> <p>Chairman and MD functions and key responsibilities are clearly defined and separated by the Board.</p> <p>The Chairman holds office in Non-Executive capacity and is responsible for leading and ensuring effective functioning of the Board while the MD is responsible for managing the business with the help of the CEO and the Senior Management.</p>	Complied
A.3 Chairman’s Role	The Chairman’s role in preserving good Corporate Governance is crucial. As the person responsible for running the Board, the Chairman should preserve order and facilitate discharge of Board functions.	
A.3.1 Role of the Chairman	Refer page 100 for responsibilities of the Chairman	Complied
A.4 Financial Acumen	The Board ensures the availability within it, of those with sufficient financial acumen and knowledge to offer guidance on matters of finance.	
A.4.1 Availability of financial acumen	<p>The Company’s Board has a range of expertise and experience in the field of finance.</p> <p>The expertise, skills, qualifications and potentials of each of the Board members are mentioned in their respective profiles on page 103</p>	Complied
A.5 Board Balance	The Board should have a balance of Executive and Non-Executive Directors such that no individual or a group of individuals can dominate the Board’s decision-making.	
A.5.1 Presence of Non-Executive Directors	The Board includes Non-Executive Directors of sufficient calibre and number for their views to carry significant weight in the Board’s decision.	Complied
A.5.2 to 5.5 Independent Directors	<p>The Board includes seven Non-Executive Directors of which three are Independent Directors.</p> <p>Please refer page 103 for Board Composition</p>	Complied
A.5.6 Alternate Directors	Not Applicable	N/A
A.5.7 & 5.8 Senior Independent Director	The Company’s Chairman and Managing Director are separate persons, therefore the requirement to appoint a Senior Independent Director does not arise under this code.	N/A
A.5.9 Meeting of Non-Executive Directors	<p>The Chairman discusses matters relevant to the Board with the Non-Executive Directors as and when the need arises.</p> <p>During the year under review there was no requirement to hold such meetings.</p>	Complied

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
A.5.10 Recording of dissent in minutes	The Chairman jointly acts with the Secretaries to conduct the Board Meetings , advises the Secretaries to prepare the minutes, records of any concerns of the Board as a whole of those of individual Directors regarding matters placed for their approval.	Complied
A.6 Supply of Information	Board should be provided with timely information in a form and quality appropriate to enable it to discharge its duties	
A.6.1 Management's obligation to provide appropriate and timely information	The Management provides information including both qualitative and quantitative, for quarterly Board Meetings. The Chairman ensures all Directors are properly briefed on issues arising at Board Meetings. The minutes were circulated and formally approved at subsequent Board Meetings. The Directors of the Company have the accessibility to the Management for further information. The Company ensures the distribution of Board Papers on time, enabling the Directors to access to information	Complied
A.6.2 Adequate time for effective Board meetings	A board pack which comprises of meeting minutes, agenda and the discussion papers, is shared with the Directors in advance to provide them with adequate time for review to conduct effective board meetings.	Complied
A.7 Appointments to the Board	There should be a formal and transparent procedure for the appointment of new Directors to the Board	
A.7.1 Appointments to the Board	The Board has not established a Nominations Committee to make recommendations on Board appointments, therefore all appointments to the board are based on collective decisions by all Directors. However, the Board has proposed to appoint a Nominations Committee for the coming financial year.	Complied
A.7.2 Assessment of Board composition	An annual assessment of will be conducted to evaluate the combined knowledge, skill and experience of the Board to match the requirements of the Company.	Complied
A.7.3 Disclosure of details of new Directors to shareholders	Upon the appointment of new Directors to Board, the Company discloses such information to the shareholders at the time of their appointment by way of public announcements to the Colombo Stock Exchange as well as in the Annual Report, along with a brief resume of the Director which includes; <ul style="list-style-type: none"> ➤ The nature of his expertise in relevant functional area ➤ Other Directorships or memberships in Board Sub-Committees ➤ Whether the Director is considered "Independent". 	Complied
A.8 Re-election	All Directors should be required to submit themselves for re-election at regular intervals and at least once in every three years	
A.8.1 & 8.2 Appointment of Non-Executive Directors	In accordance with the Articles of Association 1/3 of the (other than those Directors who are over 70 years of age) retire and are subjected to re-election by the Shareholders. The Directors who retire by rotation are those who have been the longest in rotation and in office since their election/re-election. The Directors eligible for re-election at the AGM are recommended by the Board.	Complied
A.8.3 Resignation	Written communication is provided to the board by any Director who wishes to resign prior to completion of his/her term. No Directors resigned in the year under review.	Complied
A.9 Appraisal of Board Performance	The Board should periodically appraise its own performance to ensure that the Board responsibilities are satisfactorily discharged.	

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
A.9.1 to A.9.4 Formal annual assessment of Board Performance	The Company ensures to adopt a formal appraisal system to evaluate the performance of the Board	Complied
A.10 Disclosure of Information in respect of Directors	Details in respect of each Director should be disclosed in the Annual Report for the benefit of the shareholders.	
A.10.1 Disclosure of information in respect of Directors	Please refer to the Board Composition, Committees and Expertise table on page 103 for information on the Directors and membership in Board Sub Committees.	Complied
A.11 Appraisal of the Chief Executive Officer	The Board of Directors should at least annually assess the performance of the Chief Executive Officer.	
A.11.1 to A.11.2 Target/Goals for the Managing Director	The company is in the process of creating performance/ KPI based evaluations to implement throughout the company.	Complied
B. Directors' Remuneration		
B.1 Remuneration Procedure	Companies should establish a formal and transparent procedure for developing policy on Executive remuneration and for fixing the remuneration packages of individual Directors. No Director should be involved in deciding his/ her own remuneration	
B.1.1 Remuneration Committee	The Board has established a Remuneration Committee to develop policies and determine remuneration for the Non-Executive and Executive Directors, CEO and all other executive employees. No Director is involved in determining his own remuneration	Complied
B.1.2, B.1.3 Composition of the Remuneration Committee	The Remuneration Committee comprised of three (03) Non-Executive Directors of whom two (02) are Independent Non-Executive Directors. The remuneration committee report is given on page number 121	Complied
B.1.4 Remuneration of the Non-Executive Directors	The Remuneration of the NED are determined by the Remuneration Committee in line with the industry best practices. The Independent Non-Executive Directors receive a fee for being a Director of the Board and an additional fee for being a member of a Committee.	Complied
B.1.5 Consultation of the Chairman and access to professional advice	The Remuneration Committee consults the Chairman and CEO about its proposals relating to the remuneration of other Executive Directors and have access to professional advice from within and outside the Company	Complied
B.2 Level and make-up of Remuneration	The level of remuneration of both Executive and Non-Executive Directors should be sufficient to attract and retain the Directors needed to run the Company successfully. A proportion of Executive Directors' remuneration should be structured to link rewards to the corporate and individual performance.	

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
B.2.1. & B.2.2 Level and make-up of the remuneration	Remuneration of Executive Directors are designed to attract, retain and encourage enhanced performance and to ensure reward for their individual contribution to the long-term success of the company in a fair and responsible manner. The remuneration comprises of salary, bonuses and allowances. The Remuneration Committee takes into account market practices and seeks professional advice when required.	Complied
B.2.3 & B.2.4 Comparison of remuneration relative to other companies	The Remuneration levels of the Company are reviewed from time to time and compared with those of peers in the industry. This enables to attract the potentials and highly qualified expertise within the organization.	Complied
B.2.5 & B.2.7 Performance related payments	During the year, the Company did not offer performance related remuneration for Directors.	N/A
B.2.6 Executive share options	No Employee Share Option Plans were granted during the year.	Complied
B.2.8 & 2.9 Early termination of Directors	Not applicable to the Board of Directors	N/A
B.2.10 Remuneration of Non-Executive Directors	The Remuneration Committee determines the levels of remuneration for NED taking into account the time, commitments, their expertise, enhanced performances etc. The Company ensures to attract their contribution to the long term success of the Company	Complied
B.3 Disclosure of Remuneration	The Company should disclose the Remuneration Policy and the details of Remuneration of the Board as a whole	
B.3.1 Disclosure of Remuneration	<p>Remuneration Policy statement</p> <ul style="list-style-type: none"> ➤ Please refer the "Report of the Remuneration Committee" on page 121 for the Remuneration Policy and the Committee composition. ➤ Aggregate Board remuneration paid ➤ Please refer to note 28 to the Financial Statements on page 180 for the remuneration paid to Directors 	Complied
C. Relations with Shareholders		
C.1 Constructive use of the Annual General Meeting and Conduct of General Meetings	The Board should use the Annual General Meeting to communicate with shareholders and encourage their participation.	
C.1.1 Notice of AGM	The Annual Report together with the Notice of Meeting and related documents, if any, are circulated to the shareholders at least fifteen (15) working days prior to the date of the AGM. The Board encourages the shareholders to participate at the AGM and facilitates the structured communication platform to the shareholders through conducting proper AGMs	Complied
C.1.2 Separate resolution	The Company proposes separate resolutions on each substantially separate issue giving Shareholders the opportunity to vote on each issue separately. The adoption of the Annual Report of the Board of Directors, the Financial Statements of the Company and the Report of the Auditors thereon are laid before the Shareholders as separate agenda items at the AGM.	Complied

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
C.1.3 Use of proxy votes	<p>The Company ensures that all valid proxy appointments received for general meetings are properly recorded and counted. The Company will include for the AGM for the year ending 2021/22 in its disclosure to the CSE:</p> <ul style="list-style-type: none"> ➤ Number of shares in respect of which proxy appointments have been validly made ➤ Number of votes for and against the resolution ➤ Number of shares in respect of which the vote was directed to be withheld 	Complied
C.1.4 Availability of all Board Sub-Committee Chairpersons at the AGM	The Chairman of the Board arranges for the Chairpersons of the Audit, Remuneration and Related Party Review Committees where such appointment has been made, to be available to answer questions at the AGM if so requested by the Chairman.	Complied
C.1.5 Procedures of voting at AGM	A summary of procedures governing voting at the AGM is provided in the Proxy Form which is circulated to shareholders together with the Notice of Meeting.	Complied
C.2 Communication with shareholders	The Board should implement effective communication with shareholders.	
C.2.1 Communication channels	The Company has many channels to reach all shareholders of the Company in order to disseminate timely information of which the primary channels are the Annual Report and the AGM. Additionally, the Company makes disclosures on material and price sensitive information from time to time to the CSE for dissemination to the public. The Company decides the person to contact in relation to shareholders' matters. The relevant person with statutory responsibilities in relation to shareholders' matters is the Company Secretary or in his/her absence the contact person designated of the Board of Directors.	Complied
C.2.2 & 2.3 Policy and methodology for communication	The Company discloses the contact person's details for communication with Shareholders. The Company maintains a process to make all Directors aware of major issues and concerns of shareholders and further facilitates to focus on open communication and fair disclosures with an emphasis on the integrity, timeliness and relevance of the information provided.	Complied
C.2.3 Implementation of the policy and methodology for communication with shareholders	The Company adopts a two way communication policy with shareholders. At the Annual General Meeting, the Company is open to any suggestions and inquiries from the shareholders and shareholders may elect to receive the Annual Report in printed form.	Complied
C.2.4, 2.6 & 2.7 Contact person in relation to shareholders' matters	Shareholders may contact the Company Secretary or in her/his absence the Chairman, on matters related to their shareholding and the Company at any time	Complied
C.2.5 Process to make all Directors aware of major issues and concerns of shareholders	<p>The Company Secretaries maintain a record of all correspondence received and will deliver such correspondence to the Board or individual Director as applicable.</p> <p>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 Major and Material Transactions	Directors should disclose to shareholders all proposed material transactions which would materially alter the net asset position of the Company, if entered into.	

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
C.3.1 & C.3.2 Major transactions	During the year the Company did not engage in or commit any "Major Transaction" which materially affected its Net Asset base. In the event the Company enters into a Major Transaction, the same would be duly disclosed, as required by the regulators and shareholder approval would be sought if necessary.	Complied
D. Accountability and Audit		
D.1 Financial Reporting	The Board should present a balanced and understandable assessment of the Company's financial position, performance, business model, governance structure, risk management, internal controls and challenges, opportunities and prospects	Complied
D.1.1 to D.1.3 Statutory and Regulatory Reporting	In preparing the annual and quarterly Financial Statements, the Company complies with the requirements of the Companies Act No. 07 of 2007, Sri Lanka Accounting Standards (LKASs and SLFRs) and Listing Rules of the Colombo Stock Exchange. The Chief Financial Officer and Managing Director review quarterly and year-end Financial Statements before submitting to the Audit Committee and Board. Please refer the "Responsibility Statement of MD and CFO" on page 130.	Complied
D.1.4 Declarations by Directors in the Directors' Report	Please refer "The Annual Report of the Board of Directors on the State of Affairs of the Company" on page 126 which contains the declarations required by the Code.	Complied
D.1.5 Statement of Directors' and Auditors' responsibility for the Financial Statements	Please refer "The Statement of Directors' Responsibility on Financial Reporting" on page 129.	Complied
D.1.6 Management Discussions and Analysis	A Management discussion and analysis is covered in the Managing Director's review, Risk Management Report, Operating Environment, Stated Capitals.	Complied
D.1.7 Summoning an Extra Ordinary General Meeting (EGM) to notify serious loss of capital	Should the situation arise where the net assets of the Company fall below 50% of the value of the Company's shareholders funds, an Extraordinary General Meeting will be called for and shareholders will be notified. However, this situation did not arise for the year under review.	N/A
D.1.8 Related party transactions	All Related Party Transactions as defined in the Sri Lanka Accounting Standards – LKAS 24 (Related Party Transactions) are disclosed on note 34 to the Financial Statements on pages 187 to 191 Please refer the Related Party Transactions Review Committee Report on page 122	Complied
D.2 Risk Management and Internal Control	The Board is responsible for determining the nature and extent of the principal risks it is willing to take in achieving its strategic objectives. The Board should have a process of risk management and a sound system of internal control to safeguard shareholders' investments and the Company's assets. Broadly, risk management and internal control is a process, effected by a Company's Board of Directors and management, designed to provide reasonable assurance regarding the achievement of Company's objectives	

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
D.2.1 Establishment of proper system to monitor, review and report risk and internal control systems	The Board is responsible for formulating and implementing appropriate internal control systems. The Audit Committee has the responsibility to the Board to ensure that the system of internal controls is sufficient and effective.	Complied
D.2.2 Confirm assessment and risks identified and mitigated	The effectiveness of the Company's internal control system and risk management is monitored and evaluated by the Audit Committee. Please refer "Audit Committee Report" on page 120	Complied
D.2.3 Internal audit function	The Company's Internal Audit function is outsourced to an audit firm. The function of the internal audit is executed annually under supervision of the Audit Committee.	Complied
D.2.4 Review of the process and effectiveness of risk management and internal controls by the Audit Committee	The Audit Committee monitors, reviews and evaluates the effectiveness of the internal control system including the internal controls over financial reporting. For the year under review the Board of Directors were satisfied with the effectiveness of the system and internal controls of the Company.	Complied
D.2.5 Responsibilities of Directors in maintaining a sound system of internal control	Please refer Directors' Statement on "Internal Control" on page 128.	Complied
D.3 Audit Committee	The Board should establish formal and transparent arrangements for considering how they should; select and apply accounting policies for financial reporting, determine the structure and content of corporate reporting, implement internal control and risk management principles and for maintaining an appropriate relationship with the Company's Auditors.	
D.3.1 Composition of the Audit Committee	Please refer Audit Committee Report on Page 120 for the composition of the Audit Committee. During the year under review, the Committee met once since its formation in January 2021, prior to the listing of the company. The Board Secretary functions as the Secretary to the Audit Committee. The Company Managing Director, CEO, CFO, Senior Managers, Internal and External Auditors may attend the Audit Committee meetings upon invitation.	Complied
D.3.2 Terms of Reference of the Audit Committee	The Terms of Reference of the Audit Committee is clearly defined and approved by the Board of Directors. It explains the purpose of the Committee, its duties and responsibilities and the scope and functions of the Committee.	Complied
D.3.3 Disclosures of the Audit Committee	Please refer "Audit Committee Report" on page 120	Complied
D.4 Related Party Transactions Review Committee	The Board should establish a procedure to ensure that the Company does not engage in transactions with "related parties" in a manner that would grant such parties "more favourable treatment" than that accorded to third parties in the normal course of business.	

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
D.4.1, D.4.2 Composition of Related Party Transactions Review Committee	The Company follows LKAS 24, the Listing Rules and the Code of Best Practice on Related Party Transactions in identifying Related Parties of the Company and the Related Party Transactions. Please refer Page 122 for Related Party Transaction Review Committee Report for the Committee composition.	Complied
D.4.3 Terms of Reference of the Related Party Transactions Review Committee	The Terms of Reference of the Related Party Transactions Review Committee is clearly defined and approved by the Board of Directors. It explains the purpose of the Committee, its duties and responsibilities and the scope and functions of the Committee.	Complied
D.5 Code of Business Conduct and Ethics	Companies must adopt a Code of Business Conduct and Ethics for Directors, KMPs and all other employees including but not limited to: dealing with shares of the Company, compliance with listing rules, bribery and corruption, confidentiality, encouraging that any illegal, fraudulent and unethical behaviour be promptly reported to those charged with governance. The Company must disclose waivers of the Code for Directors, if any.	
D.5.1 Code of Business Conduct and Ethics	The Company has in place a Code of Ethical Business Conduct for its KMPs. The Code of Business Conduct and Ethics for Directors of the Company addresses the following important topics: Conflict of interest, Bribery and corruption <ul style="list-style-type: none"> ➤ Entertainment and gifts ➤ Accurate accounting and record keeping ➤ Fair and transparent procurement practice ➤ Corporate opportunities ➤ Confidentiality ➤ Fair dealing 	Complied
D.5.2 Reporting of price sensitive information	The Company ensures that immediate disclosures are made to the CSE on any material and price sensitive information	Complied
D.5.3 Disclosure of share information of Key Management Personnel	The Directors are aware of their responsibility to immediately disclose to the Board any share dealings carried out by them in the Company's shares. Any purchase by a Director or a close family member will be immediately notified to the CSE for dissemination to the public.	Complied
D.5.4 Affirmation by the Chairman that there is no violation of the Code of Conduct and Ethics	Please refer Chairman's Statement on Corporate Governance on page 97	Complied
D.6 Corporate Governance Disclosures	The Company should disclose the extent of adoption of Best Practices in Corporate Governance.	Complied

SEC and CA Sri Lanka Code Reference No	Level of Compliance	Status of Compliance
D.6.1 Disclosure of Corporate Governance	The requirement is met by this report on Corporate Governance	Complied
E. Institutional Investors		
E.1 Shareholders voting	Institutional shareholders are required to make considered use of their votes and encouraged to ensure their voting intentions are translated into practice.	
E.1.1 Institutional shareholders	The Company maintains a good communication channel with investors. Regular and structured AGM are held with the shareholders. The Chairman ensures that the views of the shareholders are communicated to the Board as a whole.	Complied
E.2 Evaluation of Corporate Governance initiatives	Institutional investors are encouraged to provide feedback on governance related issues. The Company encourages the parties to present the weight to all relevant factors drawn in their attention.	Complied
F. Other Investors		
F.1 Individual shareholders	Individual shareholders investing directly in shares of companies should be encouraged to carry out adequate analysis or seek independent advice in investing or divesting decisions.	Complied
F.2 Individual shareholders voting	Notice of Meeting is sent to all Shareholders on time to encourage their participation at the AGM and exercise their voting rights. In the event of appointing a proxy, the form of proxy and instructions of completing the form have been included in the Annual Report. The Company encourage the shareholders to participate at the AGM and to seek independent advice in investing.	Complied
H. Environmental, Social and Governance Reporting (ESG)		
H.1 ESG Reporting	The Company's annual report should contain sufficient information to enable investors and other stakeholders to assess how ESG risks and opportunities are recognized, measured, managed and reported.	
H.1.1 ESG Information	Please refer "Financial Capital" on page 66 and GRI reporting Index on Page 198	Complied
H.1.2 Environmental Indicators	Please refer "Natural Capital" on page 89.	Complied
H.1.3 Social Factors	Please refer "Social and Relationship Capital" on page 84.	Complied
H.1.4 Governance	Please refer "Corporate Governance" on page 97.	Complied
H.1.5 Board's role on ESG factors	Integrated reporting and Global Reporting Initiative Guidelines are followed in reporting and disclosure of ESG factors.	Complied

Compliance with Section 7.6 and 7.10 - Continuing Listing Rules issued by the Colombo Stock Exchange (CSE)

CSE Rule Number and Description	Status of Compliance	Section Reference in the Annual Report
7.6 Contents of Annual Report		
A Listed Entity must include in its Annual Report and accounts, inter alia;		
i) Names of persons who during the financial year were Directors of the Entity	Complied	Board of Directors
ii) Principal activities of the Entity and its subsidiaries during the year and any changes therein	Complied	Annual Report of the Directors
iii) The names and the number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held	Complied	Share Information
iv) The Public Holding percentage	Complied	Share Information
v) A statement of each Director's holding and Chief Executive Officer' holding in shares of the Entity at the beginning and end of each financial year	Complied	Share Information
vi) Information pertaining to material foreseeable risk factors of the Entity	Complied	Risk Management
vii) Details of material issues pertaining to employees and industrial relations of the Entity	Complied	Human Capital
viii) Extents, locations, valuations and the number of buildings of the Entity's land holdings and investment properties	Complied	Notes to Financial Statement Note 3 - Property, Plant & Equipment
ix) Number of shares representing the Entity's stated capital	Complied	
x) A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings in different categories	Complied	Share Information
xi) The following ratios and market price information:	Complied	Financial Highlights Five Year Summary Financial Capital Share Information
➤ Dividend per share		
➤ Dividend pay out		
➤ Net asset value per share		
➤ Market value per share		
highest and lowest values recorded during the financial year value as at the end of financial year		
xii) Significant changes in the Entity's or its subsidiaries' fixed assets and the market value of land, if the value differs substantially from the book value	Complied	Notes to the Financial Statements Note 3 - Property, Plant & Equipment

