



**Interim Financial Statements  
Nine months ended 31<sup>st</sup> December 2017**

**Ceylon Hotels Corporation PLC**

A Member of the Galle Face Hotel Group

# Ceylon Hotels Corporation PLC



CORPORATE INFORMATION

## Stock Exchange Listing

The Ordinary Shares of the Corporation are listed with the Colombo Stock Exchange of Sri Lanka

## Directors

Lakshman Samarasinghe - Chairman  
Sanjeev Gardiner  
Priyantha Maddumage  
Kuvera De Zoysa  
Mangala Boyagoda  
Kamantha Amarasekera  
Wasantha Wimalaweera  
Ajith Devasurendra  
Ranil Pathirana

Chethiya Perera - resigned w.e.f 31<sup>st</sup> December 2017  
Shalike Karunasena - appointed w.e.f 23<sup>rd</sup> December 2017

## Secretaries

Accounting Systems Secretarial Services (Pvt) Limited  
Level 03, No 11, Castle Lane, Colombo 04.

## Registered Office

Ceylon Hotels Corporation PLC  
No 327, Union Place Colombo 02.  
Company Registration No PB 3283  
Telephone:- 011 2449168/ 011 2421847 /011 5634573 / 011 5634649  
Fax : 011 5345875

## Auditors

KPMG  
Chartered Accountants  
No 32A, Sir Mohamed Macan Markar Mw.,Colombo 03.

## Hotel Reservations

Ceylon Hotels Corporation PLC  
Regency Wing - Galle Face Hotel  
No 02, Galle Road, Colombo 3  
Tel: 011 5585858 Fax : 011 5345882  
Email : sales@ceylonhotels.net  
Website : www.chcresorts.com

## Ceylon Hotels Corporation PLC



### INCOME STATEMENT

	Group				Company				Variance
	Three months ended 31 <sup>st</sup> December		Nine months ended 31 <sup>st</sup> December		Three months ended 31 <sup>st</sup> December		Nine months ended 31 <sup>st</sup> December		Group
	2017 (Rs.'000')	2016 (Rs.'000')	2017 (Rs.'000')	2016 (Rs.'000')	2017 (Rs.'000')	2016 (Rs.'000')	2017 (Rs.'000')	2016 (Rs.'000')	%
<b>Revenue</b>	363,730	365,752	1,033,336	1,072,781	2,131	2,221	6,488	7,741	(4)
Cost of sales	(100,672)	(99,102)	(292,575)	(307,699)	(2,120)	(2,209)	(6,452)	(7,695)	5
<b>Gross profit</b>	<b>263,059</b>	<b>266,650</b>	<b>740,761</b>	<b>765,082</b>	<b>11</b>	<b>11</b>	<b>36</b>	<b>46</b>	<b>(3)</b>
Other income	269	7,406	800	14,218	788	3,618	39,631	444,489	(94)
Distribution expenses	(23,525)	(19,118)	(58,299)	(51,477)	-	(228)	-	(910)	(13)
Administration expenses	(234,322)	(219,240)	(670,927)	(640,751)	(2,462)	(4,251)	(6,570)	(14,055)	(5)
Other Operating expenses	-	(205)	(61)	(781)	-	-	-	-	92
<b>Profit/(Loss)from operations</b>	<b>5,480</b>	<b>35,493</b>	<b>12,274</b>	<b>86,290</b>	<b>(1,664)</b>	<b>(850)</b>	<b>33,096</b>	<b>429,569</b>	<b>86</b>
Finance income	726	4,839	5,526	6,989	-	-	-	-	(21)
Finance costs	(52,656)	(18,174)	(138,353)	(48,861)	(16,742)	(15,998)	(51,778)	(25,660)	(183)
Net finance costs	(51,930)	(13,335)	(132,827)	(41,873)	(16,742)	(15,998)	(51,778)	(25,660)	(217)
Share of profit joint venture	13,584	(913)	11,545	(14,466)	-	-	-	-	180
<b>Profit/ (Loss) before income tax</b>	<b>(32,865)</b>	<b>21,245</b>	<b>(109,008)</b>	<b>29,952</b>	<b>(18,406)</b>	<b>(16,848)</b>	<b>(18,682)</b>	<b>403,909</b>	<b>464</b>
Income tax	(12,099)	(7,015)	(32,533)	(37,372)	(7,715)	-	(7,715)	-	13
<b>Profit/ (Loss) for the period</b>	<b>(44,964)</b>	<b>14,230</b>	<b>(141,541)</b>	<b>(7,421)</b>	<b>(26,121)</b>	<b>(16,848)</b>	<b>(26,397)</b>	<b>403,909</b>	<b>(1807)</b>
<b>Profit/(Loss) attributable to:</b>									
Equity holders of the Company	(47,712)	(1,626)	(147,040)	(32,358)	(26,121)	(16,848)	(26,397)	403,909	(354)
Non Controlling Interest	2,748	15,857	5,499	24,937	-	-	-	-	78
<b>Profit for the period</b>	<b>(44,964)</b>	<b>14,230</b>	<b>(141,541)</b>	<b>(7,421)</b>	<b>(26,121)</b>	<b>(16,848)</b>	<b>(26,397)</b>	<b>403,909</b>	<b>(1807)</b>
<b>Earnings/(Loss) per Share</b>	<b>(0.27)</b>	<b>(0.01)</b>	<b>(0.82)</b>	<b>(0.19)</b>	<b>(0.15)</b>	<b>(0.10)</b>	<b>(0.15)</b>	<b>2.35</b>	<b>(334)</b>