CSE Rule Number and Description	Status of Compliance	Section Reference in the Annual Report
(xiii) If during the financial year the Entity has raised funds through a public issue, Right Issue and private placement	Complied	
a. a statement as to the manner in which the proceeds of such issue has been utilized.	Complied	
b. if any shares or debentures have been issued, the number, class and consideration received and the reason for the issue; and,	Complied	
c. any material change in the use of funds raised through an issue of Securities.	Complied	
xiv) a. Employee Share Option Scheme	N/A The Company has not proceeded ESOP related proceedings during the year under review.	N/A
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. Details of investments in a Related Party and/or amounts due from a Related Party to be set out separately The details shall include, as a minimum; i. The date of the transaction ii. The name of the Related Party iii. The relationship between the Entity and the Related Party iv. The amount of the transaction and terms of the transaction v. The rationale for entering into the transaction	Complied	Notes to the Financial Statements Note 34 - Related Party Transactions
Board of Directors		
7.10.1 Non-Executive Directors (NEDs) Two or at least one-third of the total number of Directors should be NEDs	Complied	Corporate Governance Seven NEDs out of total of Ten Directors
7.10.2 (a) Independent Directors (IDs) Two or one-third of NEDs (whichever is higher) should be independent	Complied	Corporate Governance Three IDs out of Seven NEDs
7.10.2(b) Declaration of Independence Each Non-Executive Director should submit a declaration of independence / non independence in the prescribed format	Complied	Corporate Governance NEDs have submitted the declaration in the prescribed format

CSE Rule Number and Description	Status of Compliance	Section Reference in the Annual Report
7.10.3(a) Disclosures relating to Directors Names of Independent Directors should be disclosed in the Annual Report	Complied	Board of Directors
7.10.3(b) Disclosures relating to Directors The basis for determining the independence of NEDs, if criteria for independence is not met	The Board has determined that the criteria for independence is met	Corporate Governance
7.10.3(c) Disclosures relating to Directors A brief resume of each Director should be included in the Annual Report, including his area of expertise	Complied	Board of Directors
7.10.3(d) Disclosures relating to Directors Upon appointment of a new Director a brief resume of the Director should be submitted to the Exchange	N/A The Company did not appoint any new Director during the year under review	Corporate Governance
Remuneration Committee		
7.10.5(a) Composition The Committee shall comprise of a minimum of two Independent Directors or of Non-Executive Directors, a majority of whom shall be independent	Complied	Corporate Governance
	The Remuneration Committee consists of three NEDs of which two are independent.	
The Chairman of the Committee shall be a Non-Executive Director	The Chairman of the Committee is a Non-Executive Director	Report of the Remuneration Committee
7.10.5(b) Functions The Committee shall recommend the remuneration payable to the Executive Directors and Chief Executive Officer or equivalent position thereof.	Complied	Report of the Remuneration Committee
	The Remuneration committee approves the remunerations to the Executive Directors, Key Management Personnel and Staff	

CSE Rule Number and Description	Status of Compliance	Section Reference in the Annual Report
<p>7.10.5(c) Disclosure in the Annual Report The Annual Report should set out the names of the members of the Committee, a statement of Remuneration Policy and the aggregate remuneration paid to Executive and Non-Executive Directors</p>	Complied	Report of the Remuneration Committee
Audit Committee		
<p>7.10.6(a) Composition The Committee shall comprise of A minimum of two Independent directors or of Non- Executive directors, A majority of whom shall be Independent The Chairman of the Committee shall be a Non-Executive Director Unless otherwise determined by the Committee, the CEO and the CFO shall attend meetings Chairman or one member of the Committee should be a member of a recognized professional accounting body</p>	Complied	Corporate Governance
		<p>The Audit Committee consists of three Independent NEDs The Chairman of the Committee is an Independent Non- Executive Director</p>
<p>7.10.6(b) Functions</p> <ul style="list-style-type: none"> ➤ Overseeing the preparation, presentation and adequacy of disclosures in the Financial Statements in accordance with the LKASs and SLFRSs ➤ Overseeing compliance with financial reporting related regulations and requirements ➤ Overseeing the processes to ensure that internal controls and risk management are adequate ➤ Assessing the independence and performance of the external Auditors ➤ Recommending to the Board the appointment, re-appointment and removal of the external Auditors and approving their remuneration and terms of engagement 	Complied	<p>The Managing Director and the Head of Finance attend Audit Committee meetings by invitation</p> <p>Report of the Audit Committee</p> <p>Chairman of the Audit Committee is a CFA and ACMA</p>
<p>7.10.6 (c) Disclosure in the Annual Report The names of the members of the Audit Committee The basis of determination of the independence of Auditors A report of the Audit Committee setting out the manner of compliance with their functions</p>	Complied	<p>Corporate Governance</p> <p>Report of the Audit Committee</p>

Compliance with Section 9 of CSE Listing Rules and the Code of Best Practice on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka w.e.f 1st January 2016

Applicable Rule	Status of Compliance	Section Reference in the Annual Report
<p>9.3.2 Disclosures in the Annual Report</p> <p>9.3.2 (a) In the case of non-recurrent Related Party Transactions, if aggregate value of the non-recurrent Related Party Transactions exceeds 10% of the Equity or 5% of the Total Assets, whichever is lower, of the Listed Entity as per the latest Audited Financial Statements, the following information must be presented in the Annual Report:</p> <ul style="list-style-type: none"> ➤ Name of the Related Party ➤ Relationship ➤ Value of the Related Party Transactions entered into during the financial year ➤ Value of Related Party Transactions as a % of Equity and as a % of Total Assets ➤ Terms and Conditions of the Related Party Transactions ➤ The rationale for entering into the transactions 	<p>Complied</p> <p>WIND did not have non-recurrent related party transactions within this criterion</p>	<p>Notes to the Financial Statements</p> <p>Note 34 - Related Party Transactions</p>
<p>9.3.2 (b) In the case of recurrent Related Party Transactions, if the aggregate value of the recurrent Related Party Transactions exceeds 10% of the gross revenue/ income (or equivalent term in the Income Statement and in the case of group entity, the consolidated revenue) as per the latest Audited Financial Statements, the Listed Entity must disclose the aggregate value of recurrent Related Party Transactions entered into during the financial year in its Annual Report with the following information;</p> <ul style="list-style-type: none"> ➤ Name of the Related Party ➤ Relationship ➤ Nature of the transaction ➤ Aggregate value of Related Party Transactions entered into during the financial year ➤ Aggregate value of Related Party Transactions as a % of Net Revenue/ Income ➤ Terms and Conditions of the Related Party Transactions 	<p>Complied</p> <p>WIND did not have recurrent related party transactions within this criterion</p>	<p>Notes to the Financial Statements</p> <p>Note 34 - Related Party Transactions</p>
<p>9.3.2 (c) Annual Report shall contain a report by the Related Party Transactions Review Committee, setting out the following:</p> <ul style="list-style-type: none"> ➤ Names of the Directors comprising the Committee ➤ A statement to the effect that the Committee has reviewed the Related Party Transactions during the financial year and has communicated the comments/observations to the Board of Directors ➤ The policies and procedures adopted by the Committee for reviewing the Related Party Transactions ➤ The number of times the Committee has met during the Financial Year 	<p>Complied</p>	<p>Report of the Related Party Transactions Review Committee</p>
<p>9.3.2 (d) A declaration by the Board of Directors in the Annual Report as an affirmative statement of the compliance with these Rules pertaining to Related Party Transactions or a negative statement in the event the Entity has not entered into any Related Party Transaction/s.</p>	<p>Complied</p> <p>Negative statement from BOD to the effect.</p>	<p>Annual Report of the Board of Directors</p>

Disclosures required by the Companies Act No. 7 of 2007

Section reference	Disclosure Requirement	Reference in the Annual Report
in the Companies Act No. 1 of 2007		
168 (1) (a)	The nature of the business of the Group and the Company together with any change thereof during the accounting period	Notes to the Financial Statements Note 1.2, page 142
168 (1) (b)	Signed Financial Statements of the Group and the Company for the accounting period completed	Financial Statements and Notes to the Financial Statements Pages 134 to 197
168 (1) (c)	Auditors' Report on Financial Statements of the Group and the Company	Independent Auditors' Report Pages 131 to 133
168 (1) (d)	Accounting Policies and any changes therein	Notes to the Financial Statements Note 2, page 142
168 (1) (e)	Particulars of the entries made in the Interests Register during the accounting period	Annual Report of the Board of Directors on the State of Affairs of the Company, page 124
168 (1) (f)	Remuneration and other benefits paid to Directors of the Company during the accounting period	Notes to the Financial Statements Note 28, page 180
168 (1) (g)	Corporate Donations made by the Company and its subsidiaries during the accounting period	Notes to the Financial Statements N/A
168 (1) (h)	Information on the Directorate of the Company and its subsidiaries during and at the end of the accounting period	Group Structure Page 6
168 (1) (i)	Amounts paid/payable to the External Auditors as audit fees and fees for other services rendered during the accounting period	Notes to the Financial Statements Note 28, page 180
168 (1) (j)	Auditors' relationship or any interest with the Company and its subsidiaries	Annual Report of the Board of Directors on the State of Affairs of the Company, page 124 Audit Committee Report Page 120
168 (1) (k)	Acknowledgement of the contents of this Report and signatures on behalf of the Board	Annual Report of the Board of Directors Page 124

The Audit Committee was established to assist the Board of Directors to oversee the Company's Financial Reporting Function, Legal and Regulatory Compliance, Internal Control System, Risk Management System, Internal Audit Function and to review the functions of External Auditors with the intention of safeguarding the interests of shareholders and other stakeholders.

Composition of the Committee

- Dilshan Hettiaratchi
- Savantha De Saram
- Moiz Najmudeen

Meetings

Name	Membership Position	Attendance
Dilshan Hettiaratchi	Chairperson	5/5
Savantha De Saram	Member	5/5
Moiz Najmudeen	Member	5/5

Role of the Committee

Financial Reporting

The Audit Committee has reviewed the quarterly and annual financial statements prior to its publication, with special focus on the below key areas.

- Compliance with relevant Accounting Standards (LKASs & SLFRSs) and all applicable regulatory requirements in the Financial Statements
- Appropriateness and changes in the Accounting Policies
- Significant estimates and judgements made by the management
- Issues relating to the Internal Audit and the External Audit
- Adequacy of the Internal Controls and Risk Management System
- The Company's ability to continue as a going concern

Internal Audit, Internal Controls & Risk Management

The Company's Internal Audit was conducted by an independent internal auditor until the company was listed on the 22nd of April 2021. This year Audit Committee commissioned an

independent firm to study the existing Systems and Control Frameworks and the Internal Audit program with a view to recommending improvements. The independent auditors' comments on the internal control system during the financial year 2021/22 were considered, and suitable steps were taken to incorporate them where applicable.

External Audit

The Audit Committee has reviewed the independence and objectivity of the Independent External Auditors, B.R. de Silva & Co. Chartered Accountants.

The Committee is satisfied with the independence of the External Auditors. The Committee has further reviewed the Audit and Non-Audit fees received by the external auditors from WindForce PLC. to evaluate their independence and objectivity.

The Committee has recommended together with the Company's Senior Management that B.R. de Silva & Co. Chartered Accountants be re-appointed as Company's external auditors for the financial year ending 31st of March 2023, and that the re-appointment be included in the agenda of the Annual General Meeting.

Conclusion

The Audit Committee confirms that the financial reports for the year ending 31st March 2022 are complete and provide a fair and accurate representation of the Company's performance for the reporting period. The Audit Committee also expresses its satisfaction regarding the current Internal Control Framework, and the effectiveness of the Organizational Structure, implementation of Accounting Policies, Operational Controls and the Risk Management System which provide reasonable assurance that the Company's assets are properly accounted for and adequately safeguarded. The Committee will continue to obtain external advice to further enhance these frameworks.

The Committee is satisfied that WindForce PLC is able to continue as a going concern.



Dilshan Hettiaratchi
Chairperson – Audit Committee
Colombo

15th June 2022

The Remuneration Committee ('Committee') was established as a sub-committee upon the Public listing of the Company on the Colombo Stock Exchange in April 2021. The Committee was established to assist and be accountable to the Board of Directors on any matters regarding the Human Resource Management of the Company.

Composition of the Committee

- Ranil Pathirana
- Dilshan Hettiaratchi
- Savantha De Saram

Meetings

Name	Membership Position	Attendance
Ranil Pathirana	Chairman	2/2
Dilshan Hettiaratchi	Member	2/2
Savantha De Saram	Member	2/2

Key Responsibilities of the Committee

- Determining and monitoring the Company's remuneration policy and its implementation with relevance to the Board of Directors, Senior Management and other employees.
- Ensuring that no Board member is involved in setting his or her own remuneration.
- To evaluate the performance of the Managing Director and Key Management Personnel to ensure management development with a streamline succession plan is set in place.
- Make suggestions to the Board regarding the Company's need for additional/new expertise.
- Make recommendations to the Board regarding the content to be disclosed in the Board's Annual Report to shareholders on Directors' Emoluments

- Developing guidelines and parameters for the compensation structure for the Senior Management, Executive and Non-executive employees, in line with current market/ industry trends.
- Approving annual salary increments and bonuses submitted by the Senior Management for all Group employees.

Directors' Emoluments

The Directors' Emoluments are disclosed in page 180.

Activities during the year under review

During the year, the Committee evaluated the Managing Director's and KMP's performance in accordance of the Company's performance and determined the bonus due and annual increments.

The Committee accepted and approved of the Executive and Non-Executive personnels' bonuses and annual increments as recommended by Senior Management.

Conclusion

The Remuneration Committee is satisfied with the effective implementation of the Company's remuneration policy and performance evaluation with regard to the Board of Directors, Senior Management Personnel and Staff.

The Committee continues to operate effectively in the financial year 2021/22.



Ranil Pathirana
Chairman – Remuneration Committee
Colombo

15th June 2022

The Related Party Transactions Review Committee ('Committee') was established on the 13th of January 2021 to assist the Board in meeting its oversight responsibilities, specifically to ensure that the interest of shareholders are taken into consideration when entering into Related Party Transactions (RPT). This committee warrants that the Board complies with the Code of Best Practices and the Listing Rules issued by the Colombo Stock Exchange and the Securities and Exchange Commission of Sri Lanka.

Composition of the Committee

- Mrs. Saumya Amarasekera - Chairperson
- Mr. Huzefa Akbarally - Member
- Mr. Savantha De Saram - Member

Meetings

Name	Membership Position	Attendance
Saumya Amarasekera	Chairperson	4/4
Huzefa Akbarally	Member	3/4
Savantha De Saram	Member	4/4

Key Responsibilities of the Committee

- Developing, updating, and recommending policies and guidelines to be adopted by the Company and the Board of Directors, when entering in to RPT in compliance with the Code of Best Practices in CSE listing rules.
- Review all recurring and non-recurring RPT as set out in Section 9 of the CSE listing rules on a quarterly basis.
- Advising the Board, when necessary, of shareholder approval for any RPT.
- Review the Company's internal controls and obtain advice from independent professionals to confirm the adequacy of the Company's RPT framework.
- Ensuring the Company declares necessary information on RPT in accordance with the CSE listing Rules by way of market disclosure under section 9.3.1 or in the Annual Report under section 9.3.2.

Activities During the Year Under Review

No changes were made to the composition of the committee adopted in January 2021.

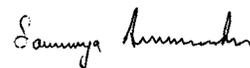
The RPT Policy was reviewed and amendments to policy were approved by the committee and shared with the Board and other relevant stakeholders.

The committee reviewed the RPT that took place during the year and made the necessary disclosures to the CSE. Apart from Dealings by Directors, no major RPT took place during the year under review.

Conclusion

The Committee held four meeting during the year under review and reviewed all applicable and proposed RPT identified through discussions with the internally appointed committee.

Relevant disclosures have been made to the Colombo Stock Exchange in compliance with regulations. The Committee confirms that all applicable rules set out under the Code of Best Practice on Related Party Transactions and Section 9 of CSE Listing Rules have been complied with by the Company in the year under review.



Saumya Amarasekera
Chairperson – Related Party Transactions Review Committee
Colombo

15th June 2022

FINANCIAL INFORMATION

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ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE STATE OF AFFAIRS OF THE COMPANY

The Board of Directors of WindForce PLC takes pleasure in presenting their Report on the Affairs of the Company together with the Financial Statements for the year ended 31 March 2022, conforming to the requirements of the Companies Act No. 07 of 2007 and Sri Lanka Accounting Standards. The report also includes certain disclosures required to be made under Listing Rules of the Colombo Stock Exchange and the guidelines recommended best practices on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and the Colombo Stock Exchange.

Company Overview

Incorporated in Sri Lanka on 06th July 2010 as a Private Limited Liability Company under the provisions of Companies Act No. 7 of 2007. The legal form of the Company was changed to a Public Limited Liability Company after it was listed on the Colombo Stock Exchange 22nd April 2021.

The Registered office of the Company and the principal place of business is situated at 334, T.B. Jayah Mawatha, Colombo 10, Sri Lanka.

ICRA Lanka Limited has reaffirmed the AA- (Stable) Issuer Rating to the Company for the second time.

Group Structure And Principal Business Activities

The group structure can be found on page 6.

The principle activities of the Company include investing in renewable power generation projects and the operation of WindForce PLC and its subsidiaries in the year under review.

Review of Performance

A review of the Company's performance and that of its subsidiaries for the Financial Year 2021/22 together with the future outlook is available in the Chairman's Statement and Managing Director's Review on pages 56 to 58.

Financial Statements

The Financial Statements of the Company for the year ended 31st March 2022 are duly certified by the Chief Financial Officer and approved by the Board of Directors. The approved Financial Statements have been signed on behalf of the Board by two Directors in compliance with the Companies Act No. 07 of 2007 and are given on page 137 of this Annual Report.

Summarized Financial Statements

	GROUP		COMPANY	
	2021/2022 LKR	2020/2021 LKR	2021/2022 LKR	2020/2021 LKR
Revenue	4,367,373	4,310,110	274,181	127,869
Profit/(Loss) Before Tax	2,237,825	2,547,754	1,972,666	1,014,650
Income Tax Reversal/ (Expenses)	(285,998)	(401,505)	(151,526)	(151,526)
Profit/(Loss) After Tax	1,951,827	2,146,249	1,821,140	892,869

Accounting Policies and Changes

In compliance with Section 168 (1) (d) of the Companies Act No. 7 of 2007, the Accounting Policies adopted in the preparation of the Financial Statements are given on pages 142 to 151.

Directors' Responsibility for Financial Reporting

The Directors are responsible for the preparation of the Financial Statements of the Company and the Group to reflect a true and fair view of the financial position and the performance of the Company and the Group.

Please refer page 129 for Statement of Directors' Responsibility.

Board of Directors

As at 31st March 2022, the Directorate of WindForce PLC consisted of 10 Directors with wide financial commercial knowledge and experience. The details, qualifications and experience of the Board of Directors is provided on page 103 under Corporate Governance of this Annual Report.

Board Sub Committees

The Board, while assuming overall responsibility and accountability for the management of the Company, has appointed three Board Sub-Committees; Audit Committee, Related Party Transactions Review Committee and the Remuneration Committee, to ensure oversight and control over certain affairs of the Company.

The Board approved Terms of References for these Sub Committees conform to the recommendations made by various regulatory bodies such as the Institute of Chartered

Accountants of Sri Lanka, the Securities and Exchange Commission of Sri Lanka and the Colombo Stock Exchange.

Interests Register

Directors' Interest in Transactions

The Directors have made general disclosures as provided for in Section 192 (2) of the Companies Act No. 07 of 2007. Arising from this, details of contracts in which they have an interest are disclosed in Note 34.2 to the Financial Statements on page 191.

Directors' Remuneration

The Directors' Remuneration is disclosed in Note 28 to the Financial Statements on page 180.

Directors' Interest in Shares

The Directors' individual shareholdings in the Company as at 31st March 2022 are given on page 196 of this annual report.

Corporate Governance

The Board is committed to maintaining high standards of governance in the process by which the Company is directed and managed. The Board of Directors is of the view that it has put in place the resources and processes to ensure that the Company is substantially compliant with the code of best practices on corporate governance issued by Institute of Chartered Accountants of Sri Lanka and the Colombo Stock Exchange. The Corporate Governance Report is given on pages 97 to 119 of the Annual Report.

Risk Management and Internal Controls

The Board of Directors, through the involvement of the internal audit, have taken steps to ensure risks are identified and efficiently controlled. The Board has obtained reasonable assurance that an effective and comprehensive system of internal controls are in place including the financial, operational and compliance controls required to carry on the business in an orderly manner, safeguard the Company's and Group's assets and secure, as far as possible, the accuracy and reliability of the financial records.

The Board is satisfied with the effectiveness of the system of internal controls that were in place during the year under review. The Audit Committee has further commissioned an independent firm to conduct a systems and controls study to improve the Systems and

Controls Framework and amend the Internal Audit Framework if required in the coming financial year. The independent auditors' comments on the internal control system during the financial year 2021/22 were considered, and suitable steps were taken to incorporate them where applicable. The "Report of the Audit Committee" is contained on page 120 and forms an integral part of this report.

The Directors periodically review and evaluate the risks that are faced by the Company. The various exposures to risks by the Company and specific steps taken to manage these risks are detailed under the "Risk Management" on page 94 of this Annual Report.

Donations

The Group and the Company haven't made any donations during the year under review.

Taxation

The Company's liability to taxation has been computed according to the provisions of the Inland Revenue Act. No. 10 of 2006 and subsequent amendments thereto and details are given in Note 30 to the Financial Statements on page 181.

Property, Plant and Equipment

Capital expenditure during the year under review on Property, Plant and Equipment by the Group and Company amounted to LKR 14.6 Bn and LKR 59 Mn respectively.

Employment

The collective manpower strength of the Company and Group as at 31st March 2022 was 150. Further information of the Company's workforce can be found in the Human Capital Report on pages 77 to 83 of this Annual Report. There were no material issues pertaining to employees and industrial relations during the year under review.

Employee Share Ownership Plans

The Company did not have any employee share ownership/option plans during the year.

Stated Capital

The stated capital of the Company as at 31 March 2022 was LKR 18.2 Bn represented by 1,350,768,942 fully paid Ordinary Shares.

Share Information

Information relating to shareholding, market value of shares, public shareholding and top twenty shareholders are available under the tile 'Shareholder information' on pages 194 to 196.

Equitable Treatment of Shareholders

The Company has made all endeavours to ensure that all shareholders are treated equitably.

Related Party Transactions

Non-recurrent Related Party Transactions

There were no non-recurrent Related Party Transactions of which the aggregate value exceeded 10% of the Equity and 5% of the Total Assets of the Company during the year ended 31 March 2021, which require specific disclosure in the Annual Report in terms of Section 9.3.2 of the Listing Rules and the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka.

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 9.3.2 of the Listing Rules of the CSE and the Code of Best Practice 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 34 to the Financial Statements on page 187.

The members of the Board and Chief Executive Officer have been identified as "Key

Management Personnel" of the Company. There were no Related Party Transactions by the Key Management Personnel with the Company.

As required by the Listing Rules, the Board confirms that the Company has complied with all requirements as per Section 9 of the Listing Rules.

Statutory Payments

The Directors, to the best of their knowledge and belief, are satisfied that all statutory payments due in relation to employees and the Government have been made promptly up to date.

Environmental Protection

To the best of knowledge of the Board, the Company has complied with the relevant environmental laws and regulations. The Company has not engaged in any activity that is harmful or hazardous to the environment or in any activity that caused detriment to the environment.

Going Concern

The Board is satisfied that the Company will have adequate resources to continue its operations into the foreseeable future. Therefore, the Company has continued to adopt the going concern basis in preparing the Financial Statements.

Independent Auditors' Report, Remuneration and Appointment

The Financial Statements of the Company for the twelve months ended 31st March 2022 have been audited by Messrs. BR de Silva & Co., Chartered Accountants and the Independent Auditors' Report thereon is given on page 131 of the Annual Report as required by the Section 168 (1) (c) of the Companies Act No. 07 of 2007.

A sum of LKR 5.1 million was paid to them as audit fee during the period under review. Based on the Independent Auditor's Report from M/s. BR de Silva & Co., Chartered Accountants and

as far as the Directors are aware, the Auditors do not have any relationship or interest in the Company other than that disclosed herein.

In accordance with the Companies Act No. 07 of 2007 a resolution proposing the re-appointment of Messrs. BR de Silva & Co, Chartered Accountants as Auditors to the Company will be tabled at the forthcoming Annual General Meeting of the Company.

Annual General Meeting

The Annual General Meeting of the company will be held on 20th of July 2022. The notice of the Annual General Meeting appears on page 203.

Acknowledgement of the Contents of the Annual Report

As required by the Companies Act No. 07 of 2007, the Board of Directors hereby acknowledge the contents of this Annual Report.

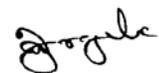
This Annual Report is signed for and on behalf of the Board of Directors.



Ranil Pathirana
Chairman



Manjula Perera
Managing Director



Nexia Corporate Consultants (Private) Limited
Secretaries

Colombo

15th June 2022

Requirement

The 'Code of Best Practice on Corporate Governance 2017' (The Code) issued by the Institute of Chartered Accountants and the Securities and Exchange Commission, of Sri Lanka recommends that the Board of Directors present a Statement on Internal Controls.

Responsibility

The Board of Directors is responsible for establishing the Company's system of internal controls to safeguard shareholders' investment and the Company's assets. The Board is also responsible for regularly reviewing the design and effectiveness of this system of internal controls. In this regard, the Board has delegated the responsibility for reviewing and reporting on any concerns to the Audit Committee.

The Management assists the Audit Committee in the implementation of the Board's policies and procedures on risk and control by identifying and assessing the risks faced by the Company, and in designing, operating and monitoring of suitable internal controls to mitigate such risks.

Internal Control Processes

The Audit Committee of WindForce PLC conducts timely reviews to ensure that the systems of internal controls, are adequate and effective at both Company and Subsidiary levels.

Board Sub-Committees have been established to assist the Board in ensuring the effectiveness of the Company's operations and to ensure that the Company's operations are directed towards its corporate strategy aligned to the Annual Budgets.

Internal Audit

Audit Committee has commissioned an independent firm to study the existing Systems and Controls Framework and make recommendations for improvement as needed. The Audit Committee endorses additional controls and risk mitigation strategies, where necessary, in order to strengthen the existing internal control system.

The Board of Directors and the Audit Committee have concluded that the Group has an effective risk management and internal control system in place to protect the shareholders' investment and assets.

Refer Audit Committee Report in Page 120.

Group Ethics and Code of Conduct

The Group is dedicated to operating in an open, honest, and ethical manner. When interacting with numerous stakeholders, ethics and integrity have always been the main reference point for all personnel.

The Group Ethos is communicated to all employees of the Group during their onboarding process and is cited in the employee handbook. The Board and sub-committees ensure that all members of the group comply with the code of ethics when conducting their duties.

Confirmation

The Board of Directors of WindForce PLC confirm that the financial reporting system has been designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with Sri Lanka Accounting Standards (SLFRSs/LKASs), requirements of the Companies Act No. 7 of 2007, the Listing Rules of the Colombo Stock Exchange and any other regulatory requirements.

By order of the Board,



Ranil Pathirana
Chairman



Dilshan Hettiaratchi
Audit Committee Chairman/Director



Rusiri Cooray
Chief Financial Officer

15th June 2022

STATEMENT OF DIRECTORS' RESPONSIBILITY ON FINANCIAL REPORTING

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 of Directors present a Responsibility Statement on preparation and presentation of Financial Statements in the Annual Report together with a statement by the Auditors about their reporting responsibilities. Hence, the following statement to be read in conjunction with the Independent Auditor's Report.

As per the Companies Act No 7 of 2007, the Directors are responsible to prepare and present Financial Statements for each financial year giving a true and fair view of the state of affairs of the Company and the Group and the profit or loss of the Company and the Group for the financial year in accordance with applicable laws and regulations and SLFRSs and LKASs.

The Financial Statements comprise of:

- ▶ Statement of Profit or Loss and Other Comprehensive Income of the Group and the Company
- ▶ Statement of Financial Position of the Group and the Company
- ▶ Statement of Changes in Equity of the Group and the Company
- ▶ Statement of Cash Flows of the Group and the Company
- ▶ Notes to the Financial Statements

The Directors are also required to place these Financial Statement before general meeting of shareholders.

The Directors are also responsible, under section 148 of the Companies Act, for ensuring that proper accounting records are kept to enable, determination of financial position with reasonable accuracy, preparation of financial statements and audit of such statements to be carried out readily and properly.

The Board of Directors accepts responsibility for the integrity and objectivity of the Financial Statements presented. The Directors also are responsible for taking reasonable measures to safeguard the assets of the Group and the Company and in this regard to give proper consideration to the establishment of appropriate internal control systems with a view to preventing and detecting fraud and other irregularities. The Audit Committee, the Remuneration Committee and the Related Party Transaction Review Committee established by the Board strengthen the process of identifying and reviewing the adequacy and integrity of the system of internal controls and risk management.

The Directors are required to provide the Auditors with every opportunity to take whatever steps necessary to enable them to form their audit opinion. The Directors, having reviewed the financial budget and cash flows for the year to 31st March 2021 and the bank facilities, consider that the Group/Company has adequate resources to continue in operation, and have continued to adopt the going concern basis in preparing these Financial Statements.

The Directors Confirm that;

- ▶ Appropriate Accounting Policies have been selected and used in a consistent manner, and material departures, if any, have been disclosed and explained;
- ▶ The Financial Statements of the Group and the Company are prepared and presented in accordance with the Sri Lanka Accounting Standards (SLFRSs/ LKASs); and that reasonable and prudent judgments and estimates have been made so that the form and substance of transactions are properly reflected;
- ▶ Listing Rules of the Colombo Stock Exchange are complied with; and
- ▶ To the best of their knowledge, are satisfied that all taxes, duties and levies and statutory payments in relation to all relevant regulatory and authorities which were due and payable by the Company and its subsidiaries as at the reporting date have been paid or where relevant provided for.

The Directors are of the view that they have discharged their responsibilities as set out in this statement.

By Order of the Board,



Ranil Pathirana
Chairman



Manjula Perera
Managing Director

15th June 2022

RESPONSIBILITY STATEMENT BY THE MANAGING DIRECTOR AND THE CHIEF FINANCIAL OFFICER

The Financial Statements of WindForce PLC and Consolidated Financial Statements of the Group as at 31st March 2022 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 (SLFRs/LKASs)
- ▶ Companies Act No. 07 of 2007
- ▶ Listing Rules of the Colombo Stock Exchange and
- ▶ Code of Best Practice on Corporate Governance 2017 issued by the Institute of Chartered Accountants of Sri Lanka.

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 Significant Accounting Policies and estimates that involved a high degree of judgement and complexity were discussed with the Audit 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. In ensuring this, the Company has taken reasonable and sufficient care in implementing 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 on-going basis.

We 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 recognized in weighing the assurances provided by any system of internal controls and accounting.

The Financial Statements were audited by BR de Silva & Co. Chartered Accountants, Independent External Auditors. Their report is given on page 131 of the Annual Report. The Audit 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 Committee to discuss any matter of substance.

Conclusion

We confirm to the best of our knowledge, that we have discharged our responsibilities in maintaining proper financial records and preparing financial statements in accordance with SLFRSs and LKASs. We also confirm that the system of risk management and internal control were operating effectively during the year under review.



Manjula Perera
Managing Director



Rusiri Cooray
Chief Financial Officer

Colombo

15th June 2022



Private & Confidential

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of WindForce 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 31st March 2022, and the income statement, statement of 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 significant accounting policies and other explanatory notes.

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 31st March, 2022, and 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 Company in accordance with the ethical requirements of the Code of Ethics issued by CA Sri Lanka (Code of Ethics) that are relevant to our audit of the financial statements, 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.

Partners - N.S.C.De Silva FCA, FCMA (UK),CGMA, L.C.Piyasena FCA, L.L.S.Wickremasinghe FCA,
F.S.N.Marikkar FCA, S.M.S.S.Bandara MBA, FCA, D.S.De Silva LLLB, Attorney - at-Law
ACA, ACMA(UK),CGMA

Partner (Kandy) W.L.L. Perera FCA.

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Key Audit Matter

Estimation of useful life period of items of asset categories in Property, Plant & Equipment

Property, plant and equipment of the Group are depreciated on the straight-line method by systematically allocating the depreciable amount of the individual asset categories over their useful life, as estimated by the management. These estimations are based on changes in the expected level and period/s of usage, technological developments and obsolescence, level of wear and tear, which involves a high degree of judgement and could affect the depreciation expense and carrying value of the property, plant and equipment in the financial statements.

We considered the estimation of the useful life period of asset categories as a Key Audit Matter, since the carrying value of property, plant and equipment of LKR 14,630 Mn (approx.), is substantial as at the statement of financial position date, which is 48% of the total assets of the Group and also due to the level of judgement required to estimate the useful life.

How our audit addressed the key audit matter

The following audit procedures were performed on the management's estimation of useful life periods of asset categories under Property, Plant & Equipment:

Compared with the depreciation policies, including estimated useful lives of asset categories, adopted by other comparable power plant operators.

Checked the reasonability of the assumptions and critical judgements used by the management in estimating the useful life of asset categories taking into account recent development in the power and energy industry and market conditions.

Based on the work performed by us, we have not identified any circumstances that would have impacted the reasonability of the judgement made by management in estimating the useful life of items of asset categories making up the property, plant and equipment balance at the statement of financial position date.

Key Audit Matter

Greater reliance on Ceylon Electricity Board (CEB) Sri Lanka

Group Trade Receivables are mainly due from the Ceylon Electricity Board (CEB) of Sri Lanka which is the primary government institution responsible for distributing electricity to the general public.

The group is experiencing an increase in delays in terms of settlement of dues from CEB in light of the present economic situation in Sri Lanka.

How our audit addressed the key audit matter

The following audit procedures were performed on the management's assessment of the group's ability to continue as going concern

Obtained forecasted cash flows from the management for a period of 01 year and assess the reasonability of the assumptions used by the management.

In the past experience, CEB has not defaulted payments to the group and management maintains a good relationship with CEB in order to recover all dues from CEB.

Based on the work performed by us, we have not identified any material uncertainty about the group's ability to continue as a going concern on the basis of greater reliance on CEB.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards 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 consolidated 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 an assurance of high level, 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 Company's and the Group's internal control
- 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 consolidated 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.

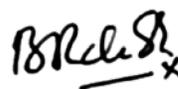
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with the Code of Ethics 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, related safeguards.

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 it appears from our examination, proper accounting records have been kept by the Company.



B. R. DE SILVA & CO.
Chartered Accountants
CA Sri Lanka membership number 2786
Colombo 05.

15th June 2022
LCP/NM/ss/22

STATEMENT OF INCOME

For the year ended 31st March,	Notes	GROUP		COMPANY	
		2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.
Revenue	(24)	4,367,373,239	4,310,110,387	274,180,727	127,869,414
Direct Cost	(25)	(1,654,169,574)	(1,555,479,553)	-	-
Gross Profit	(26)	2,713,203,665	2,754,630,834	274,180,727	127,869,414
Other Operating Income	(27)	473,217,807	397,920,359	2,439,607,351	1,141,245,651
Administration Expenses		(647,975,486)	(593,338,434)	(432,344,808)	(210,617,034)
Profit from Operating Activities	(28)	2,538,445,985	2,559,212,759	2,281,443,270	1,058,498,031
Finance Costs	(29)	(366,538,439)	(420,558,810)	(53,486,523)	(43,847,636)
Net Loss from the translation on foreign currency denominated Borrowings to reporting currency		(255,291,052)	-	(255,291,052)	-
Profit from Ordinary Activities before Taxation		1,916,616,494	2,138,653,949	1,972,665,695	1,014,650,395
Gain on Bargain Purchase		3,071,469	-	-	-
Share of results of equity accounted investee		318,137,076	409,099,565	-	-
Profit before Taxation		2,237,825,039	2,547,753,514	1,972,665,695	1,014,650,395
Income Tax Expenses	(30)	(285,997,760)	(401,504,991)	(151,525,561)	(121,781,077)
Profit after Taxation		1,951,827,279	2,146,248,524	1,821,140,134	892,869,319
Attributable to:					
Non-controlling interests		376,893,448	396,430,002	-	-
Equity holders of WindForce PLC		1,574,933,831	1,749,818,522	-	-
		1,951,827,279	2,146,248,524	-	-
Earnings Per Share	(31)	1.17	1.52	1.35	0.78
Dividend Per Share	(32)	1.30	0.35	1.30	0.35

The Accounting Policies and Notes as set out in pages 131 to 193 form an integral part of these Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st March,	GROUP		COMPANY	
	2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.
Profit after Taxation	1,951,827,279	2,146,248,524	1,821,140,134	892,869,319
Items that will not be reclassified to profit or loss				
Other comprehensive income for the period	-	19,211,535		19,211,535
Currency translation of foreign operations	158,299,902	1,123,288	-	-
Total comprehensive income for the period	2,110,127,181	2,166,583,347	1,821,140,134	912,080,854
Attributable to:				
Non-controlling interests	376,893,448	396,430,002	-	-
Equity holders of WindForce PLC	1,733,233,734	1,770,153,345	-	-
	2,110,127,181	2,166,583,347	-	-

The Accounting Policies and Notes as set out in pages 131 to 193 form an integral part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION

For the year ended 31st March,	Notes	GROUP		COMPANY	
		2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.
ASSETS					
Non-Current Assets					
Property, Plant & Equipment	(3)	14,629,776,707	15,239,783,617	59,605,421	61,057,648
Investments in Subsidiaries	(4)	-	-	13,824,083,209	12,632,082,209
Investments in Equity Accounted Investees	(5)	3,518,006,910	2,205,809,099	1,957,425,667	1,037,830,831
Other Non Current Financial Assets	(6)	653,431,973	1,503,348,708	376,326,333	1,135,921,169
Inter Company Loan Receivables	(10)	-	-	79,000,000	-
Intangible Assets	(7)	2,655,604,382	2,674,824,008	-	-
Total Non-Current Assets		21,456,819,972	21,623,765,432	16,296,440,630	14,866,891,857
Current Assets					
Inventory	(8)	540,084,654	459,721,533	-	-
Other Non Financial Assets	(7)	14,605,777	14,605,777	-	-
Trade and Other Receivables	(9)	3,707,868,075	1,656,829,248	247,582,622	286,210,379
Inter Company Loan Receivables	(10)	-	-	56,000,000	-
Amounts Due from Related Parties	(11)	91,729,046	53,093,964	547,876,845	38,845,918
Short Term Financial Assets	(12)	3,315,539,382	1,765,887,466	3,287,505,056	1,665,831,506
Cash and Cash Equivalents	(13)	1,321,298,427	8,459,543,027	832,745,470	6,915,908,162
Total Current Assets		8,991,125,362	12,409,681,015	4,971,709,994	8,906,795,965
Total Assets		30,447,945,333	34,033,446,447	21,268,150,624	23,773,687,822
EQUITY AND LIABILITIES					
Capital and Reserves					
Stated Capital	(14)	18,226,455,904	14,984,610,448	18,226,455,904	14,984,610,448
Retained Earnings	(15)	2,494,597,463	2,731,034,146	573,114,714	563,345,094
Share pending for Allotment		-	3,241,845,456	-	3,241,845,456
Foreign Exchange Reserve	(16)	159,423,190	1,123,288	-	-
Total Equity		20,880,476,557	20,958,613,338	18,799,570,618	18,789,800,998
Non Controlling Interest	(17)	1,940,457,382	1,880,602,359	-	-
		22,820,933,939	22,839,215,697	18,799,570,618	18,789,800,998

For the year ended 31st March,	Notes	GROUP		COMPANY	
		2022 Rs.	2021 Rs.	2022 Rs.	2021 Rs.
Non Current Liabilities					
Interest Bearing Loans & Borrowings	(18)	3,815,511,462	4,562,383,822	1,109,589,305	1,034,334,634
Employee Benefit Liabilities	(19)	64,427,667	51,142,973	64,427,667	51,142,973
Deferred Tax Liabilities	(20)	1,367,499,914	1,364,607,998	(9,138,560)	-
Total Non-Current Liabilities		5,247,439,043	5,978,134,793	1,164,878,412	1,085,477,607
Current Liabilities					
Interest Bearing Loans & Borrowings	(18)	1,150,953,877	1,297,698,221	381,592,522	
Trade and Other Payables	(21)	388,041,309	3,407,962,842	187,674,520	248,241,260
Income Tax Liability	(23)	(71,191,543)	17,628,307	(353,699)	3,238,854,954
Amounts Due to Related Parties	(22)	14,171,741	39,994,202	24,879,762	68,442,982
Bank Overdraft	(13)	897,596,968	452,812,386	709,908,489	342,870,022
Total Current Liabilities		2,379,572,351	5,216,095,957	1,303,701,594	-
Total Equity and Liabilities		30,447,945,333	34,033,446,447	21,268,150,624	3,898,409,217
Net Asset Value per Share (NAV)		15.46	18.25	13.92	23,773,687,822

I certify that these Financial Statements have been prepared and are presented in compliance with the requirements of the Companies Act No.7 of 2007.



Rusiri Cooray
Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these Financial Statements.

Signed for and on behalf of the Board by:



Ranil Pathirana
Director



Manjula Perera
Director

15th June 2022
Colombo

The Accounting Policies and Notes as set out in pages 131 to 193 form an integral part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

COMPANY	Stated Capital LKR	Retained Earnings LKR	Share pending Allotment LKR	Total Equity LKR
Balance as at 01st April, 2020	14,984,610,448	51,264,240	-	15,035,874,688
Profit for the Year	-	892,869,319	-	892,869,319
Other Comprehensive Income	-	19,211,535	-	19,211,535
Shares to be allotted for funds received from IPO	-	-	3,241,845,456	3,241,845,456
Dividends- Ordinary Shares	-	(400,000,000)	-	(400,000,000)
Balance as at 31st March, 2021	14,984,610,448	563,345,094	3,241,845,456	18,789,800,998
Balance as at 01st April, 2021	14,984,610,448	563,345,094	3,241,845,456	18,789,800,998
Profit for the Year	-	1,821,140,134	-	1,821,140,134
Shares allotted for funds received from IPO	3,241,845,456	-	(3,241,845,456)	-
Direct Transaction cost of issues of new shares	-	(55,370,889)	-	(55,370,889)
Dividends- Ordinary Shares	-	(1,755,999,625)	-	(1,755,999,625)
Balance as at 31st March, 2022	18,226,455,904	573,114,714	-	18,799,570,618

The Accounting Policies and Notes as set out in pages 131 to 193 form an integral part of these Financial Statements.