Note: The above figures for the nine months ended 31<sup>st</sup> December 2017 are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

# Ceylon Hotels Corporation PLC

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group				Company			
	Three months ended 31 <sup>st</sup> December		Nine months ended 31 <sup>st</sup> December		Three months ended 31 <sup>st</sup> December		Nine months ended 31 <sup>st</sup> December	
	2017 (Rs. '000')	2016 (Rs. '000')	2017 (Rs. '000')	2016 (Rs. '000')	2017 (Rs. '000')	2016 (Rs. '000')	2017 (Rs. '000')	2016 (Rs. '000')
Profit/ (Loss) for the period	(44,964)	14,230	(141,541)	(7,421)	(26,121)	(16,848)	(26,397)	403,909
<b>Other comprehensive income</b>								
Effects of translations of foreign operations	(327)	7,973	5,446	11,612	-	-	-	-
<b>Other comprehensive income for the period, net of tax</b>	<b>(45,291)</b>	<b>22,203</b>	<b>(136,095)</b>	<b>4,191</b>	<b>(26,121)</b>	<b>(16,848)</b>	<b>(26,397)</b>	<b>403,909</b>
<b>Profit/(Loss) attributable to:</b>								
Equity holders of the company	(34,502)	(1,626)	(147,040)	(32,358)	(26,121)	(16,848)	(26,397)	403,909
Non Controlling Interest	(10,462)	15,857	5,499	24,937	-	-	-	-
<b>Profit for the period</b>	<b>(44,964)</b>	<b>14,230</b>	<b>(141,541)</b>	<b>(7,421)</b>	<b>(26,121)</b>	<b>(16,848)</b>	<b>(26,397)</b>	<b>403,909</b>
<b>Total Comprehensive Income attributable to :</b>								
Owners of the Company	(34,829)	11,485	(141,594)	(20,746)	(26,121)	(16,848)	(26,397)	403,909
Non Controlling Interest	(10,462)	10,718	5,499	24,937	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>(45,291)</b>	<b>22,203</b>	<b>(136,095)</b>	<b>4,191</b>	<b>(26,121)</b>	<b>(16,848)</b>	<b>(26,397)</b>	<b>403,909</b>

**Ceylon Hotels Corporation PLC**  
STATEMENT OF FINANCIAL POSITION



As at	Group			Company		
	31.12.2017 (Rs.'000')	31.12.2016 (Rs.'000')	31.03.2017 (Rs.'000')	31.12.2017 (Rs.'000')	31.12.2016 (Rs.'000')	31.03.2017 (Rs.'000')
<b>ASSETS</b>						
<b>Non- Current Assets</b>						
Property, plant & equipment	8,724,050	7,870,899	8,722,562	507	720	667
Intangible assets	509,951	502,480	509,506	-	13	-
Lease hold right over land	324,850	268,868	293,405	-	-	-
Investments in subsidiary companies	-	-	-	909,648	539,015	909,648
Investments in joint venture	443,467	388,792	431,922	302,788	256,614	302,788
Investment property	-	-	-	156,565	174,198	156,565
Deferred conversion fee	177,441	177,689	177,718	-	-	-
	<b>10,179,759</b>	<b>9,208,728</b>	<b>10,135,112</b>	<b>1,369,509</b>	<b>970,558</b>	<b>1,369,668</b>
<b>Current Assets</b>						
Inventories	94,042	82,847	84,192	-	-	-
Trade & other receivables	296,303	253,649	334,955	5,863	13,437	7,249
Amounts due from related companies	188,293	86,140	40,359	362,654	433,395	136,697
Assets held for sale	75,172	200,771	75,172	86,178	211,777	86,178
Investment In REPO	-	69,192	19,939	-	-	-
Cash & cash equivalents	324,796	69,230	71,560	320	4,111	5,508
	<b>978,605</b>	<b>761,830</b>	<b>626,177</b>	<b>455,015</b>	<b>662,720</b>	<b>235,631</b>
<b>TOTAL ASSETS</b>	<b>11,158,364</b>	<b>9,970,558</b>	<b>10,761,289</b>	<b>1,824,523</b>	<b>1,633,278</b>	<b>1,605,299</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Stated capital	370,326	198,501	198,501	370,326	198,501	198,501
Reserves	4,966,433	4,427,038	5,019,874	380,085	407,024	380,085
Accumulated profit /(losses)	1,265,660	1,370,722	1,630,980	156,837	484,696	355,059
<b>Total equity attributable to equityholders of the company</b>	<b>6,602,419</b>	<b>5,996,261</b>	<b>6,849,355</b>	<b>907,249</b>	<b>1,090,222</b>	<b>933,646</b>
Non controlling interest	2,151,671	2,095,401	2,058,423	-	-	-
	2,151,671	2,095,401	2,058,423	-	-	-
<b>Total equity</b>	<b>8,754,090</b>	<b>8,091,662</b>	<b>8,907,778</b>	<b>907,249</b>	<b>1,090,222</b>	<b>933,646</b>
<b>Non-current liabilities</b>						
Interest bearing borrowings	1,185,743	353,987	695,743	-	-	-
Employee benefits	19,454	21,771	15,703	5,929	5,821	6,243
Deferred tax liabilities	254,230	294,968	263,251	-	-	-
Lease rent equalisation account	69,014	53,125	52,877	-	-	-
	<b>1,528,440</b>	<b>723,851</b>	<b>1,027,574</b>	<b>5,929</b>	<b>5,821</b>	<b>6,243</b>
<b>Current Liabilities</b>						
Trade and other payables	327,993	656,208	372,670	17,667	19,424	10,168
Interest bearing borrowings	202,842	173,108	179,434	-	-	-
Non interest bearing borrowings	1,802	1,802	1,802	1,522	1,522	1,522
Amounts due to related companies	97,178	209,156	161,621	86,659	91,120	87,359
Related party interest bearing borrowings	-	-	-	805,249	423,481	565,810
Income tax payable	10,659	13,648	21,234	-	242	121
Bank overdrafts	235,360	101,124	89,177	248	1,446	431
	<b>875,834</b>	<b>1,155,046</b>	<b>825,938</b>	<b>911,346</b>	<b>537,235</b>	<b>665,410</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>11,158,364</b>	<b>9,970,558</b>	<b>10,761,289</b>	<b>1,824,523</b>	<b>1,633,278</b>	<b>1,605,299</b>
<b>Net Assets per Share (Rs.)</b>	36.67	34.90	39.86	5.04	6.34	5.43

Note: The above figures for the nine months ended 31<sup>st</sup> December 2017 are provisional and subject to Audit.  
Figures in brackets indicate deductions.  
All values are in Rupees Thousands unless otherwise stated.

I certify that the Financial Statements comply with the requirements of the Companies Act No. 07 of 2007.

Sgd  
P Sivatheesh  
Financial Controller

Sgd  
Lakshman Samarasinghe  
Chairman

Sgd  
Shalike Karunasena  
Director

# Ceylon Hotels Corporation PLC



## STATEMENT OF CHANGES IN EQUITY - COMPANY

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	Fair Reserve (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total Equity (Rs.'000')
<b>Balance as at 01<sup>st</sup> April 2016</b>	1,220,426	8,128	107,758	205,239	166,718	(1,021,957)	686,312
Profit / (Loss) for the Period	-	-	-	-	-	247,606	247,606
Net Actuarial Gain	-	-	-	-	-	(273)	(273)
<b>Total Comprehensive Income</b>	-	-	-	-	-	247,334	247,334
<b>Transaction with owners of the company, recognized directly in equity</b>							
Transfer to retained earnings	-	-	(107,758)	-	-	107,758	-
Reduction in stated capital	(1,021,925)	-	-	-	-	1,021,925	-
Total transaction with owners of the company	(1,021,925)	-	(107,758)	-	-	1,129,683	-
<b>Balance as at 31<sup>st</sup> March 2017</b>	198,501	8,128	-	205,239	166,718	355,059	933,646
Profit / (Loss) for the Period	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	(26,397)	(26,397)
<b>Transaction with owners of the company, recognized directly in equity</b>							
Transfer to retained earnings	-	-	-	-	-	-	-
Script dividend paid	171,825	-	-	-	-	(171,825)	-
Total transaction with owners of the company	171,825	-	-	-	-	(171,825)	-
<b>Balance as at 31<sup>st</sup> December 2017</b>	370,326	8,128	-	205,239	166,718	156,837	907,249