GROUP	ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
	Stated Capital	Foreign Exchange Reserve	Share pending Allotment	Retained Earnings	Total Equity
	LKR	LKR	LKR	LKR	LKR
Balance as at 01st April, 2020	14,984,610,448	-	-	1,362,004,089	16,346,614,537
Net Profit for the Year	-	-	-	1,749,818,522	1,749,818,522
Other Comprehensive Income	-	1,123,288	-	19,211,535	20,334,823
Shares to be allotted for funds received from IPO	-	-	3,241,845,456	-	3,241,845,456
Dividends- Ordinary Shares	-	-	-	(400,000,000)	(400,000,000)
Balance as at 31st March, 2021	14,984,610,448	1,123,288	3,241,845,456	2,731,034,146	20,958,613,338
Balance as at 01st April, 2021	14,984,610,448	1,123,288	3,241,845,456	2,731,034,146	20,958,613,338
Net Profit for the Year	-	-	-	1,574,933,831	1,574,933,831
Other Comprehensive Income	-	158,299,902	-	-	158,299,902
Shares allotted for funds received from IPO	3,241,845,456	-	(3,241,845,456)	-	-
Direct Transaction cost to issues of new shares	-	-	-	(55,370,889)	(55,370,889)
Dividends- Ordinary Shares	-	-	-	(1,755,999,625)	(1,755,999,625)
Balance as at 31st March, 2022	18,226,455,904	159,423,190	-	2,494,597,463	20,880,476,557

The Accounting Policies and Notes as set out in pages 131 to 193 form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS

For the year ended 31st March,	Notes	GROUP		COMPANY	
		2022 LKR	2021 LKR	2022 LKR	2021 LKR
Cash Flow from/(used) in Operating Activities					
Net Profit before Taxation		2,237,825,039	2,547,753,514	1,972,665,695	1,014,650,395
Adjustments for					
Profit accruing to the Group net of Dividend		(145,353)	(304,949,564)	-	-
Depreciation & Amortization		1,088,493,192	1,050,344,906	23,807,443	27,137,474
Loss/ (Gain) on Fixed Asset Disposal		(17,007,476)	(18,031,859)	(16,999,058)	(2,650,779)
Impairment loss on project Advances		-	5,126,287	-	-
Revaluation of assets and loans		-	-	482,240,468	-
Interest Cost		366,538,439	420,558,810	53,486,523	43,847,636
Gratuity Provision		13,965,514	12,629,996	13,965,514	23,166,321
Dividend Income	(25)	(48,793,624)	(37,211,546)	(2,117,611,370)	(827,531,455)
Interest Income		(225,708,748)	(148,627,427)	(250,082,084)	(121,011,584)
Operating Profit before Working Capital Changes		3,415,166,981	3,527,593,117	161,473,131	157,608,008
(Increase)/Decrease in Trade & Other Receivables		(2,051,038,825)	1,072,133,314	(96,131,992)	674,702,554
(Increase)/Decrease in Inventories		(80,363,123)	(40,873,062)	-	-
(Increase)/Decrease in Amounts due from Related Parties		(38,635,082)	10,019,302	(509,030,925)	72,149,806
Increase/(Decrease) in Amounts due to Related Parties		(25,822,461)	9,381,712	(317,990,260)	110,509,480
Increase/(Decrease) in Trade & Other Payables		(3,019,921,532)	(1,357,935,161)	(3,051,180,433)	(669,467,446)
		(5,215,781,024)	(307,273,895)	(3,974,333,611)	187,894,394
Cash Generated from/(used in) Operations		(1,800,614,043)	3,220,319,222	(3,812,860,480)	345,502,402
Interest Paid		(366,538,439)	(420,558,810)	(53,486,523)	(43,847,636)
Income Tax Paid		(374,878,680)	(357,255,696)	(204,301,890)	(154,722,525)
Tax payments on EPC		(25,158,911)	-	(25,158,911)	-
Gratuity Paid		(680,820)	(95,425)	(680,820)	(95,425)
ESC Write off		(7,739,453)	(10,392,642)	-	-
		(774,996,302)	(788,302,573)	(283,628,143)	(198,665,586)
Net Cash from/(used in) Operating Activities		(2,575,610,345)	2,432,016,649	(4,096,488,623)	146,836,816

For the year ended 31st March,	Notes	GROUP		COMPANY	
		2022 LKR	2021 LKR	2022 LKR	2021 LKR
Cash Flows from/(used in) Investing Activities					
Interest Income		225,708,748	148,627,427	250,082,084	121,011,584
Dividend Income		48,793,624	37,211,546	2,117,611,370	827,531,455
Acquisition of Property, Plant & Equipment		(327,448,141)	(1,011,547,709)	(22,656,158)	(34,548,745)
Investment in Shares		(433,666,514)	-	(160,000,000)	-
Investment in Subsidiaries		-	-	(1,192,001,000)	-
Short Term Investments - Unquoted		-	-		(201,410,063)
Short Term Investments - Fixed Deposit		(1,549,651,916)	(240,385,403)	(1,621,673,550)	(125,414,246)
Net Cash Flow from/(Used in) Investing Activities		(2,036,264,199)	(1,066,094,139)	(628,637,254)	587,169,985
Cash Flows from/(used in) Financing Activities					
Proceeds from IPO			6,429,248,400		6,429,248,400
Direct transaction cost issues of new shares		(55,370,889)		(55,370,889)	-
Dividend Paid for equity holders of Parent		(1,755,999,625)	(400,000,000)	(1,755,999,625)	(400,000,000)
Dividend Paid for Non controlling interest		(283,174,896)			
Proceeds from Sale of Fixed Assets		17,007,476	13,840,354	16,999,058	6,760,000
Proceeds of Loan term Loans			43,800,000		43,800,000
Repayments of Interest Bearing Borrowings		(893,616,705)	(317,648,601)	(273,573,847)	(200,950,474)
Net Cash Flow from/ (Used in) Financing Activities		(2,971,154,638)	5,769,240,153	(2,067,945,302)	5,878,857,926
Net Increase/(Decrease) in Cash and Cash Equivalents		(7,583,029,181)	7,135,162,663	(6,793,071,180)	6,798,466,514
Cash and Cash Equivalents at the Beginning of the Year		8,006,730,641	871,567,978	6,915,908,162	117,441,648
Cash and Cash Equivalents at the End of the Year		423,701,460	8,006,730,641	122,836,982	6,915,908,162
Analysis of Cash and Cash Equivalents					
Cash at Bank - Favourable	(13)	1,321,298,427	8,459,543,027	832,745,470	6,915,908,162
Bank Overdrafts	(13)	(897,596,968)	(452,812,386)	(709,908,489)	-
		423,701,460	8,006,730,641	122,836,982	6,915,908,162

The Accounting Policies and Notes as set out in pages 131 to 193 form an integral part of these Financial Statements.

1. Corporate Information

1.1. Reporting Entity

WindForce PLC ("The Company") is a public limited company incorporated and domiciled in Sri Lanka. The registered office of the company and the principal place of business are located at No.334, T.B Jayah Mawata, Colombo 10.

The Consolidated Financial Statements of Windforce Limited as at and for the year ended 31st March 2022 encompass the Group and its subsidiaries (together referred as the "Group" and individually as "Group Entities") and the interest in associates and joint ventures.

1.2. Principal Activities and Nature of Operations

During the year the principal activities of the Group are as follows.

Name of the Company	Nature of the Business
WindForce PLC	Managing and owning of renewable energy (Solar, Wind & Hydro) generation plants.
Renewgen Private Limited	Managing and owning of renewable energy (Hydro Power) generation plants.
Daily Life Renewable Energy (Pvt) Limited	
Powergen Lanka (Pvt) Ltd	
Beta Power (Pvt) Limited	Generates Electricity using Wind Power and selling electricity to the Ceylon Electricity Board.
Joule Power (Pvt) Limited	
Seguwantivu Wind Power Private Limited	
Vidatamunai Wind Power Private Limited	
Hirus Power (Pvt) Ltd	
Vydexa (Lanka) Power Corporation (Pvt) Ltd	
Suryadhanavi (Pvt) Ltd	Generates Electricity using Solar Power and selling electricity to the Ceylon Electricity Board.
Hirujanani (Pvt) Ltd	
Sky Solar (Pvt) Ltd	
Sunny Clime Lanka (Pvt) Ltd	
Seruwawila Photovoltaic (Pvt) Ltd	
Tororo Pv Power Private Limited	Generates Electricity using Solar Power and selling electricity to the relevant government authority in Uganda.

Name of the Company	Nature of the Business
Terraqua International (Pvt) Ltd	Generates Electricity using Hydro Power and selling electricity to the Ceylon Electricity Board.
Terraqua Kokawita (Pvt) Ltd	
Peak Power Delta (Pvt) Ltd	
HPD Power (Pvt) Ltd	
Melanka Power Moraketiya (Pvt) Ltd	
Energy Reclamation (Private) Limited	

1.3 Approval of Financial Statements

The financial statements were authorised for issue by the directors on 15th June 2022.

2. Summary of Significant Accounting Policies

2.1. Basis of Preparation

2.1.1. Statement of Compliance

The Financial Statements of the Group has been prepared in accordance with Sri Lanka Accounting Standards which comprise of SLFRSs and LKASs as issued by the Institute of Chartered Accountants of Sri Lanka. The preparation and presentation of these financial statements are in compliance with the Companies Act No. 7 of 2007.

2.1.2. Basis of Measurements

The Financial Statements have been prepared on an accrual basis and under the historical cost convention.

2.1.3. Functional and Presentation Currency

The financial statements are presented in Sri Lanka Rupees, which is the company's functional and Group's presentation currency.

Functional currency of all the Group companies is Sri Lankan Rupees, other than the following companies whose functional currency is given below.

Company	Country of Incorporation	Functional Currency
Tororo Pv Power Private Limited	Uganda	Ugandan shilling (UGX)
Mahoma Uganda Limited	Uganda	Ugandan shilling (UGX)
Gharo Solar (Private) Ltd	Pakistan	Pakistan Rupees (PKR)

2.1.4. Financial Year

All companies in the Group have a common financial year which ends on the 31st March, other than the following companies whose financial years are given below.

Company	Financial Year
Tororo Pv Power Private Limited	31st December
Mahoma Uganda Limited	31st December
Gharo Solar (Private) Ltd	30th June

2.1.5. Going Concern

The Directors have made an assessment on the Group's ability to continue as a going concern and they do not intend either to liquidate or cease trading.

2.1.6. Materiality and Aggregation

Each material class of similar items are presented separately in the Financial Statements. Items of dissimilar nature or functions are presented separately, unless they are immaterial as permitted by the LKAS 01 on "Presentation of Financial Statements".

2.1.7. Comparative Information

The Financial Statements for the Comparative periods comprise results for the 12 months from 01st April, 2020 to 31st March, 2021. In this circumstance, the comparative information for the Statement of Financial Position, Statement of Profit & Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and related notes are comparable with the current reporting period.

The previous year figures and phrases have been rearranged whenever necessary to confirm the current year's presentation.

2.1.8. Significant Accounting Judgements, Estimates and Assumptions

The presentation of Financial Statements in conformity with SLFRS/LKAS require management to make judgements, estimates and assumptions that effect the application of Accounting Policies and reported amounts of assets, liabilities income and expenses. Actual results may differ from these estimates.

Estimate and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised on any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements is included in the under mentioned notes:

(a) Assessment of Impairment – Key Assumptions Used on Discounted Cash Flow Projections

The Company assesses at each reporting date whether there is objective evidence that an asset or portfolio of asset is impaired. The recoverable amount of an asset or Cash Generating Unit (CGU) is the greater of its Value in Use (VIU) and its Fair Value (FV) less cost to sell. In assessing value in use, the estimated future cash flows are discounted to present value using appropriate discount rates that reflect the current market assessment of the time value of money and risks specific to the asset.

(b) Useful Lifetime of the Property, Plant & Equipment

The Company reviews the residual values, useful lives and method of depreciation of Property, Plant & Equipment at each reporting date. The judgement of the management is exercised in the estimation of these values, rates, methods and hence they are subject to uncertainty.

(c) Deferred Taxation – Utilization of Tax Losses

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the level of future taxable profits together with future tax planning strategies.

(d) Defined Benefit Plans

The assessment of the present value of the defined benefit obligations involves a significant element of assumptions; including discount rates, future salary escalations, mortality rates and future pension increases and due to the long-term nature of these plans, such estimations are subject to uncertainty.

(e) Current Taxation

Current Tax liabilities are provided for in the Financial Statements applying the relevant tax statutes and regulation, which the management believes reflect the actual liability.

2.2 Basis of Consolidation

The Group Financial Statements comprise a consolidation of the financial statements of the Group and its subsidiary in terms of LKAS 27 on Consolidated and Separate Financial Statements and Section 151 (2) and 153 (2) to 153 (7) of the Companies Act No. 07 of 2007.

Subsidiaries	Holding's Effective Percentages
Seguwantivu Wind Power (Pvt) Limited	100%
Vidatamunai Wind Power (Pvt) Limited	100%
Renewgen (Pvt) Ltd	100%
Powergen (Pvt) Limited	100%
Energy Reclamation (Pvt) Limited	100%
Hirusas Power (Pvt) Ltd	100%
Sky Solar (Pvt) Ltd	100%
HPD Power (Pvt) Ltd	100%
Melanka Power Moaraketiya (Pvt) Ltd	100%
Terraqua Kokavita (Pvt) Ltd	100%
Terraqua International (Pvt) Ltd	100%
Daily Life Renewable Energy (Pvt) Limited	95.83%
Sunny Clime Lanka (Pvt) Ltd	90.00%
Seruwawila Photovoltaic (Pvt) Ltd	90.00%
Suryadhanavi (Pvt) Ltd	88.00%
Vydexa (Lanka) Power Corporation (Pvt) Ltd	76.13%
Beta Power (Pvt) Limited	66.40%
Joule Power (Pvt) Limited	66.40%
Hirujanai (Pvt) Ltd	66.00%
Tororo Pv Power Private Limited	80%

Subsidiaries included are which the Group directly or indirectly has an interest of more than one half of the voting rights and/ or has the power to exercise control over the financial and operating policies.

2.2.8 Principles of Consolidation

a) Subsidiaries

The Financial Statements of the Group represent the consolidation of the Financial Statements of the Group, and its controlled subsidiaries after elimination of all material intra group transactions.

Subsidiary is consolidated from the date; the Parent obtains control until such time as control ceases.

The total profits and losses for the period of the Group and its subsidiaries included in consolidation are shown in the consolidated Income Statement with the proportion of profit or loss after taxation pertaining to outside shareholders of subsidiaries being deducted as "Non-Controlling Interest".

All assets and liabilities of the Group and of its subsidiaries included in consolidation are shown in the Consolidated Statement of Financial Position. The interest of outside shareholders of subsidiary in the fair value of net assets of the Group are indicated separately in the Consolidated Statement of Financial Position under the heading "Non-Controlling Interest".

b) Associate Companies

Associate is the entity in which the group has a significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the group holds between 20% to 50% of the voting power of another entity. Associates are accounted for using the equity method (equity accounted investees) and are recognized at initial cost.

The consolidated financial statements include the Group's share of profit net of tax after non controlling interest in subsidiaries and equity movements of equity accounted investees, from the date on which significant influence commences until the date on which significant influence ceases.

When the Group's share of losses exceeds its investments in an equity accounted investee, the carrying amount of that interest is reduced to "Nil" and recognition of further losses is

discontinued except to the extent that the Group has incurred obligations or has made payments on behalf of the investee.

c) Interest in Joint ventures

A joint venture is a jointly controlled entity, whereby the Group and other parties have a contractual arrangement that establishes joint control over the economic activities of the entity. The arrangement requires unanimous agreement for financial and operating decisions among the ventures.

Joint ventures are accounted for using the equity method (equity accounted investees) and are recognized at initial cost.

The consolidated financial statements include the Group's share of income and expenses and equity movements of equity accounted investees, from the date on which significant influence commences until the date on which significant influence ceases.

When the Group's share of losses exceeds its investments in an equity accounted investee, the carrying amount of that investment is reduced to "Nil" and recognition of further losses is discontinued except to the extent that the Group has incurred obligations or has made payments on behalf of the investee.

2.2.1. Foreign Currency Conversion

All foreign exchange transactions are converted in to Sri Lanka Rupees, which is the reporting currency at the rates of exchange prevailing at the time the transactions were effected.

Monetary assets and liabilities denominated in foreign currencies are converted in to Sri Lanka Rupee equivalents using year-end spot foreign exchange rates. Non-monetary assets and liabilities are converted using exchange rates that existed when the values were determined.

The resulting gains and losses are accounted for in the Statement of Income.

2.3 Assets and Bases of Their Valuation

Assets classified as current assets in the Statement of financial position are cash and bank balances and those which are expected to be realized in cash during the normal operation cycle or within one year from the reporting date or, whichever is lower.

2.3.8 Property, Plant & Equipment

a) Cost

Property, Plant & Equipment are recorded at cost less accumulated depreciation and impairment losses.

The carrying value of property, plant and equipment is reviewed for impairment either annually or when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. Impairment losses are recognized in the Statement of Income unless it reverses a previous revaluation surplus for the same asset.

b) Restoration Costs

Expenditure incurred on repairs or maintenance of Property, Plant and Equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance is recognized as an expense when incurred.

c) Depreciation

The provision for depreciation is calculated by using a straight line method on the cost of all Property, Plant and Equipment other than freehold land, in order to write off such amounts over the following estimated useful lives. The principle annual periods used are;

Plant & Machinery (Wind & Solar)	Over 20 Years
Plant & Machinery (Hydro)	Over 40 Years
CGRP Line (Hydro sector)	Over 40 Years
Transmission Line (Hydro)	Over 40 Years
SCADA Building	Over 20 Years
Development Cost	Over 05 Years
Office Equipment	Over 08 Years
Computer Equipment	Over 04 Years
Motor Vehicles	Over 05 Years
Furniture & Fittings	Over 04 Years
Software	Over 04 Years
Site Equipment	Over 04 Years

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 and the date that asset is derecognized.

d) Capital Work-in-Progress

Capital work – in – Progress is stated at cost. These are expenses of a capital nature directly attributable to the construction of the power plant. Expenses that are in the capital nature are accounted for as capital work – in – progress during the period of construction.

2.3.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

The Group's financial assets include cash and short-term deposits, investments, trade and other receivables.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Financial assets at amortized cost (debt instruments)
 - b) Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
 - c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de recognition (equity instruments)
 - d) Financial assets at fair value through profit or loss
- a) Financial assets at amortized cost (debt instruments)

The Group measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows. and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired. Financial Assets at amortized cost comprise of trade receivables, amounts due from related parties, deposits, advances and other receivables.

- b) Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling. and;
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognized in the statement of profit or loss and computed in the same manner as for financial assets measured at amortized cost. The remaining fair value changes are recognized in OCI. Upon de recognition, the cumulative fair value change recognized in OCI is recycled to profit or loss.

The Group does not have any debt instruments at fair value through OCI.

- c) Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de recognition (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under LKAS 32 Financial Instruments: Presentation and are not held for trading.

The classification is determined on an instrument- by instrument basis. Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

However, the Group does not have any financial assets at fair value through OCI.

d) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments.

Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss.

However, the Group does not have any financial assets at fair value through profit or loss

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is de-recognized when:

- The rights to receive cash flows from the asset have expired

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Assets

From 1 April 2018, the Group assesses on a forward-looking basis of the expected credit losses associated with its debt instruments carried at amortized cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by SLFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables.

ii) Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially 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, interest bearing loans and borrowings and amounts due to related parties.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as described below:

a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit or loss.

b) Financial liabilities at amortized cost

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the Profit or Loss Statement when the liabilities are derecognized as well as through the effective interest rate method (EIR) amortization process. Financial liabilities comprise interest bearing loans and borrowings, trade payables, other payables, income tax payables and amounts due to related parties.

Derecognition

A financial liability is de-recognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit or Loss.

iii) Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount reported in the 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.

Financial risk management objectives and policies have been disclosed under Note 2.3

iv) Fair value

The Group measures financial instruments at fair value at each statement of financial position

date. Fair value related disclosures for financial instruments that are measured at fair value are disclosed, in respective notes: Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement 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 for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a nonfinancial asset takes into account a 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.

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. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

2.3.10 Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortized but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or Groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

2.3.11 Trade Receivables

Trade receivables are recognized initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognized at fair value. They are subsequently measured at amortized cost using the effective interest method, less loss allowance.

2.3.12 Cash & Cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown in current liabilities in the Statement of financial position.

2.4 Liabilities And Provisions

2.4.8 Liabilities

Liabilities classified as current liabilities on the Statement of Financial Position are those fall due for payment on demand or within one year from the reporting date.

Non current liabilities are balances that fall due for payment for remaining more than one year from the reporting date.

All known liabilities have been accounted for in preparing the financial statements.

2.4.9 Provisions

A provision is recognized if, as a result of a past event, 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.

2.4.10 Capital Commitments and Contingencies

Capital Commitments and Contingent liabilities of the group are disclosed in the respective Notes to the financial statements.

2.5 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. Under SLFRS 15, revenue is recognized upon satisfaction of performance obligation.

a) Rendering of Services

Revenue from rendering of services is recognized in the accounting period in which the services are rendered or performed.

b) Energy Supply

Revenue from energy supply is recognized upon delivery of energy to Ceylon Electricity Board. The electricity units (also known as the Energy Output) generated are measured via the metering equipment (owned by the CEB) located at each power plant. The title of the Energy Output shall transfer to the CEB at the metering point upon substantially satisfying the specifications of the SPPA.

c) Interest

Interest Income is recognized using effective interest rate (EIR).

d) Dividends

Dividend income is recognized when the right to receive payment is established.

e) Others

Net Gains and losses of a revenue nature on the disposal of Property, Plant & Equipment and other non-current assets including investments have been accounted for in the Income Statement, having deducted from proceeds on disposal, the carrying amount of the assets and related selling expenses.

2.6 Expenditure Recognition

2.6.1 Expenses are recognized in the Statement of Income on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the Property, Plant & Equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

2.6.2 For the purpose of presentation of the Statement of Income, the Directors are of the opinion that the function of expenses method, presents fairly the elements of the Group's performance, and hence, such presentation method is adopted.

2.6.3 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.

2.6.4 Taxation

(a) Current Taxes

WindForce PLC

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the Inland Revenue Act No 10 of 2006 and amendments thereto.

Applicability of income tax for group companies have been disclosed in Note 30 to the financial statements.

(b) Deferred Taxation

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

2.6.5 Financial risk Management objectives & Policies

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations and to provide guarantees to support its operations. The Group has loans and other receivables, trade and other receivables, and cash and short-term deposits that arise directly from its operations. Accordingly, the Group has exposure to namely Credit Risk, Liquidity Risk, Currency Risk and Interest Rate Risk from its use of financial instruments:

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk.

Credit risk

Credit Risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arise principally from the Company's receivable from customers.

The trade receivables are due from the Ceylon Electricity Board (CEB) which is the primary government institution responsible for distributing electricity to the general public.

Credit risk in relation to electricity sales to the government institution is extremely low even though there is a delay settlement of dues by CEB as the probability of default is insignificant.

Therefore the provision for expected credit loss is immaterial in respect of receivables from CEB. Further, in the Past experience the customer has not defaulted payments to the Company. The company maintain good relationship in order to recover all dues from CEB.

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.

Currency risk

The Group is exposed to currency risk on sales and purchases that are denominated in a currency other than the respective functional currency of the Group.

Interest rate risk

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. The Group has not engaged in any interest rate swap agreements.

3. Property, Plant & Equipment

3.1 Group

	Gross Carrying Amounts - At Cost						Balance as at 31.03.2022 LKR
	Balance as at 01.04.2021 LKR	On Acquisition of subsidiary LKR	Exchange Difference	Additions LKR	Transfer from WIP LKR	Disposals LKR	
Freehold Assets							
Land	11,349,794	-			-	-	11,349,794
Plant & Machinery	20,709,406,703	281,793,120	(795,848)	155,814,120			21,146,218,095
Development Cost	406,509,591	-	3,229			-	406,512,820
SCADA Building	495,502,796	-	606,488	17,759,203		-	513,868,487
Engineering Quarters	55,476,546	-	(815,765)			-	54,660,781
Office Equipment	6,637,950	-		554,300	-	-	7,192,250
Furniture & Fittings	30,680,716	-		4,091,891	-	-	34,772,607
Computer Software	10,593,355	-	(54,503)	1,010,000	-	-	11,548,852
Computers & Related Equipment	14,253,678	-	588,691	3,852,733	-	(302,858)	18,392,243
Other Civil Structures	26,505,197	-	(192,400)			-	26,312,797
SODAR Unit	12,052,683	-			-	-	12,052,683
Site Equipment	81,201,773	-	(72,799)	10,601,206	-	-	91,730,180
Motor Bikes	5,382,970	-	197,900	425,060	-		6,005,930
Motor Vehicles	124,275,240	-	172,963	13,520,000	-	(38,150,000)	99,818,203
	21,989,828,992	281,793,120	(362,044)	207,628,512	-	(38,452,858)	22,440,435,722
Leasehold Assets							
Motor Vehicles	45,050,000	-					45,050,000
Land	20,547,693	-	(3,018,298)			-	17,529,395
	65,597,693	-	(3,018,298)			-	62,579,395
Capital Work in Progress							
Plant & Machinery	161,218,910		59,351	154,074,137	(163,098,925)	-	152,253,472
	161,218,910	-	59,351	154,074,137	(163,098,925)	-	152,253,472
Total W.D.V	22,216,645,595	281,793,120	(3,320,992)	361,702,649	(163,098,925)	(38,452,858)	22,655,268,588

Depreciation				
Balance as at 01.04.2021 LKR	Depreciation for the Year LKR	Depreciation on Disposals LKR	Balance as at 31.03.2022 LKR	W.D.V as at 31.03.2022 LKR
-	-	-	-	11,349,794
6,506,342,050	976,710,592		7,503,498,761	13,642,719,335
72,958,260	17,415,590		90,373,850	316,138,969
156,836,432	24,846,861		181,683,293	332,185,194
11,646,698	3,165,294		14,811,992	39,848,789
4,581,741	468,626		5,050,367	2,141,883
24,772,975	4,172,870		28,945,845	5,826,762
7,535,380	1,286,556		8,821,936	2,726,916
8,822,841	2,665,946		11,488,787	6,903,457
4,490,425	1,033,595		5,524,020	20,788,778
9,677,072	1,874,708		11,551,780	500,903
49,570,575	13,987,822		63,558,397	28,171,783
3,449,492	648,866		4,098,358	1,907,572
78,906,868	13,622,739	(38,150,000)	54,379,607	45,438,596
6,939,590,809	1,061,900,065	(38,150,000)	7,983,786,992	14,456,648,730
33,780,000	6,516,667	-	40,296,667	4,753,333
551,390	856,833	-	1,408,223	16,121,171
34,331,390	7,373,500	-	41,704,890	20,874,505
-	-	-	-	152,253,472
-	-	-	-	152,253,472
6,973,922,199	1,069,273,565	(38,150,000)	8,025,491,882	14,629,776,707

3.2 Company

	Gross Carrying Amounts - At Cost			Depreciation				W.D.V as at 31.03.2022 LKR	
	Balance as at 01.04.2021 LKR	Additions LKR	Disposals LKR	Balance as at 31.03.2022 LKR	Balance as at 01.04.2021 LKR	Depreciation for the Year LKR	Depreciation on Disposals LKR		Balance as at 31.03.2022 LKR
Freehold Assets									
Office Equipment	3,358,430	242,850		3,601,280	1,903,326	307,558		2,210,884	1,390,396
Furniture & Fittings	17,558,231	2,028,411		19,586,642	13,471,151	3,398,820		16,869,971	2,716,670
Computer Software	7,592,935	1,010,000	-	8,602,935	6,598,704	553,197		7,151,901	1,451,034
Computers & Related Equipment	6,228,937	2,662,699	(603,800)	8,287,836	3,224,571	1,444,594	(302,858)	4,366,307	3,921,529
SODAR Unit	12,052,685	-	-	12,052,685	9,677,072	1,205,268		10,882,340	1,170,345
Site Equipment	7,247,791	3,192,198		10,439,989	2,807,505	2,154,340		4,961,845	5,478,144
Bicycle & Motor Cycle	341,000			341,000	45,467	96,617		142,084	198,916
Motor Vehicles	69,398,580	13,520,000	(38,150,000)	44,768,580	36,263,145	8,130,383	(38,150,000)	6,243,528	38,525,052
	123,778,589	22,656,158	(38,753,800)	107,680,947	73,990,941	17,290,777	(38,452,858)	52,828,859	54,852,087
Leasehold Assets									
Motor Vehicles	45,050,000	-		45,050,000	33,780,000	6,516,667		40,296,667	4,753,333
	45,050,000	-	-	45,050,000	33,780,000	6,516,667	-	40,296,667	4,753,333
Total W.D.V	168,828,589	22,656,158	(38,753,800)	152,730,947	107,770,941	23,807,443	(38,452,858)	93,125,526	59,605,421

4. Investments in Subsidiaries - Unquoted

4.1 Company Investments in Subsidiaries

Unquoted Investments	COMPANY					
	Effective Holding %		No of Shares		Value	
	2022 %	2021 %	2022	2021	2022 LKR	2021 LKR
Daily Life Renewable Energy (Pvt) Ltd	95.83%	95.83%	116,656,000	116,656,000	1,166,560,000	1,166,560,000
Beta Power (Pvt) Ltd	66.40%	66.40%	59,220,000	59,220,000	580,293,000	580,293,000
Joule Power (Pvt) Ltd	66.40%	66.40%	59,220,000	59,220,000	580,293,000	580,293,000
Vydexa (Lanka) Power Corporation (Pvt) Ltd	76.13%	76.13%	92,385,610	92,385,610	923,856,101	923,856,101
Suryadhanavi (Pvt) Ltd	88.00%	88.00%	36,000,000	36,000,000	360,000,200	360,000,200
Hirujanani (Pvt) Ltd	66.00%	66.00%	5,400,000	5,400,000	54,000,000	54,000,000
Sunny Clime Lanka (Pvt) Ltd	90.00%	90.00%	4,680,000	4,680,000	46,800,000	46,800,000
Seruwawila Photovoltaic (Pvt) Ltd	90.00%	90.00%	4,680,000	4,680,000	46,800,000	46,800,000
Seguwantivu Wind Power (Pvt) Limited	100.00%	100.00%	114,285,715	114,285,715	1,232,126,194	1,232,126,194
Vidatamunai Wind Power (Pvt) Limited	100.00%	100.00%	114,285,715	114,285,715	1,579,125,663	1,579,125,663
Renewgen (Pvt) Limited	100.00%	100.00%	226,569,881	226,569,881	3,809,178,867	3,809,178,867
Powergen (Pvt) Limited	100.00%	100.00%	1,603,000	1,603,000	1,543,049,370	1,543,049,370
Energy Reclamation (Pvt) Limited	100.00%	100.00%	2,900,000	2,900,000	130,145,014	130,145,014
Tororo Pv Power Private Limited	80.00%	80.00%	105,890,776	105,890,776	579,854,800	579,854,800
SKY Solar Pvt Ltd	100.00%	-	24,959,751	-	265,000,000	-
Hirusas Power (Pvt) Ltd	100.00%	-	92,700,100	-	927,001,000	-
Company investment in Subsidiaries (at Cost)					13,824,083,209	12,632,082,209

Investments in subsidiaries are carried at cost less any accumulated impairment losses.

5. Investments in Equity Accounted Investees

As at 31st March	Effective Holding Percentage %	GROUP				COMPANY			
		2022		2021		2022		2021	
		Number of Shares	Value LKR	Number of Shares	Value LKR	Number of Shares	Value LKR	Number of Shares	Value LKR
5.1 Unquoted Investments									
Nirmalapura Wind Power (Pvt) Limited (NPWP)									
Balance at the beginning of the year	49%	49,000,000	853,582,270	49,000,000	862,096,820	49,000,000	490,000,000	49,000,000	490,000,000
Profit acquiring to the Group net of Dividend		-	(34,990,309)	-	(8,514,550)	-	-	-	-
Balance at the end of the year		49,000,000	818,591,961	49,000,000	853,582,270	49,000,000	490,000,000	49,000,000	490,000,000
Solar One Ceylon (Pvt) Ltd (SOCL)									
Balance at the beginning of the year	50%	35,085,952	618,807,745	35,085,952	549,024,573	35,085,952	490,300,000	35,085,952	490,300,000
Profit acquiring to the Group net of Dividend		-	63,042,960	-	69,783,172	-	-	-	-
Balance at the end of the year		35,085,952	681,850,705	35,085,952	618,807,745	35,085,952	490,300,000	35,085,952	490,300,000
Gharo Solar Limited - Pakistan (GSP)									
Balance at the beginning of the year		5,073,257	255,053,152	5,073,257	57,603,004	5,073,257	57,530,831	5,073,257	57,530,831
Share of net assets accruing to the Group			262,373,671						
Investment made	30%	24,988,592	912,261,169	-	-	24,988,592	912,261,169	-	-
Profit accruing to the Group net of Dividend		-	(42,996,552)	-	197,450,148	-	-	-	-
Balance at the end of the year		30,061,849	1,386,691,440	5,073,257	255,053,152	30,061,849	969,792,000	5,073,257	57,530,831
Vidul Madugeta (Pvt) Ltd (VM)									
Balance at the beginning of the year	50%	4,500,000	339,316,085	4,500,000	312,730,114	-	-	-	-
Profit acquiring to the Group net of Dividend		-	(4,574,041)	-	26,585,971	-	-	-	-
Balance at the end of the year		4,500,000	334,742,044	4,500,000	339,316,085	-	-	-	-
Gurugoda Hydro (Pvt) Ltd (GH)									
Balance at the beginning of the year	50%	2,472,000	103,346,832	2,472,000	101,803,424	-	-	-	-
Profit acquiring to the Group net of Dividend		-	5,698,517	-	1,543,408	-	-	-	-
Balance at the end of the year		2,472,000	109,045,349	2,472,000	103,346,832	-	-	-	-

The Group recognizes its interests in joint ventures using the equity method as per paragraph 38 of LKAS 31 - Interests in Joint Ventures.

5. Investments in Equity Accounted Investees (Contd.)

As at 31st March	Effective Holding Percentage %	GROUP				COMPANY			
		2022		2021		2022		2021	
		Number of Shares	Value LKR						
5.1 Unquoted Investments (Contd.)			LKR		LKR		LKR		LKR
Mahoma Uganda Ltd (MU)									
Balance at the beginning of the year	36%	1,800	35,703,015	1,800	17,601,600	-	-	-	-
Share of net assets accruing to the Group			31,380,347						
Investment made		2,315,221	98,994,310	-	-	-	-	-	-
Profit acquiring to the Group net of Dividend		-	14,607,066	-	18,101,415	-	-	-	-
Balance at the end of the year		2,317,021	180,684,738	1,800	35,703,015	-	-	-	-
Solar Universe (Pvt) Ltd (SU)									
Balance at the beginning of the year			-						
Investment made	33%	500,000	7,333,667			500,000	7,333,667	-	-
Profit acquiring to the Group net of Dividend			(932,994)						
Balance at the end of the year		500,000	6,400,673			114,647,801	7,333,667		
(5.2) Carrying Value of equity accounted investee			3,518,006,910		2,205,809,099		1,957,425,667		1,037,830,831

5.3 Summarized financial information of Equity Accounted Investees

	For the year ended 31st March 2022						
	Nirmalapura LKR	Solar One LKR	Vidul LKR	Gurugoda LKR	Gharo LKR	Mahoma LKR	Solar Universe LKR
Revenue	267,789,417	473,215,997	161,649,239	33,839,713	1,182,149,901	212,226,613.28	-
Cost of Sales	(233,357,462)	(106,619,793)	(43,673,651)	(16,045,164)	(446,813,118)	(81,619,779.39)	-
Other Income/ Net Finance Cost	2,671,188	(56,607,770)	(2,056,189)	(2,482,124)	4,460,712	(36,303,979)	(2,410,476)
Administrative Expense	(27,305,833)	(36,541,517)	(866,329)	(940,855)	(347,015,810)	(49,279,914.25)	(388,787)
Profit/(Loss) before taxation	9,797,310	273,446,917	115,053,070	14,371,570	392,781,685	45,022,941	(2,799,263)
Taxation	(21,206,104)	-	(17,993,655)	(2,979,853)	-	(767,992.62)	-
Profit/(Loss) after taxation	(11,408,793)	273,446,917	97,059,415	11,391,717	392,781,685	44,254,948	(2,799,263)

	As at 31st March 2022						
	Nirmalapura LKR	Solar One LKR	Vidul LKR	Gurugoda LKR	Gharo LKR	Mahoma LKR	Solar Universe LKR
Non Current Assets	1,057,463,178	1,445,163,409	455,889,289	111,155,370	9,132,937,927	1,091,696,470	1,781,733,487
Current Assets	454,497,875	351,820,866	114,173,540	24,868,083	1,656,815,509	123,646,337	102,327,717
Total Assets	1,511,961,053	1,796,984,275	570,062,830	136,023,453	10,789,753,437	1,215,342,807	1,884,061,204
Non Current Liabilities	3,034,202	456,455,027	20,033,410	6,396,548	7,590,090,357	669,410,665	545,909,095
Current Liabilities	136,004,430	331,294,063	53,842,546	23,625,445	113,062,373	6,821,841	1,045,686,019
Net Assets	1,372,922,422	1,009,235,185	496,186,874	106,001,459	3,086,600,706	539,110,301	292,466,090

6. Other Non Current Financial Assets

As at 31st March	Notes	GROUP		COMPANY	
		2022 LKR	2021 LKR	2022 LKR	2021 LKR
Other unquoted equity investments - Foreign	(6.1)	223,660,000	123,000,843	223,660,000	123,000,843
Advances Paid to Acquire Shares	(6.2)	429,771,973	1,380,347,865	152,666,333	1,012,920,326
		653,431,973	1,503,348,708	376,326,333	1,135,921,169

6.1 Other unquoted equity investments - Foreign

As at 31st March	Effective Holding %	GROUP		COMPANY	
		2022 LKR	2021 LKR	2022 LKR	2021 LKR
East Africa Concrete Products Ltd - Uganda	7%	13,290,000	13,290,000	13,290,000	13,290,000
Harappa Solar (Private) Ltd - Pakistan	13%	109,350,000	109,350,000	109,350,000	109,350,000
Semipolky Solar Limited - Ukraine	18%	101,020,000	360,843	101,020,000	360,843
		223,660,000	123,000,843	223,660,000	123,000,843

6.2 Advances Paid to Acquire Shares

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Gharo Solar (Private) Ltd - Pakistan	-	912,261,169	-	912,261,169
Semipolky Solar Limited	-	100,659,157	-	100,659,157
Solar Universe (Pvt) Ltd	152,666,333	-	152,666,333	-
Mahoma Uganda Limited	-	98,988,413	-	-
Ziba Limited	277,105,640	268,439,126	-	-
	429,771,973	1,380,347,865	152,666,333	1,012,920,326

7. Intangible Assets

As at 31st March	Notes	GROUP		COMPANY	
		2022 LKR	2021 LKR	2022 LKR	2021 LKR
Advance for Grid Substation - Non Current	(7.1)	115,476,093	130,081,869	-	-
Right to generate Electricity from Hydro Resources	(7.2)	153,296,044	157,909,894	-	-
Goodwill on Business Combinations	(7.3)	2,386,832,245	2,386,832,245	-	-
		2,655,604,382	2,674,824,008	-	-

7.1 Advance for Grid Substation

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Cost				
As at 01st April	268,929,311	269,522,893	-	-
Other Adjustments		(593,582)	-	-
As at 31st March	268,929,311	268,929,311	-	-
Amortization				
As at 01st April	124,241,664	109,662,863	-	-
Other Adjustments	-	(26,976)	-	-
Amortization for the Year	14,605,777	14,605,777	-	-
As at 31st March	138,847,441	124,241,664	-	-
Net Book Value - Current	14,605,777	14,605,777	-	-
- Non- Current	115,476,093	130,081,869	-	-
	130,081,870	144,687,646	-	-

7.2 Right to generate Electricity from Hydro Resources

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Cost				
Balance as at 01st April	184,553,989	184,553,989	-	-
On Acquisition of subsidiary	-	-	-	-
Balance as at 31 March	184,553,989	184,553,989	-	-
Amortization				
Balance as at 01 April	26,644,095	22,030,245	-	-
On Acquisition of subsidiary	-	-	-	-
Charge for the year	4,613,850	4,613,850	-	-
Total at the year end	31,257,945	26,644,095	-	-
Net Book Value Balance as at 31st March	153,296,044	157,909,894	-	-

7.3 Goodwill on Business Combinations

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
As at 01st April	2,386,832,245	2,534,848,732	-	-
Impairment of Goodwill	-	(148,016,487)	-	-
As at 31st March	2,386,832,245	2,386,832,245	-	-
Seguwantivu Wind Power (Pvt) Limited	149,014,461	149,014,461	-	-
Vidatamunai Wind Power (Pvt) Limited	525,639,149	525,639,149	-	-
Renewgen (Pvt) Limited	1,262,040,966	1,262,040,966	-	-
Energy Reclamation (Pvt) Limited	87,457,056	87,457,056	-	-
Tororo Pv Power Private Limited	57,719,120	57,719,120	-	-
Vydexa (Lanka) Power Corporation (Pvt) Ltd	304,961,493	304,961,493	-	-
	2,386,832,245	2,386,832,245	-	-

Goodwill as at the reporting date has been tested for impairment and adjustments have been made accordingly.

The recoverable amount of goodwill is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management. The key assumptions used are given below;

Business growth rate – Based on the long term average growth rate for each business unit.

Inflation rate – Based on current inflation rate.

Discount rate – Risk free rate adjusted for the specific risk relating to the industry.

The Group has not determined impairment of goodwill as at the reporting date.