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	Fair Reserve (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total Equity (Rs.'000')
<b>Balance as at 01<sup>st</sup> April 2015</b>	1,220,426	8,128	219,250	205,239	166,718	(1,146,468)	673,293
Net Profit / (Loss) for the Period	-	-	-	-	-	12,317	12,317
<b>Other Comprehensive Income</b>							
Actuarial gain / (loss)	-	-	-	-	-	702	702
<b>Total Comprehensive Income</b>	-	-	-	-	-	13,019	13,019
<b>Transaction with owners of the company, recognized directly in equity</b>							
Transfer to Retained Earnings	-	-	(111,493)	-	-	111,493	-
Total Transaction with owners of the company	-	-	(111,493)	-	-	111,493	-
<b>Balance as at 31<sup>st</sup> March 2016</b>	1,220,426	8,128	107,758	205,239	166,718	(1,021,957)	686,312
Net Profit / (Loss) for the Period	-	-	-	-	-	403,909	403,909
<b>Total Comprehensive Income</b>	-	-	-	-	-	403,909	403,909
<b>Transaction with owners of the company, recognized directly in equity</b>							
Transfer to Retained Earnings	-	-	(80,818)	-	-	80,818	-
Reduction in Stated Capital	(1,021,925)	-	-	-	-	1,021,925	-
Total Transaction with owners of the company	(1,021,925)	-	(80,818)	-	-	1,102,743	-
<b>Balance as at 31<sup>st</sup> December 2016</b>	198,501	8,128	26,939	205,239	166,718	484,696	1,090,222

Note : The above figures for the nine months ended 31<sup>st</sup> December 2017 are provisional and subject to Audit.  
 Figures in brackets indicate deductions.  
 All values are in Rupees Thousands unless otherwise stated.

# Ceylon Hotels Corporation PLC



## STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	Translation Reserve (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total (Rs.'000')	Minority Interest (Rs.'000')	Total Equity (Rs.'000')
<b>Balance as at 01<sup>st</sup> April 2016</b>	1,220,426	8,128	4,759,319	(263)	167,080	(3,876)	6,150,814	1,640,084	7,790,898
Profit / (Loss) for the period	-	-	-	-	-	(110,840)	(110,840)	52,294	(58,546)
Other comprehensive income	-	-	628,500	8,346	-	1,788	638,634	244,641	883,275
<b>Total comprehensive income</b>	-	-	628,500	8,346	-	(109,052)	527,794	296,935	824,728
<b>Transaction with owners of the company, recognized directly in equity</b>									
Transfer to retained earnings	-	-	(173,189)	-	-	173,189	-	-	-
Effect of changes in holding percentage without change in control	-	-	(378,047)	-	-	548,794	170,748	166,743	337,490
Ordinary share dividend paid to minority	-	-	-	-	-	-	-	(45,301)	(45,301)
Reduction in stated capital	(1,021,925)	-	-	-	-	1,021,925	-	-	-
Preference share dividend paid to minority	-	-	-	-	-	-	-	(38)	(38)
<b>Total transaction with owners of the company</b>	<b>(1,021,925)</b>	<b>-</b>	<b>(551,236)</b>	<b>-</b>	<b>-</b>	<b>1,743,908</b>	<b>170,748</b>	<b>121,404</b>	<b>292,151</b>
<b>Balance as at 31<sup>st</sup> March 2017</b>	198,501	8,128	4,836,583	8,084	167,080	1,630,980	6,849,355	2,058,423	8,907,778
Profit / (Loss) for the Period	-	-	-	5,446	-	(147,040)	(141,594)	5,499	(136,095)
<b>Total Comprehensive Income</b>	-	-	-	5,446	-	(147,040)	(141,594)	5,499	(136,095)
<b>Transaction with owners of the company, recognized directly in equity</b>									
Transfer to retained earnings	-	-	(48,884)	-	-	48,884	-	-	-
Effect of changes in holding percentage without change in control	-	-	(10,003)	-	-	(95,339)	(105,342)	105,342	-
Script dividend paid	171,825	-	-	-	-	(171,825)	-	-	-
Ordinary share dividend paid to minority	-	-	-	-	-	-	-	(17,593)	(17,593)
<b>Total transaction with owners of the company</b>	<b>171,825</b>	<b>-</b>	<b>(58,888)</b>	<b>-</b>	<b>-</b>	<b>(218,280)</b>	<b>(105,342)</b>	<b>87,749</b>	<b>(17,593)</b>
<b>Balance as at 31<sup>st</sup> December 2017</b>	370,326	8,128	4,777,696	13,529	167,080	1,265,660	6,602,419	2,151,671	8,754,090