8. Inventories

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Spare parts	540,084,654	459,721,533	-	-
	540,084,654	459,721,533	-	-

9. Trade & Other Receivables

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Trade Debtors	2,288,620,650	1,266,322,746	9,965,561	212,319,651
Refundable Deposits & Prepayments	1,009,093,303	122,595,302	27,392,855	5,312,606
Staff Loans	17,400,674	12,570,573	17,400,674	12,570,573
Advances	70,885,435	50,904,358	2,488,763	2,765,410
Interest Receivable	61,756,627	23,743,976	61,458,413	22,862,123
Advance on Project Preliminaries	14,976,010	20,611,200	19,080,000	20,611,200
Insurance Receivable	18,172,510	30,581	7,150,000	30,581
Other Receivables	8,471,178	120,050,512	3,797,556	9,738,235
Dividend Receivables	218,491,688	40,000,000	98,848,799	-
	3,707,868,075	1,656,829,248	247,582,622	286,210,379

10. Intercompany Loan Receivable

As at 31st March	Relationship	GROUP		COMPANY	
		2022 LKR	2021 LKR	2022 LKR	2021 LKR
Balance as at 01st April					
Loans granted during the Year				137,500,000	-
Loan settlement during the Year				(2,500,000)	
Balance as at 31st March		-	-	135,000,000	-
Current		-	-	56,000,000	-
Non Current		-	-	79,000,000	-
Balance as at 31st March		-	-	135,000,000	-
Company	Relationship				
Terraqua Kokawita (Pvt) Ltd	Subsidiary	-	-	7,000,000	-
HPD Power (Pvt) Ltd	Subsidiary	-	-	128,000,000	-
		-	-	135,000,000	-

Entity	Loan Amount	Purpose	Interest Rate
Terraqua Kokawita (pvt) Ltd	LKR 7.5 Mn (approx)	To introduce reliable control system and electrical instruments to make the power plant available for smooth operation over the next 25 years without major modification and repairs	8% p.a
HPD Power (Pvt) Ltd	LKR 130 Mn (approx)	To settle the inter company balances of Renewgen Pvt Ltd	8% p.a

11. Amounts Due from Related Parties

As at 31st March	Relationship	GROUP		COMPANY	
		2022 LKR	2021 LKR	2022 LKR	2021 LKR
Beta Power (Pvt) Ltd	Subsidiary		-	52,194,688	1,789,001
Joule Power (Pvt) Ltd	Subsidiary		-	54,121,602	1,766,151
Vydexa (Lanka) Power Corporation (Pvt) Ltd	Subsidiary		-	13,041,751	1,768,654
Sunny Clime Lanka (Pvt) Ltd	Subsidiary		-	3,846,063	15,800
Melanka Power (Pvt) Ltd	Subsidiary		-	51,846,470	13,098,145
Seruwawila Photovoltaic (Pvt) Ltd	Subsidiary		-	3,489,667	15,800
Daily Life Renewable Energy (Pvt) Ltd	Subsidiary		-	51,377,929	-
Suryadhanavi (Pvt) Ltd	Subsidiary		-	6,753,473	-
Renewgen Power (Pvt) Ltd	Subsidiary		-	6,204,182	-
Powergen Lanka (Pvt) Ltd	Subsidiary		-	41,303,781	-
Terraqua Kokawita (Pvt) Ltd	Subsidiary		-		164,708
Powergen Lanka (Pvt) Ltd	Subsidiary		-		-
Hirujanani (Pvt) Ltd	Subsidiary		-	1,777,289	-
Seguwantivu Wind Power (Pvt) Ltd	Subsidiary		-	7,162,779	-
Vidatamunai Wind Power (Pvt) Ltd	Subsidiary		-	44,621,486	-
HPD Power (Pvt) Ltd	Subsidiary		-	1,178,239	15,121,043
Peak Power Delta (Pvt) Ltd	Subsidiary		-		20,725
Energy Reclamation (Pvt) Ltd	Subsidiary		-	4,479,700	4,064,733
Hirusas Power (Pvt) Ltd	Subsidiary		-	114,056,683	
Sky Solar (Pvt) Ltd	Subsidiary		-	1,231,509	
Tororo PV Power Limited	Subsidiary		-	9,081,047	
Solar Universe (Pvt) Ltd	Associate	100,000.00	-	100,000.00	
Nirmalapura Wind Power (Pvt) Ltd	Associate	73,440,799	4,862,727	61,820,262	
Solar One Ceylon (Pvt) Ltd	Associate	18,188,247	1,028,077	18,188,247	1,021,158
Ziba Limited	Associate	-	2,592,283		-
Mahoma Uganda Limited	Associate	-	44,610,877		-
		91,729,046	53,093,964	547,876,845	38,845,918

12. Short Term Financial Assets

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Investments in Fixed Deposits	2,277,557,191	1,765,887,466	2,249,522,866	1,665,831,506
Investment in Unit Trust	1,037,982,191	-	1,037,982,191	-
	3,315,539,382	1,765,887,466	3,287,505,056	1,665,831,506

13. Components of Cash and Cash Equivalents

13.1 Favorable Cash and Cash Equivalent Balances

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Cash and bank Balances	1,288,819,937	8,434,756,447	831,589,022	6,915,111,062
Petty cash	32,478,491	24,786,580	1,156,448	797,100
	1,321,298,427	8,459,543,027	832,745,470	6,915,908,162

13.2 Un Favorable Cash and Cash Equivalent Balances

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Bank overdrafts	(897,596,968)	(452,812,386)	(709,908,489)	-
Net Cash and Cash Equivalents for the purpose of Cash Flow Statement	423,701,460	8,006,730,641	122,836,982	6,915,908,162

14. Stated Capital

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Number of Issued and Fully Paid Ordinary Shares				
At the beginning of the year	1,148,153,601	1,148,153,601	1,148,153,601	1,148,153,601
Shares issued during the year	202,615,341	-	202,615,341	-
At the end of the year	1,350,768,942	1,148,153,601	1,350,768,942	1,148,153,601
Value of Issued and Fully Paid Ordinary Shares				
At the beginning of the year	14,984,610,448	14,984,610,448	14,984,610,448	14,984,610,448
Value of shares issued during the year	3,241,845,456	-	3,241,845,456	-
At the end of the year	18,226,455,904	14,984,610,448	18,226,455,904	14,984,610,448

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

15. Retained Earnings

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Balance at the beginning of the Year	2,731,034,146	1,362,004,089	563,345,094	51,264,240
Dividends- Ordinary Shares	(1,755,999,625)	(400,000,000)	(1,755,999,625)	(400,000,000)
Profit for the Year	1,574,933,831	1,749,818,522	1,821,140,134	892,869,319
Transaction cost for issues of new shares	(55,370,889)		(55,370,889)	
Other comprehensive income for the year	-	19,211,535	-	19,211,535
Balance at the end of the Year	2,494,597,463	2,731,034,146	573,114,714	563,345,094

16. Foreign Exchange Reserve

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Balance at the beginning of the Year	1,123,288	-	-	-
Exchange difference on Transaction of foreign operation	158,299,902	1,123,288	-	-
Balance at the end of the Year	159,423,190	1,123,288	-	-

Foreign exchange reserve comprises of foreign exchange differences arising from the translation of foreign subsidiaries and associates in the Group.

17. Non Controlling Interests

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Balance as at the beginning of the Year	1,880,602,359	1,634,602,355	-	-
Exchange difference on Transaction of foreign operation	(33,863,529)	280,822	-	-
Adjustments due to change in group holdings & other adjustments	-	94,019,302	-	-
Profit Attributable to Non- Controlling Interest	376,893,448	396,430,002	-	-
Dividends Paid to Minority Shareholders	(283,174,896)	(244,730,122)	-	-
Balance as at the end of the Year	1,940,457,382	1,880,602,359	-	-

18. Interest Bearing Loans and Borrowings

18.1 Non-current interest-bearing loans and borrowings

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Analysis by lending institutions				
National Development Bank	-	86,033,923	-	-
Sampath Bank	238,735,465	335,771,052	-	-
Hatton National Bank	1,789,334,314	1,960,035,972	-	-
DFCC Bank PLC	586,420,824	910,353,594	-	-
HSBC Loan	600,813,503	559,346,356	600,813,503	559,346,356
Seylan Bank	91,154,000	259,948,000	-	25,000,000
Standard Chartered Bank	502,243,044	434,891,140	502,243,045	434,891,140
Pan Asia Bank - Vehicle lease	5,693,824	11,774,138	5,693,824	11,774,138
Commercial Bank of Ceylon - Vehicle Loan	1,116,486	4,229,647	838,933	3,323,000
	3,815,511,462	4,562,383,822	1,109,589,305	1,034,334,634

18.2 Current interest bearing loans and borrowings

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
National Development Bank	108,911,435	516,202,702	-	-
Sampath Bank	95,336,131	103,280,193	-	-
Hatton National Bank	168,612,881	101,474,624	-	-
DFCC Bank PLC	278,856,446	278,226,294	-	-
DFCC Vardhana Bank- Lease	1,415,814	-	-	-
HSBC Loan	212,051,826	142,811,836	212,051,826	142,811,836
Seylan Bank	131,994,000	35,968,000	16,672,000	-
Standard Chartered Bank	143,497,951	96,642,440	143,497,951	96,642,440
Commercial Bank of Ceylon	-	13,398,500	-	-
Pan Asia Bank - Vehicle lease	4,285,148	4,211,867	5,992,244	4,211,867
Commercial Bank of Ceylon - Vehicle Loan	5,992,245	5,481,765	3,378,500	4,575,117
	1,150,953,877	1,297,698,221	381,592,522	248,241,260
18.3 Total Outstanding	4,966,465,338	5,860,082,043	1,491,181,827	1,282,575,894

18.4 Security and Repayment Terms - Group

Loan obtained by	Bank/ Lenders	Facility	Purpose	Re-payment	Security
Daily Life Renewable Energy (Pvt) Ltd	Sampath Bank	LKR 782,298,000/-	Import Line To settle the outstanding Term Loan of HSBC which was granted to partly finance the Wind Power Project at Madurankuliya, Kalpitiya.	Repaid in 53 equal instalments such as LKR 14,567,000.00 each & a final instalment of LKR 10,247,000.00 as given in special condition below commencing in one month from the date of disbursement. Rate - AWPLR + 0.5%	Primary Mortgage Bond for LKR 692.30 Mn. over Land & Project Assets. Mortgage Bond for LKR 89,998 Mn. over 51% of Share Capital owned by WindForce Ltd Original share certificates for 51% of the share capital of Daily Life Renewable Energy (Pvt) Ltd owned by WindForce PLC
Daily Life Renewable Energy (Pvt) Ltd	Sampath Bank	LKR 94,551,670/-	To Finance the replacement cost of the generators	Each Loan to be repaid in equal 96 monthly instalments commencing on 03 months after first disbursement together with interest - Rate AWPLR + 0.5%	
Daily Life Renewable Energy (Pvt) Ltd	DFFC Bank Seylan Bank PLC	110,716,430 25,000,000	To replace the cost of Wind turbine Generators	Repayable in 36 instalments from the date of first disbursement - Rate - AWPLR + 1.5%	LKR 200 Mn Over Movable Machinery
			To grant additional financial assistance under the relief scheme to assist covid 19 affected business	Repayable in 24 instalments including 6 - months of grace period 17 consecutive monthly instalments of LKR 1,388,000 and final payments of 1,404,000 including interest - Rate - 4%	
Beta Power (Pvt) Ltd	National Development Bank	Term Loan LKR 1,561 Million of which LKR 1,519 Million for Letter of Credit facility.	Partly finance the construction and commission of 10MW Windpower project at Vallimunai in Kilinochchi District.	71 Equal instalments of LKR 21,612,158/- each - Rate - AWPLR 3%	Primary mortgage over immovable assets for LKR 140 Million. Primary mortgage over movable assets of the Projects for LKR 1,421 Million. Additional primary mortgage over all ordinary shares. Additional primary mortgage over book debts, insurance proceeds and receivables.

Loan obtained by	Bank/ Lenders	Facility	Purpose	Re-payment	Security
		Facility 02			Additional primary mortgage of project documents.
		Bank Guarantee LKR 100 Million	Utilized in respect of Ports Authority Levy exemption		
Beta Power (Pvt) Ltd	Seylan Bank PLC	Term Loan LKR 50 Mn (Approx)	To reimburse the cash margin with NDB PLC in establishing the letter of credit/ To settle the letter of credit with regard to importing of Generator	In 60 Monthly Installments. 59 monthly installments of LKR 833,000 together with monthly interest commencing from month of disbursements and final installment of LKR 853,000 together with final interest - Rate AWPLR + 1.5% with a floor of 9.5%	<ol style="list-style-type: none"> 1. Secondary Mortgage bond to be executed for LKR 50 Mn Over Brand New Generator 2. Letter of comfort from WindForce PLC for LKR 50 Mn 3. Loan Agreement form for LKR 50 Mn 4. Accepted facility commitment Letter
Joule Power (Pvt) Ltd	National Development Bank	LKR 1,561 Million of which LKR 1,519 Million for Letter of Credit facility Bank Guarantee LKR 100 Million	Partly finance the construction and commission of 10MW Wind Power project at Vallimunai in Kilinochchi District	71 Equal instalments of LKR 21, 404,733/- each after grace period of 24 months - Rate - AWPLR 3%	<p>Primary mortgage over immovable assets for LKR 140 Million</p> <p>Primary mortgage over movable assets of the Projects for LKR 1,421 Million</p> <p>Additional primary mortgage over all ordinary shares</p> <p>Additional primary mortgage over book debts, insurance proceeds and receivables</p> <p>Additional primary mortgage of project documents</p>
Joule Power (Pvt) Ltd	Seylan Bank PLC	LKR 50 Million	To reimburse the cash margin with NDB PLC in establishing the letter of credit/ To settle the letter of credits with regard to importing of Generator	60 Monthly Installments. 59 monthly installments of LKR 833,000 together with monthly interest commencing from month of disbursements and final installments of LKR 853,000 together with final interest - Rate AWPLR + 1.5% with a floor of 9.5%	<p>Secondary Mortgage bond to be executed for LKR 50 Mn Over Brand New Generator</p> <p>Letter of comfort from WindForce (Ltd) for LKR 50 Mn</p> <p>Loan Agreement form for LKR 50 Mn (approx.)</p> <p>Accepted facility commitment Letter</p>

Loan obtained by	Bank/ Lenders	Facility	Purpose	Re-payment	Security
Powergen Lanka (Pvt) Ltd	Commercial Bank Loan	LKR 225 Million Interest - At one month AWPLR + 0.5% p.a. payable monthly. (Revised w.e.f. 01/10/2014 from AWPLR+1.0% p.a.)	To partly finance the settlement of the loan at ICICI Bank	Repayment - 83 monthly equal installments of LKR 2,678,500/- each and final installment of LKR 2,684,500/- - Rate - AWPLR + 1%	01. Primary Concurrent Mortgage Bond to be executed over the movable project assets for LKR 752 Mn. 02. Primary Mortgage Bond No.951 executed for LKR 150 Mn dated 04/09/2013 over the lease hold rights of the land at Thethapola of Kalpitiya in puttalam District. 03. Letters of Comfort to be obtained from Akbar Brothers (Pvt) Ltd, Ceylon Knit Trends (Pvt) Ltd and Star Pack Investment (Pvt) Ltd.
Powergen Lanka (Pvt) Ltd	Sampath Bank - Loan	LKR 500 Million At one month AWPLR + 0.5% p.a. payable monthly. (Revised w.e.f. 27/09/2014 from AWPLR+1%)	To partly finance of 10.5MW Wind Power Project at Uppadaluwa in Kallpitiya	In 68 monthly equal installments of LKR 7,250,000/- each and final installment of LKR 7,000,000/- - Rate AWPLR + 1.5%	Loan agreement of LKR 100 Mn. Mortgage bond for LKR 100 Mn over 1/3 of Powergen Lanka (Pvt) Ltd owned by WindForce PLC, Original share certificates of 1/3 of the share capital of Powergen Lanka (Pvt) Ltd owned by WindForce PLC, charge on securities, duly signed bank share transfer forms.
Seguwanthivu Wind Power (Pvt) Ltd	DFCC Bank PLC	LKR 100,000,000	Replacement of wind turbine generator gear boxes	In 57 equal quarterly installments after agreed period of 03 months - Rate AWPLR + 1.5%	A corporate guarantee from WindForce PLC
Vidatamunai Wind Power (Pvt) Ltd	DFCC Bank PLC Term Loan 01	LKR 100,000,000	Replacement of wind turbine generator gear boxes	In 57 Equal quarterly Installments after a Grace paid of 03 months - Rate AWPLR + 1.5%	A Corporate guarantee from WindForce PLC
Vydexa (Lanka)Power Corporation (Pvt) Ltd	Hatton National Bank	Term Loan LKR 1.0 Billion at AWPLR 1.75% up to plant commissioning Thereafter at AWPLR+1.25%	To Partly finance the construction and commission of 10MW solar power project at Nedunkulama, Vavuniya	101 Equal Monthly instalments after grace period of 19 months	Primary mortgage over all ordinary shares. Primary mortgage of project documents. (Approvals, Agreements, Contracts, Bonds, etc....) Letter of conformation for Es. 1.05 Billion from WindForce PLC

Loan obtained by	Bank/ Lenders	Facility	Purpose	Re-payment	Security
Vydexa (Lanka)Power Corporation (Pvt) Ltd		LC Facility LKR 1 Billion	To import solar panels and related equipment		Title of the documents of solar panels and equipment to be imported
		Permanent Over Draft Facility LKR 50.0 Million at AWPLR+1.25%	To meet working capital requirements		Primary mortgage over all ordinary shares. Primary mortgage of project documents. (Approvals, Agreements, Contracts, Bonds, etc...)
WindForce PLC	Commercial Bank	LKR 4,000,000/-	Purchase of Brand New Honda Vessel DAA Motor Vehicle	60 Equal monthly instalments of LKR 92,989.50 - Rate - 14.5%	Vehicle
		LKR 4,000,000/-	Purchase of Brand New Crew Cab Motor Vehicle	60 Equal monthly instalments of LKR 92,989.50 - Rate 14.5%	Vehicle
WindForce PLC		LKR 3,400,000/-	Purchase of Brand New Honda Civic Motor Vehicle	60 Equal monthly instalments of LKR 79,041.08 - Rate 14.5%	Vehicle
		LKR 5,000,000	Purchase of Brand new Motor CRV Vehicle	60 Equal Monthly Instalments of 116,238 - Rate 14.5%	Vehicle
		USD 4.3 Mn	Loan obtained for the investment in Gharo Solar Projects	Loan Capital payments commence from February 2020 - Rate LIBOR + 1.6%	Lien over Sri Lanka Rupee cash deposit equivalent to 110% at the loan outstanding held with Standard Chartered Bank
	Standard Chartered Bank Plc.	USD 3.5 Mn	Investment in 10MW Solar Power Project in Uganda Under Tororo Pv Power Projects	1.75% per annum over 1 month LIBOR and 72 equal monthly instalment.	
	Pan Asia Bank PLC	Lease - LKR 4.25 Mn	Audi Q2 TFSI	48 Monthly instalments of LKR 114,544.91 - Rate 13.25%	Vehicle
		Lease LKR 14,550 Mn	Mercedes Benz GLE 300 D Car	48 Monthly instalments of LKR 392,147.87 - Rate 13.5%	Vehicle
WindForce PLC	Seylan Bank PLC	LKR 25,000,000	To grant additional Financial assistance under the relief scheme to assist covid 19 affected business	17 consecutive monthly instalments of LKR 1,388, together with monthly interest commencing with from 7th month of disbursements and final instalments of LKR 1,404,000 together with interest. - Rate 4%	<ol style="list-style-type: none"> 1. Mortgage over 3,000,000 number of shares of DLRE Ltd owned by WindForce PLC 2. Overdraft Agreement from LKR 1,000,000,000 3. Loan Agreement form for LKR 25,000,000 4. Accepted Letter of offer

Loan obtained by	Bank/ Lenders	Facility	Purpose	Re-payment	Security
Suryadhanavi (Pvt) Ltd	DFCC Bank	LKR 840 Mn.	To finance the establishment of 10MW of rooftop mounted solar power systems on buildings belonging to Akbar Brothers & Hidramani Group of Companies	108 Equal monthly instalments after grace period of 12 months - Rate AWPLR + 1.5%	Primary mortgage over movable machinery Corporate Guarantee from WindForce PLC
Hirujanani (Pvt) Limited	Hatton National Bank	LKR 175 Mn	To finance the establishment of 2.13 MW of rooftop mounted solar power systems	108 Equal monthly instalments after grace period of 12 months - AWPLR + 1.5%	Primary mortgage over movable machinery Corporate Guarantee from WindForce PLC
Sunny Clime (Pvt) Limited	Seylan Bank (Asian Development Bank Loan)	LKR 50,000,000 at a rate of 12% per annual (Fixed Rate)	To Part finance construction of 1MW Solar Power Plant in Dikwewa in Mamaduwa Division of Vauniya District	107 Consecutive capital repayment of LKR 463,000/- together with monthly interest. Grace period for the loan is 12 months from the first disbursement of the loan.	Primary mortgage for LKR 135 Mn over Machinery Corporate guarantee from WindForce PLC for LKR 135 Mn
		LKR 50,000,000 at a rate of 6.75% per annual (Fixed Rate)	To part finance construction of 1MW Solar Power Plant in Dikwewa in Mamaduwa Division of Vauniya District	47 Consecutive capital repayment of LKR 1,042,000/- together with monthly interest. Grace period for the loan is 12 months from the first disbursement of the loan.	Primary mortgage for LKR 135 Mn over Machinery Corporate guarantee from WindForce PLC for LKR 135 Mn.
Seruwawila (Pvt) Limited	Seylan Bank (Asian Development Bank Loan)	LKR 50,000,000 at a rate of 12% per annual (Fixed Rate)	To finance construction of 1MW Solar Power Plant in Dikwewa in Mamaduwa Division of Vauniya District	107 Consecutive capital repayment of LKR 463,000/- together with monthly interest. Grace period for the loan is 12 months from the first disbursement of the loan.	Primary mortgage for LKR 135 Mn over machinery and assignment over project documents to be executed.
		LKR 50,000,000 at a rate of 6.75% per annual (Fixed Rate)	To finance construction of 1MW Solar Power Plant in Dikwewa in Mamaduwa Division of Vauniya District	47 Consecutive capital repayment of LKR 1,042,000/- together with monthly interest. Grace period for the loan is 12 months from the first disbursement of the loan.	Primary mortgage for LKR 135 Mn over machinery and assignment over project documents to be executed.
HPD Power (Pvt) Ltd	Sampath Bank	Facility 01 - LKR 448 Mn	Plant and Machinery, including other equipment of the hydro power project	96 Monthly instalments commenced from 30.03.2017	AWPLR + 1.5% p.a. Primary Mortgage Bond for LKR 250 Mn over shares issued by the company.

Loan obtained by	Bank/ Lenders	Facility	Purpose	Re-payment	Security
HPD Power (Pvt) Ltd	Sampath Bank	Facility 02 - LKR 250 Mn	Plant and Machinery, including other equipment of the hydro power project	96 Monthly instalments commenced from 20.10.2016	AWPLR + 1.5% p.a. Primary Mortgage Bond for LKR 250 Mn over shares issued by the company.
Melanka Power Morketiya (Pvt) Ltd	DFCC Bank	LKR 500 Mn	Plant and Machinery, including other equipment of the hydro power project	The loan is repayable in 56 instalments from 01st July 2017.	The rate of interest applicable for cleared funds will be 5.625% per annum above AWPLR rounded upwards to the nearest 0.5% per annum subject to a concessionary interest rate 4% less than the applicable rate as long as no default is occurred. The rate of interest applicable balance funds will be 7.00 % per annum above AWPLR rounded upwards to the nearest 0.5% per annum subject to a concessionary interest rate 4% less than the applicable rate as long as no default is occurred.
Peak Power Delta (Pvt) Ltd	DFCC Bank	LKR 375 Mn	Plant and Machinery, including other equipment of the hydro power project	In 72 Monthly instalments commenced from January 2017	AWPLR + 3.875% P.A. - Primary mortgage over Ordinary shares of LKR 125 Mn of Peak Power (Pvt) Limited held by Promoters

19. Employee Benefit Liabilities

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Gratuity				
Balance at the beginning of the Year	51,142,973	38,608,402	51,142,973	27,976,652
Gratuity Transfer from Renewgen	-	-	-	10,631,750
Charge for the year	7,158,467	5,927,861	7,158,467	5,927,861
Deficit/(Surplus) charge for the year	1,850,675	2,884,664	1,850,675	2,884,664
Payments made during the year	(680,820)	(95,425)	(680,820)	(95,425)
Interest cost	4,956,372	3,817,471	4,956,372	3,817,471
Balance at the end of the Year	64,427,667	51,142,973	64,427,667	51,142,973
Key Assumptions				
Expected Salary Increment Rate	10%	10%	10%	10%
Discounting Rate	11%	10%	11%	10%
Staff Turnover factor	5%	5%	5%	5%

20. Deferred Tax Liabilities/(Assets)

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Balance at the beginning of the Year	1,364,607,998	1,204,599,735	-	-
On Acquisition of subsidiary	20,372,444	-	-	-
Provision/(Reversal) for the year	(17,480,528)	160,008,263	(9,138,560)	-
Balance at the end of the Year	1,367,499,914	1,364,607,998	(9,138,560)	-

Deferred tax liabilities are attributable to the origination of following temporary differences:

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Property, plant and equipment	9,278,368,368	9,055,924,813	-	-
Unutilized Tax Losses	(995,937,527)	(848,854,471)	-	-
	8,282,430,841	8,207,070,342	-	-
Total recognized deferred tax liabilities	1,367,499,914	1,364,607,998		

21. Trade and Other Payables

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Trade Payables	269,793,458	145,398,117	144,876,740	32,478,718
Accrued Expenses	14,066,521	10,354,967	728,832	660,764
Excess fund received from Regen	3,670,551	3,670,542	3,670,551	3,670,551
EPF/ETF/PAYE Payable	3,861,600	3,139,023	3,957,338	2,481,807
VAT Payable	41,975,576	18,138,022	28,631,841	11,319,144
NBT Payable	56,626	25,590	-	-
Excess funds received from IPO	-	3,187,402,944	-	3,187,402,944
Other Payables	39,252,110	32,760,849	(20)	183,786
Loan Interest Payable	5,415,007	2,702,103		-
Stamp Duty Payable	26,675	10,176	26,675	10,176
WHT Payable	88,685	261,509	47,063	47,064
Dividend Payable	5,065,500	-	5,065,500	-
Audit Fee Payable	4,769,000	4,099,000	670,000	600,000
	388,041,309	3,407,962,842	187,674,520	3,238,854,954

Proceeds from IPO

The Company offered a 15% stake (202.6 Mn shares) of par value of LKR 10 at LKR 16/- each by way of Initial Public Offering (IPO) on 24th March 2021. 1,536 applications requesting 402.18 Mn shares worth LKR 6.43 billion via payment made by cheques and Real-Time Gross Settlement (RTGS) were received by the company in which share were allotted for LKR 3.24 billion and the balance was refunded during the financial year 2021/2022.

22. Amounts Due to Related Parties

As at 31st March	Relationship	GROUP		COMPANY	
		2022 LKR	2021 LKR	2022 LKR	2021 LKR
Akbar Brothers (Pvt) Ltd	Shareholder	14,171,741	29,148,306	7,519,988	26,023,360
Powergen Lanka (Pvt) Ltd	Subsidiary	-	-	-	99,802,294
Renewgen (Pvt) Ltd	Subsidiary	-	-	-	51,175,968
Peak Power Delta (Pvt) Ltd	Subsidiary	-	-	1,786,366	-
Terraqua International (Pvt) Ltd	Subsidiary	-	-	13,619,750	4,959,400
Terraqua Kokawita (Pvt) Ltd	Subsidiary	-	-	1,953,653	-
Vidatamunai Wind Power (Pvt) Ltd	Subsidiary	-	-	-	2,150,823
Tororo PV Power Company Limited	Subsidiary	-	-	-	3,681,452
Seguwanthivu Wind Power (Pvt) Ltd	Subsidiary	-	-	-	87,111,854
Daily Life Renewable Energy Private Limited	Subsidiary	-	-	-	57,118,975
Nirmalapura Wind Power (Pvt) Ltd	Associates	-	10,845,896	-	10,845,896
		14,171,741	39,994,202	24,879,757	342,870,022

23. Income Tax Liability/(Overpaid)

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Balance at the beginning of the Year	17,628,307	122,994,633	68,442,982	101,384,430
Provision for Taxation	278,319,377	241,496,728	135,505,210	121,781,077
Adjustment for taxation	3,010,660	-	-	-
ESC Written off	4,728,793	10,392,642	-	-
Income tax Payments	(374,878,680)	(357,255,696)	(204,301,890)	(154,722,525)
Balance at the end of the Year	(71,191,543)	17,628,307	(353,699)	68,442,982

24. Revenue

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Supply of Electricity	4,307,690,712	4,269,820,973	-	-
Management Fees	38,857,629	39,303,010	145,807,329	88,003,010
Operation & Maintenance Fees	44,666,700	12,105,484	152,215,200	50,985,484
Less: Value Added Tax	(23,841,802)	(11,119,080)	(23,841,802)	(11,119,080)
	4,367,373,239	4,310,110,387	274,180,727	127,869,414

24.1 Revenue - Segment Analysis

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Industry Segment				
Power & Energy	4,307,690,712	4,269,820,973	-	-
Investment	59,682,527	40,289,414	274,180,727	127,869,414
	4,367,373,239	4,310,110,387	274,180,727	127,869,414

25. Direct Costs

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Depreciation - Plant	1,001,537,696	949,945,323	-	-
Plant O & M Cost	98,774,647	212,047,023	-	-
Plant O & M Spares	181,637,383	42,263,724	-	-
Crane Hiring Expenses	129,953,348	111,670,987	-	-
Deductions on Transmission Loss	-	333,450	-	-
Site - Insurance	66,530,294	63,780,708	-	-
Plant Repairs & Maintenance	95,311,910	125,274,151	-	-
Annual Regulatory Levy	-	149,000	-	-
Amortization of lease payment	22,029,440	11,090,009	-	-
Realized Exchange Difference	-	328,419	-	-
MASL Royalty	26,888,435	-	-	-
Electricity	31,506,421	38,596,759	-	-
	1,654,169,574	1,555,479,553	-	-

25.1 Cost of Sales - Segment Analysis

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Industry Segment				
Power & Energy	1,654,169,574	1,555,479,553	-	-
Investment	-	-	-	-
	1,654,169,574	1,555,479,553	-	-

26. Gross Profit - Segment Analysis

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Industry Segment				
Power & Energy	2,653,521,138	2,714,341,420	-	-
Investment	59,682,527	40,289,414	274,180,727	127,869,414
	2,713,203,665	2,754,630,834	274,180,727	127,869,414

27. Other Operating Income

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Interest on Deposits	222,902,557	148,627,427	200,293,702	121,011,584
Dividends Received	48,793,624	37,211,546	2,117,611,370	827,531,455
Interest Income on Inter Company Loans	2,806,192	-	2,806,192	-
Erection, Procurement, Construction & Management fee	-	187,656,760	-	187,656,760
Profit on Other Project	27,924,694	2,407,415	27,924,694	2,395,073
Gain on sales of Assets	17,007,476	18,031,859	16,999,058	2,650,779
Exchange Gain	19,064,056	191,577	-	-
Insurance Claim Received-General	6,814,017	3,793,775	-	-
Income from Unit Trust	46,982,191	-	46,982,191	-
Income from Carbon Credit	31,578,270	-	31,578,270	-
Income from Liquidity damages	53,932,856	-	-	-
Less: Value Added Tax	(4,588,125)	-	(4,588,125)	-
	473,217,807	397,920,359	2,439,607,351	1,141,245,651

28. Operating Profit/(Loss) Before Taxation

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Operating Profit stated after charging all expenses including the following;				
Directors' Remuneration	2,862,500	1,100,000	2,300,000	-
Audit Fees	5,128,470	3,721,409	664,950	600,000
Staff Costs	156,543,024	108,355,929	137,883,925	36,118,642
EPF	22,877,778	15,091,954	21,036,869	5,030,651
ETF	5,266,717	3,772,989	5,259,217	1,257,663
Depreciation & Amortization	1,066,782,259	1,050,344,906	23,807,443	27,137,474

29. Finance Costs

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Bank Over Draft Interest	25,162,192	7,357,550	18,513,793	4,843,283
Lease Interest	3,107,044	4,109,540	2,768,410	3,441,490
Interest on Bank Loans	296,187,103	390,876,682	21,633,480	27,172,860
Bank Charges	6,790,768	7,327,555	5,154,954	3,045,858
Bank Charges On Guarantee	797,168	927,713	797,168	927,713
Exchange Loss	33,715,727	7,827,708	4,616,218	3,567,702
LC Commission & Amendment Charge	231,404	2,132,062	-	848,730
Other	547,034	-	2,500	-
	366,538,439	420,558,810	53,486,523	43,847,636

30. Income Tax Expenses

As at 31st March	Notes	GROUP		COMPANY	
		2022 LKR	2021 LKR	2022 LKR	2021 LKR
Current Tax Expenses	(30.1)	278,319,377	241,496,728	135,505,210	121,781,077
Tax Payments on EPC (Uganda)		25,158,911		25,158,911	
Dividend Tax		-	-	-	-
Deferred Income Tax		(17,480,528)	160,008,263	(9,138,560)	-
		285,997,760	401,504,991	151,525,561	121,781,077

30.1 Reconciliation of Accounting Profit to Taxable Income

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Accounting Profit before Tax	2,237,825,039	2,547,753,514	1,972,665,695	1,014,650,395
Income which does not form part of the Business	(2,536,428,779)	(972,117,046)	(2,290,974,505)	(948,543,039)
Exempted Income	-	(187,656,760)	-	(187,656,760)
Adjustment Relating to Disallowed Items	1,373,254,592	853,600,188	358,772,016	56,778,511
Adjustment Relating to Allowed Items	(654,120,548)	(194,987,640)	(25,677,569)	(9,839,481)
Profit/(Loss) from Business	420,530,303	2,046,592,256	14,785,636	(74,610,374)
Business Income	2,277,442,968	459,052,251	14,785,636	-
Investment Income	2,005,786,689	958,758,815	1,786,611,085	911,331,493
Loss Claimed	(8,186,670)	(146,214,691)	-	(74,610,374)
Assessable Income	4,275,042,987	1,271,596,375	1,801,396,721	836,721,119
Statutory Rate	28%,24% & 14%	28%,24% & 14%	24% & 14%	24% & 14%

30.2 Deferred Tax Expenses

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Deferred Tax Assets				
Originations/Reversals during the period	95,510,926	(50,040,725)	9,138,560	-
Deferred Tax Liabilities				
Originations/Reversals during the period	(78,030,398)	210,048,988	-	-
	17,480,528	160,008,263	9,138,560	-

30.3 Current Taxation

Group tax expense is based on the taxable profit of each Company in the Group.

30.4 Following Companies exempt from income tax/liable to tax at concessionary rates

(a) Companies exempt from income tax

Company	Statute	Exemption Period
Beta Power (Pvt) Ltd	Section 17 of BOI Law no. 04 of 1978	12 Years
Joule Power (Pvt) Ltd	Section 17 of BOI Law no. 04 of 1978	12 Years
Vydexa (Lanka) Power Corporation (Pvt) Ltd	Section 17 of BOI Law no. 04 of 1978	06 Years
Melanka Power Moraketiya (Pvt) Ltd	Section 17 of BOI Law no. 04 of 1978	08 Years
Peak Power Delta (Pvt) Ltd	Section 17 of BOI Law no. 04 of 1978	07 Years
HPD Power (Pvt) Ltd	Section 17 of BOI Law no. 04 of 1978	09 Years

(b) Companies liable to tax at concessionary rates

Company	Statute	Concessionary Rate
Powergen Lanka (Pvt) Ltd	Section 02 sub section 03 (a) of Inland Revenue Act No.24 of 2017	14% p.a
Seguwanthivu Wind Power (Pvt) Ltd	Section 02 sub section 03 (a) of Inland Revenue Act No.24 of 2017	14% p.a
Vidatamunai Wind Power (Pvt) Ltd	Section 02 sub section 03 (a) of Inland Revenue Act No.24 of 2017	14% p.a
Daily Life Renewable Energy (Pvt) Ltd	Section 02 sub section 03 (a) of Inland Revenue Act No.24 of 2017	14% p.a
Energy Reclamation (Pvt) L Ltd	Section 02 sub section 03 (a) of Inland Revenue Act No.24 of 2017	14% p.a
Terraqua International (Pvt) Ltd	Section 17 of BOI Law no. 04 of 1978.	20% p.a
Terraqua Kokavita (Pvt) Ltd	Section 17 of BOI Law no. 04 of 1978	20% p.a

31. Earnings Per Share

31.1 Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net Profit/(Loss) for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year as required by LKAS - 33, Earning per share.

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Net Profit attributable to Ordinary Shareholders (LKR)	1,574,933,831	1,749,818,522	1,821,140,134	892,869,319
Weighted Average Number of Shares Outstanding during the year (Nos)	1,350,768,942	1,148,153,601	1,350,768,942	1,148,153,601
Earnings per Share (LKR)	1.17	1.52	1.35	0.78

31.2 Diluted Earnings Per Share

There were no potentially dilutive ordinary shares outstanding at any time during the year / previous year, hence diluted earnings per share is equal to the basic earnings per share.

32. Dividend Per Share

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Dividend Paid during the Year (Rs)	1,755,999,625	400,000,000	1,755,999,625	400,000,000
Weighted Average Number of Shares Outstanding during the year (Rs)	1,350,768,942	1,148,153,601	1,350,768,942	1,148,153,601
Dividend per Share (LKR)	1.30	0.35	1.30	0.35

33. Financial Instruments

33.1 Financial Assets by Categories (Company)

As at 31st March	Amortized Cost		Financial Assets at FVTPL	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Financial Instruments in Current Assets				
Trade Receivables	9,965,561	212,319,651	-	-
Amounts Due from Related Parties	547,876,845	38,845,918	-	-
Short Term Financial Assets	3,287,505,056	1,665,831,506	-	-
Cash & Cash Equivalents	832,745,470	6,915,908,162	-	-
	4,678,092,934	8,832,905,237	-	-

Fair value of loans and receivables does not significantly vary from the value based on the amortized cost methodology for the Company.

33.2 Financial Liabilities by Categories (Company) (Cont.)

As at 31st March	Other Financial Liabilities	
	2022 LKR	2021 LKR
Financial Instruments in Non-Current Liabilities		
Interest Bearing Loans & Borrowings	1,109,589,305	1,034,334,634
	1,109,589,305	1,034,334,634
Financial Instruments in Current Liabilities		
Interest Bearing Loans & Borrowings	381,592,522	248,241,260
Amounts due to Related Parties	24,879,762	342,870,022
Bank Overdraft	-	-
Trade Payables	144,876,740	32,478,718
	551,349,024	623,590,000
Total	1,660,938,329	1,657,924,634

Fair value of financial liabilities does not significantly vary from the value based on the amortized cost methodology for the company.

Accrued expenses, taxes payable and advance received that are not financial liabilities are not included.

33.3 Financial Assets by Categories (Group)

As at 31st March	Amortized Cost		Financial Assets at FVTPL	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Financial Instruments in Current Assets				
Trade Receivables	2,288,620,650	1,266,322,746	-	-
Amounts Due from Related Parties	91,729,046	53,093,964	-	-
Short Term Financial Assets	3,315,539,382	1,765,887,466	-	-
Cash & Cash Equivalents	1,321,298,427	8,459,543,027	-	-
	7,017,187,505	11,544,847,203	-	-

Fair value of loans and receivables does not significantly vary from the value based on the amortized cost methodology for the Group.

33.4 Financial Liabilities by Categories (Group) (Cont.)

As at 31st March	Other Financial Liabilities	
	2022 LKR	2021 LKR
Financial Instruments in Non-Current Liabilities		
Interest Bearing Loans & Borrowings	3,815,511,462	4,562,383,822
	3,815,511,462	4,562,383,822
Financial Instruments in Current Liabilities		
Interest Bearing Loans & Borrowings	1,150,953,877	1,297,698,221
Amounts due to Related Parties	14,171,741	39,994,202
Bank Overdraft	897,596,968	452,812,386
Trade Payables	269,793,458	145,398,117
	2,332,516,043	1,935,902,926
Total	6,148,027,505	6,498,286,748

Fair value of financial liabilities does not significantly vary from the value based on the amortized cost methodology for the Group.

Accrued expenses, taxes payable and advance received that are not financial liabilities are not included.

(34) Related Party Transactions

(34.1) Transactions maintained with Related Entities

The details of the significant Related Party Disclosure are as follows;

Name of the Related Party	Relationship	Nature of Transaction	Value of Transaction LKR	GROUP	COMPANY
				Outstanding as at 31.03.2022 LKR	Outstanding as at 31.03.2022 LKR
Akbar Brothers (Pvt) Ltd	Shareholder	Opening Balance	(26,023,360)		
		Apportionment of Cost	(4,246,755)		
		Rent & Management fee	(16,519,752)		
		Payments Made	39,269,879	(7,519,988)	(7,519,988)
Daily Life Renewable Energy (Pvt) Ltd	Subsidiary Company	Opening Balance	(53,878,975)		
		Share of Cost	117,157,803		
		Payments Made	(22,700,899)		
		Management fee	10,800,000	-	51,377,929
Beta Power (Pvt) Ltd	Subsidiary Company	Opening Balance	5,029,001		
		Share of Cost	38,525,623		
		Management Fees	18,000,000		
		Operation & Maintenance fees	40,500,000		
		Funds Received	(49,859,935)		52,194,688
Joule Power (Pvt) Ltd	Subsidiary Company	Opening Balance	5,006,151		
		Share of Cost	26,530,686		
		Management Fees	18,000,000		
		Operation & Maintenance fees	40,500,000		
		Funds Received	(35,915,235)	-	54,121,602
Nirmalapura Wind Power (Pvt) Ltd	Associate Company	Opening Balance	11,600,751		
		Management Fee	26,343,706		
		Operation & Maintenance fees	45,117,000		
		Share of Cost	38,794,219		
		Payments Received	(60,035,414)	61,820,262	61,820,262

Name of the Related Party	Relationship	Nature of Transaction	Value of Transaction LKR	GROUP	COMPANY
				Outstanding as at 31.03.2022 LKR	Outstanding as at 31.03.2022 LKR
Suryadhanavi (Pvt) Limited	Subsidiary Company	Opening Balance	-		
		Share of Cost	1,120,373		
		Management fee	12,240,000		
		Cash received	(6,606,900)		6,753,473
Hirujanani (Pvt) Limited	Subsidiary Company	Opening Balance	-		
		Share of Cost	66,523		
		Management fee	3,600,000		
		Cash received	(1,889,233)		1,777,289
Sunny Clime (Pvt) Limited	Subsidiary Company	Opening Balance	15,800		
		Share of Cost	663,813		
		Management fee	1,440,000		
		Funds received	(973,550)		
		cash settlement	2,700,000		3,846,063
Seruwawila (Pvt) Limited	Subsidiary Company	Opening Balance	15,800		
		Share of Cost	49,667		
		Management fee	1,440,000		
		Cash Transfer	2,000,000		
		Funds Received	(15,800)		3,489,667
Solar One Ceylon (Pvt) Ltd	Associate Company	Opening Balance	4,756,530		
		Management Fee	20,407,332		
		Share of Cost	3,378,866		
		Payments Received	(10,354,481)	18,188,247	18,188,247
Powergen Lanka (Pvt) Ltd	Subsidiary Company	Opening Balance	(95,802,294)		
		Share of Cost	22,338,461		
		Cash Received	(9,941,742)		
		Payments Made	99,802,294		
		Adjustment for previous balances	6,445,839		
		Management Fee	18,461,223		41,303,781

Name of the Related Party	Relationship	Nature of Transaction	Value of Transaction LKR	GROUP	COMPANY
				Outstanding as at 31.03.2022 LKR	Outstanding as at 31.03.2022 LKR
Vidatamunai Wind Power (Pvt) Ltd	Subsidiary Company	Opening Balance	(2,150,824)		
		Share of Cost	44,271,389		
		Management Fee	10,800,000		
		cash transfer	26,540,920		
		Funds Received	(34,840,000)		44,621,485
Seguwanthivu Wind Power (Pvt) Ltd	Subsidiary Company	Opening Balance	(87,111,857)		
		Share of Cost	34,123,686		
		Cash Transfer	85,611,894		
		Management fee	10,800,000		
		Payments Made	(36,260,945)		7,162,779
Vydexa Lanka Power Corporation Pvt Ltd	Subsidiary	Opening Balance	1,768,655		
		Share of Cost	229,446		
		Fund Received	(15,054,550)		
		Operation and management fee	26,098,200		
		Payments Made			13,041,751
Solar Universe (Pvt) Ltd	Associate	Opening Balance	-		
		Share of Cost	2,922,940		
		Fund Received	113,317,876		
		Payments Made	(116,140,815)		100,000
Sky Solar (Pvt) Ltd	Subsidiary	Opening Balance	-		
		Share of Cost	31,509		31,509
Renewgen (Pvt) Ltd	Subsidiary Company	Opening Balance	(51,175,968)		
		Share of Cost	4,182		
		Funds Received	(17,503,484)		
		Settlements	74,879,452		6,204,182

Name of the Related Party	Relationship	Nature of Transaction	Value of Transaction LKR	GROUP	COMPANY
				Outstanding as at 31.03.2022 LKR	Outstanding as at 31.03.2022 LKR
HPD Power (Pvt) Limited	Subsidiary Company	Opening Balance	21,571,043		
		Share of Cost	1,336,289		
		Payments Made	(29,529,094)		
		Cash Received	6,000,000		
		Management fee	1,800,000		1,178,238
PPD Power (Pvt) Ltd	Subsidiary Company	Opening Balance	6,470,725		
		Management fees	1,800,000		
		Share of Cost	662,241		
		Funds Received	(7,146,600)		1,786,366
Terraqua International (Pvt) Ltd	Subsidiary Company	Opening Balance	1,490,600		
		Management fees	1,080,000		
		Share of Cost	251,300		
		Funds Received	(16,441,650)		(13,619,750)
Terraqua Kokawita (Pvt) Ltd	Subsidiary Company	Opening Balance	2,744,708		
		Management fees	1,080,000		
		Share of Cost	853,054		
		Cash settlement	1,000,000		
		Funds Received	(7,631,415)		(1,953,653)
Melanka Power (Pvt) Ltd	Subsidiary	Opening Balance	19,548,145		
		Management fees	1,440,000		
		Share of Cost	858,325		
		Funds Transfers	30,000,000		51,846,470
Tororo PV Power Limited	Subsidiary	Opening Balance	(3,681,453)		
		Project Written off			
		cash settlement	(2,500,481)		(6,181,934)
Energy Reclamation (Pvt) Ltd	Subsidiary	Opening Balance	8,514,733		
		Management fees	1,080,000		
		Share of Cost	535,305		
		Settlements	2,500,000		
		Cash received	(8,150,337)		4,479,701

(34) RELATED PARTY TRANSACTIONS (Cont.)

(34.2) Transactions maintained with Related Entities (Cont.)

Key management personnel comprise of the Directors of the WindForce PLC and details of transactions held with them are as follows.

(i) Loans to Key Management Personnel

No Loans have been granted to the Directors of the Company.

(ii) Loans received from Key Management Personnel

No Loans have been obtained from the Directors of the Company.

(iii) Key Management Personnel Compensation

As at 31st March	GROUP		COMPANY	
	2022 LKR	2021 LKR	2022 LKR	2021 LKR
Short-term Employee Benefits- Cash	42,596,267	12,525,684	42,596,267	3,405,411
Short-term Employee Benefits- Non Cash	-	-	-	-

35. Capital Commitments And Contingent Liabilities

35.1 Capital Commitments

Company

There were no material financial commitments outstanding as at the Reporting date.

Group Companies

There were no material financial commitments outstanding as at the Reporting date.

35.2 Financial Commitments

Company

There were no material financial commitments outstanding as at the Reporting date.

Group Companies

There were no material financial commitments outstanding as at the Reporting date other than those disclosed below,

Hiruras Power (Pvt) Ltd

Supplier	Bank Name	Purpose	LC Value USD
Goldwind International Holdings	Sampath Bank LC No.498512146323	To purchase 5MW Wind turbine Power Plant	USD 2,873,767
Goldwind International Holdings	Sampath Bank LC No.498512146325	To purchase 10MW Wind turbine Power Plant	USD 5,727,034

35.3 Contingent Liabilities

Company

There were no contingent liabilities as at 31st March, 2022 other than describe below,

Sampath Bank PLC (Plaintiff) claims that they are entitled to a sum of LKR 419.2 Mn (approx) from and out of the sale proceeds of shares of Fairway Waste Management (Pvt) Ltd from the company (02nd Defendant) and Fairway Holdings (Pvt) Ltd (01st Defendant). The above case has been fixed for answer by 02nd Defendant on 27th June 2022.

Group Companies

There were no contingent liabilities as at 31st March, 2022 that require adjustment to or disclosure in the Financial Statements, other than those disclosed below,

Hiruras Power (Pvt) Ltd

Bank Name	Proposal Amount	Purpose	Company	Period
Sampath Bank	LKR 2.8 Bn	Until the finalization of Lease mortgage or Sampath Bank restructure the security requirement	Hiruras Power (Pvt) Ltd.	Period not specified
Commercial Bank PLC	USD 863,750	Importation of Crane less tools for WTG	Hiruras Power (Pvt) Ltd.	15th February 2023

Vydexa (Lanka) Power Corporation (Pvt) Ltd

The Project is constructed on a leasehold land. Approval has been granted to BOI by the Cabinet of Ministers on 17th May 2016 to transfer the said land (extent of 22.0718 HA) in Nedun Kulam, Vavuniya to the project on lease hold terms. Lease agreement with BOI is still not signed and is in the process of approval. The entire lease rental is to be paid in a single instalment based on the valuation by the government Chief valour. This valuation has not been finalized and as such the Liability is unknown.

Seguwanthivu Wind Power (Pvt) Ltd

Case No: DC Puttalam 1904/L

The above case was filed by Mr. M M Waliyubdeen against the Company, claiming that the Company had illegally occupied his land. However, as per Surveyor's report on identification of the said land, Plaintiff has instituted action mistakenly against the company.

36. Events Occurring After The Reporting Date

There have been no material events occurring after the reporting date that require adjustment to or disclosure in the Financial Statements, other than those disclosed below.

Hiruras Power (Pvt) Ltd

Due to the sudden increase in material prices in the global market, the estimated project costs of LKR 3 Bn (approx) have been increased to LKR 6.6 Bn (approx). Accordingly, the expected equity infusion is to be increased from LKR 927 Mn (approx) to LKR 1,663 Mn (approx).

However, as the Power Purchase Agreement (PPA) yet to be signed, there is expected to be an upward tariff rate revision.

Analysis of shareholders according to the number of shares as at 31st March 2022

No of Shares held	Resident			Non-Resident			Total		
	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%	Number of Shareholders	Number of Shares	%
1 to 1,000	1,683	671,952	0.05%	2	1,500	0.00%	1,685	673,452	0.05%
1,001 to 10,000	1,398	6,384,351	0.47%	3	25,000	0.00%	1,401	6,409,351	0.47%
10,001 to 100,000	731	26,724,823	1.98%	9	323,852	0.02%	740	27,048,675	2.00%
100,001 to 1,000,000	155	39,654,077	2.94%	2	716,530	0.05%	157	40,370,607	2.99%
1,000,001 and over	32	1,162,584,182	86.07%	11	113,682,675	8.42%	43	1,276,266,857	94.48%
Total	3,999	1,236,019,385	91.51%	27	114,749,557	8.49%	4,026	1,350,768,942	100.00%

Shareholders by category as at 31st March 2022

Categories of Shareholders	Number of Shareholders	Number of Shares
Individual	3,794	152,485,299
Institutional	232	1,198,283,643
Total	4,026	1,350,768,942

Twenty Major Shareholders

Shareholder	31st March 2022	
	Number of Shares	Holding %
1. Akbar Brothers Pvt Limited	485,088,559	35.91%
2. Hirdaramani Private Limited	279,211,864	20.67%
3. Debug Investments (Private) Limited	164,015,357	12.14%
4. Bbh-Tundra Sustainable Frontier Fund	70,000,000	5.18%
5. Amaliya Private Limited	44,676,827	3.31%
6. Mr. K.B.M.I. Perera	42,463,018	3.14%
7. Hirdaramani Power Private Limited	31,827,927	2.36%
8. Tea House (Private) Limited	13,092,218	0.97%
9. Mr. H.M. Udeshi	12,000,000	0.89%
10. Deutsche Bank Ag As Trustee To Assetline Income Plus Growth Fund	8,613,266	0.64%
11. Saboor Chatoor (Private) Limited	8,300,000	0.61%
12. BBH-Redwheel Frontier Markets Equity Master Fund Limited	7,600,000	0.56%
13. Mr. M.K.T. Darwazeh	7,413,761	0.55%
14. Mr. S.K.T. Darwazeh	7,413,761	0.55%
15. Employees Trust Fund Board	6,984,333	0.52%
16. Marina Blue (Private) Limited	6,969,184	0.52%
17. Quick Tea (Private) Limited	6,568,003	0.49%
18. Mouldex (Private) Limited	6,501,339	0.48%
19. Hatton National Bank Plc-NDB Wealth Growth And Income Fund	6,000,000	0.44%
20. Rosewood (Pvt) Limited	6,000,000	0.44%
Other Shareholders	130,029,525	9.63%
Total	1,350,768,942	100.00%

Computation % of Public Shareholding as at 31st March 2022

Related Companies

Name of Related Company	Number of Shares
Akbar Brothers Pvt Limited	485,088,559
Amana Bank PLC	587,102
Falcon Trading (Private) Limited	4,325,314
Quick Tea (Private) Limited	6,568,003
Rosewood (Pvt) Limited	6,000,000
Hirdaramani Private Limited	279,211,864
Hirdaramani Power Private Limited	31,827,927
Debug Investments (Private) Limited	164,015,357
Total	977,624,126

Directors Shareholding

Board of Directors	Number of Shares
Mr. R. P. Pathirana	1,963,323
Mr. A. A. Akbarally	166,145
Mr. K. B. M. I. Perera	42,463,018
Mr. Huzefa Akbarally	166,145
Mr. Hussain Akbarally	166,145
Mr. M. Najmudeen	-
Mr. V. K. Hirdaramani	186,145
Mrs. Saumya Amarasekera	-
Mr. Dilshan Hettiarachchi	332,888
Mr. Savantha De Saram	-
Spouse, Children Under/Over 18 of Director	508,435
Total	45,952,244

Chief Executive Officer

Chief Executive Officer	Number of Shares
Mr. J. B. S. L. Wimalasena	313,500

Computation % of Public Shareholding as at 31st March 2022

Issued Share Capital as at 31 March 2022	1,350,768,942
Related Companies	977,624,126
Directors Shareholding	45,443,809
Spouse, Children Under/Over 18 of Director	508,435
Chief Executive Officer	313,500
Public Holding	326,879,072
Public Holding as a % of Issued Share Capital	24.20%

Share price Information

For the year ended 31st March 2022	2022	2021
	LKR	LKR
Highest	23.00	N/A
Lowest	15.80	N/A
Closing	15.90	N/A

Summary of Income Statement	2021/2022		2020/2021		2019/2020		2018/2019		2017/2018	
	Group LKR'000	Company LKR'000								
Revenue	4,367,373	274,181	4,310,110	127,869	3,484,204	53,118	2,825,546	39,736	2,635,657	37,565
Gross Profit	2,713,204	274,181	2,754,631	127,869	2,352,757	53,118	2,011,266	39,736	1,902,380	37,565
Net Profit/(Loss) Before finance cost	2,538,446	2,281,443	2,559,213	1,058,498	2,045,681	1,324,755	1,741,420	874,906	1,709,137	893,226
Profit/(Loss) before Taxation	2,237,825	1,972,666	2,547,754	1,014,650	2,359,159	275,167	1,715,153	860,412	1,802,300	882,735
Taxation	(285,998)	(151,526)	(401,505)	(121,781)	(462,361)	(113,444)	(231,811)	(0)	(128,738)	(1,805)
Profit/(Loss) After Tax	1,951,827	1,821,140	2,146,249	892,869	1,896,798	1,161,723	1,106,949	860,412	1,277,745	880,930
Profit/(Loss) Attributable to Non Controlling Share Holders	376,893	-	396,430	-	355,883	-	376,393	-	395,817	-

Summary of Financial Position	As at 31.03.2022		As at 31.03.2021		As at 31.03.2020		As at 31.03.2019		As at 31.03.2018	
	Group LKR'000	Company LKR'000								

Capital and Reserves

Stated Capital	18,226,456	18,226,456	14,984,610	14,984,610	14,984,610	14,984,610	7,163,772	7,163,772	6,097,172	6,097,172
Pending Share Allotment	-	-	3,241,845	3,241,845	-	-	-	-	-	-
Retained Earnings	2,494,597	573,115	2,731,034	563,345	1,362,004	51,264	726,493	(93,496)	655,342	81,889
Foreign Exchange Reserve	159,423	-	1,123	-	-	-	-	-	-	-
Total Equity Attributable to Equity Holders of the Company	20,880,477	18,799,571	20,958,613	18,789,801	16,346,615	15,035,875	7,890,265	7,070,276	6,752,514	6,179,061
Non Controlling Interest	1,940,457	-	1,880,602	-	1,634,602	-	1,831,552	-	1,672,128	-
Total Equity	22,820,934	18,799,571	22,839,216	18,789,801	17,981,217	15,035,875	9,721,817	7,070,276	8,424,642	6,179,061

Asset and Liabilities

Current Assets	8,991,125	4,971,710	12,409,681	8,906,796	5,713,297	2,787,538	2,069,844	1,166,514	1,283,952	466,090
Current Liabilities	2,379,572	1,303,702	5,216,096	3,898,409	3,129,006	1,251,556	1,107,172	244,208	858,913	68,716
Net Current Assets	6,611,553	3,668,008	7,193,585	5,008,387	2,584,290	1,535,982	962,673	922,306	425,039	397,374
Property Plant and Equipment	14,629,777	59,605	15,239,784	61,058	15,275,257	57,750	8,885,884	65,249	8,494,807	66,524
Other Non Current Assets	6,827,043	16,236,835	6,383,982	14,805,834	6,192,624	14,690,115	3,988,705	6,882,502	3,103,438	5,746,730
Non Current Liabilities	5,247,439	1,164,878	5,978,135	1,085,478	6,070,954	1,247,972	4,115,444	799,781	3,598,642	31,567
Net Assets	22,820,934	18,799,571	22,839,216	18,789,801	17,981,217	15,035,875	9,721,817	7,070,276	8,424,642	6,179,061

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Name of the Company

WindForce PLC

Legal Form

Incorporated in Sri Lanka on 06 July 2010 as a Private Limited Liability Company under the provisions of Companies Act No. 7 of 2007. The legal form of the company was changed from Private Limited to a Public Limited Liability Company under provisions of the Companies Act No. 07 of 2007 on 22 April 2021.

Date of Incorporation

06 July 2010

Company Registration Number

PQ00234079

Nature of the Business

Generate and Supply Electric Power to the National Grid

Registered Office and Current Place of Business

WindForce PLC
No. 334, T.B. Jayah Mawatha,
Colombo 10.
Tel: +94 11 269 7151
Fax: +94 11 465 424
E-mail: info@windforce.lk
Web: www.windforce.lk

Board of Directors

Mr. R. P. Pathirana – Chairman
Mr. A. A. Akbarally – Deputy Chairman
Mr. K. B. M. I. Perera – Managing Director
Mr. Huzefa Akbarally
Mr. Hussain Akbarally
Mr. M. Najmudeen
Mr. V. K. Hirdaramani
Mrs. Saumya Amarasekera
Mr. Dilshan Hettiaratchi
Mr. Savantha De Saram

Company Secretary

Nexia Corporate Consultants (Private) Limited
No. 181, Nawala Road,
Colombo 05.
Tel: +94 11 451 5236
Fax: +94 11 258 7490

Auditors to the Company

B.R. De Silva & Co. (Chartered Accountants)
No. 22/4, Vijaya Kumaranatunga Mawatha,
Colombo 5.
Tel: +94 11 251 3421
Fax: +94 11 451 2404

Bankers to the Company

Commercial Bank of Ceylon PLC
DFCC Bank PLC,
Hatton National Bank PLC
Sampath Bank PLC
National Development Bank PLC
Seylan Bank PLC
Standard Chartered Bank (Sri Lanka) Limited
Hongkong and Shanghai Banking Corporation Limited
Pan Asia Banking Corporation PLC
Bank of Ceylon
Diamond Trust Bank
Standard Chartered Bank Uganda Ltd
HSBC Bank (Mauritius) Limited
Standard Chartered Bank (Mauritius)

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NOTICE IS HEREBY GIVEN that the 12th Annual General Meeting of the shareholders of WINDFORCE PLC will be held on 20th July 2022 at 3:30 p.m. by way of a virtual meeting (online/audio-visual) at WindForce PLC, No.334, T.B.Jayah Mawatha, Colombo 10.

The business to be brought forward before the meeting will be:

1. To receive and consider the Annual Report of the Directors and the Statement of Accounts for the year ended 31st March 2022 with the Report of the Auditors thereon.
 2. Re-election of Directors
 - (i) To re-elect Mr. Asgi Akbarally - Director who retires by rotation in terms of Article 78 of the Articles of Association of the Company and being eligible offers himself for the re-election.
 - (ii) To re-elect Mr. Huzefa Akbarally - Director who retires by rotation in terms of Article 78 of the Articles of Association of the Company and being eligible offers himself for the re-election.
 - (iii) To re-elect Mr. M. Najmudeen - Director who retires by rotation in terms of Article 78 of the Articles of Association of the Company and being eligible offers himself for the re-election.
 3. To re-appoint Messrs B.R.De Silva & Company, Chartered Accountants, who have consented to be re-appointed Auditors of the Company until the conclusion of the next annual general meeting and to authorize the Directors to determine their remuneration (Resolution 3)
 4. To authorize the Directors to determine donations for charities for the ensuing year.
 5. Any other business
- If thought fit to pass the following as an ordinary resolutions:

- i. **Cost escalation of the Wind Power Plant Project in Mannar 10MW + 5MW**

Reference to the Item 1.2 (Objectives of the Issue) of the Prospectus of the Initial Public Offering of the Company dated 1st March 2021, wherein it was stated that the total project cost would amount to LKR 3,090,000,000 for the 10MW+ 5MW Wind Plant in Mannar. the company wishes to state that due to sudden increases in raw material prices in the global market and the devaluation of the Sri Lankan Rupee, the estimated cost of the project has increased from LKR 3,090,000,000 to LKR 6,653,000,000. As a result, the equity infusion for the project from the company's IPO funds would increase from LKR 927,000,000 to LKR 1,663,000,000 with an expected change in Debt Equity ratio from 70:30 to 75:25.

However, as the Power Purchase Agreement (PPA) is yet to be signed, there would be an upward tariff rate revision adjusted to the USD at the indicative LKR/USD rate published by the Central Bank of Sri Lanka (CBSL), seven (07) working days prior to the signing of the PPA. As a result of the tariff revision, the project will likely see an increase in the Equity IRR to 17.1% with a Project IRR of 14% and a WACC at 13.1%.

The additional sum of LKR 736 million required will be obtained through a mix of funding using the Company's own reserves as well as the unutilised IPO funds from two projects (identified in the last quarterly report published by the Company to under Note 7), i.e., EOI Hambanthota and Tororo Phase II. The funding mix would be as follows; LKR 119 million and LKR 617 million, respectively. These two projects will be put on hold to prioritise the funding of the 10MW + 5MW Mannar WPP. (Corporate disclosure dated 18th May 2022 was published on the CSE Website relating to the above)

To give effect to the above deviation, the following resolution is proposed to be considered and if thought fit to pass as an Ordinary Resolution.

"The shareholders having noted the recommendation of the Directors that due to sudden increases in raw material prices in the global market and the devaluation of the Sri Lankan Rupee, the estimated cost of the project 10MW+ 5MW Wind Plant in Mannar from LKR 3,090,000,000 to LKR 6,653,000,000 with an increase of Debt Equity Ratio from 70:30 to 75:25, IT IS RESOLVED THAT the utilization of IPO funds as mentioned above to facilitate the project cost and the changes of the equity ratio from 70:30 to 75:25 which is in the best interest of the Company and all its shareholders be hereby approved. (Resolution 5.1)"

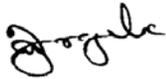
- ii. **Cost escalation of the 30MW + 7.5MW Solar Power Plant Battery Energy Storage System (BESS) in Senegal – and the opportunities available to invest in the Tororo Phase II Project.**

As mentioned in the Prospectus dated 01st March 2021 under clause 1.2, a sum of LKR 1,383,000,000 from the IPO proceeds, was to be invested in the 30MW + 7.5MW Solar and Battery Energy Storage System (BESS) in Senegal. With the current economic situation and the demanding tariff condition, this project has seen a significant escalation the project cost thus rendering the investment as unfeasible. However, the Directors have recognised the business potential and growth in the expansion of the Tororo PV solar power plant in Uganda, and propose the said proceeds be allocated to fund this project instead. The Tororo Phase II project commits to add an additional 30MW of solar power to the already existing plant, of which the Company holds a 80% stake.

Accordingly, it is proposed to consider and if thought fit, pass the following resolution by way of an Ordinary Resolution.

“The Shareholders having noted that the Company had indicated under Clause 1.2 of the prospectus dated 01st March 2021, that a sum of LKR 1,383,000,000 of the IPO funds would be utilized for the 30MW Solar and 7.5MW Battery Energy Storage System (BESS) in Senegal – and subsequently as recommended by the Board of Directors, IT IS RESOLVED THAT the Company is hereby authorised to invest the IPO funds amounting to LKR 1,383,000,000 in the equity of the project “TORORO PHASE II”, which would be a more profitable venture than investing in the Solar and BESS in Senegal – and is in the best interest of the Company and all its shareholders.”

By order of the Board,



Nexia Corporate Consultants (Pvt) Ltd
Secretaries

Colombo
27th June 2022

Notes:

1. A shareholder who is entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote (on-line) on behalf of him/her.
2. A proxy need not be a shareholder of the Company.
3. A Form of Proxy accompanies this notice.

WINDFORCE PLC
ANNUAL GENERAL MEETING

FORM OF PROXY - VOTING SHAREHOLDER

I/We (full name of shareholder and names of joint holder/s, if any) of

(Address of main shareholder)

being a Member/s of WINDFORCE PLC hereby appoint (Full name of Proxy Holder) Mr/Mrs/Ms

.....
or failing him/her;

- | | |
|-----------------------|----------------|
| Mr. R.P. Pathirana | or failing him |
| Mr. A.A. Akbarally | or failing him |
| Mr. K.B.M.I. Perera | or failing him |
| Mr. Hussain Akbarally | or failing him |
| Mr. Huzefa Akbarally | or failing him |
| Mr. V.K. Hirdaramani | or failing him |
| Mr. M. Najmudeen | or failing him |
| Mr. D. Hettiaratchi | or failing him |
| Mr. S. De Saram | or failing her |
| Ms. S. Amarasekara | |

as my /our Proxy to attend and vote for me/us on my/our behalf at the 12th Annual General Meeting of the Company to be held on 20th July 2022 at 3:30 p.m. and at any adjournment thereof.

Mark your preference with "X"

Resolutions

	For	Against
Resolution 1	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.1	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.2	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2.3	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5.1	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5.2	<input type="checkbox"/>	<input type="checkbox"/>

Signed on this day of 2022.

.....
Signatures

.....
NIC/ Passport No.