## STATEMENT OF CHANGES IN EQUITY - GROUP

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	Translation Reserve (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total Equity (Rs.'000')	Minority Interest (Rs.'000')	Total Equity (Rs.'000')
<b>Balance as at 01<sup>st</sup> April 2015</b>	1,220,426	8,128	4,919,962	-	167,080	(464,532)	5,851,064	1,441,688	7,292,751
Profit / (Loss) for the Period	-	-	-	-	-	3,638	3,638	59,021	62,659
Other Comprehensive Income	-	-	-	(263)	-	89,352	89,090	(548)	88,541
<b>Total Comprehensive Income</b>	-	-	-	(263)	-	92,990	92,728	58,473	151,200
<b>Transaction with owners of the company, recognized directly in equity</b>									
Effect of acquisition of subsidiaries with NCI	-	-	-	-	-	-	-	(125,932)	(125,932)
Transfer to/(from) Reserves	-	-	(160,643)	-	-	160,643	-	-	-
Effect of changes in holding percentage without change in control	-	-	-	-	-	207,023	207,023	292,978	500,001
Ordinary Share Dividend paid to minority	-	-	-	-	-	-	-	(27,102)	(27,102)
Preference Share Dividend paid to minority	-	-	-	-	-	-	-	(20)	(20)
<b>Total Transaction with owners of the company</b>	<b>-</b>	<b>-</b>	<b>(160,643)</b>	<b>-</b>	<b>-</b>	<b>367,666</b>	<b>207,023</b>	<b>139,923</b>	<b>346,946</b>
<b>Balance as at 31<sup>st</sup> March 2016</b>	1,220,426	8,128	4,759,319	(263)	167,080	(3,875)	6,150,814	1,640,084	7,790,898
Profit / (Loss) for the Period	-	-	-	11,612	-	(32,358)	(20,746)	24,937	4,191
<b>Total Comprehensive Income</b>	-	-	-	11,612	-	(32,358)	(20,746)	24,937	4,191
<b>Transaction with owners of the company, recognized directly in equity</b>									
Effect of changes in holding percentage without change in control	-	-	(388,946)	-	-	255,139	(133,808)	471,157	337,349
Transfer to/(from) Reserves	-	-	(129,892)	-	-	129,892	-	-	-
Reduction in Stated Capital	(1,021,925)	-	-	-	-	1,021,925	-	-	-
Preference Share Dividend paid to minority	-	-	-	-	-	-	-	(40,776)	(40,776)
<b>Total Transaction with owners of the company</b>	<b>(1,021,925)</b>	<b>-</b>	<b>(518,838)</b>	<b>-</b>	<b>-</b>	<b>1,406,955</b>	<b>(133,808)</b>	<b>430,381</b>	<b>296,573</b>
<b>Balance as at 31<sup>st</sup> December 2016</b>	198,501	8,128	4,240,481	11,349	167,080	1,370,722	5,996,261	2,095,401	8,091,662

# Ceylon Hotels Corporation PLC

## STATEMENT OF CASH FLOWS



For the nine months ended 31 <sup>st</sup> December	Group		Company	
	2017 (Rs. '000')	2016 (Rs. '000')	2017 (Rs. '000')	2016 (Rs. '000')
<b>Net Profit /(Loss) before taxation</b>	<b>(109,008)</b>	<b>29,952</b>	<b>(18,682)</b>	<b>403,909</b>
Adjustments for:				
Depreciation	139,567	141,502	159	159
Provision for Gratuity	5,129	6,527	282	301
Finance Cost	138,353	48,861	51,778	25,660
Share of results of equity accounted investee	(11,545)	14,466	-	-
Interest Income	(5,526)	(6,989)	-	-
Amortization of lease hold right over land	8,790	3,392	-	-
Dividend received	-	-	(36,141)	(94,680)
Amotization of intangible assets	1,126	1,600	-	4
Loss on Disposal of Property, Plant & Equipment	254	2,866	-	-
Profit on disposal of subsidiary	-	-	-	(337,349)
Other operating income	(800)	(14,218)	(3,490)	(12,460)
<b>Operating Profit before Working Capital Changes</b>	<b>166,341</b>	<b>227,960</b>	<b>(6,094)</b>	<b>(14,457)</b>
(Increase) / decrease in inventories	(9,850)	(16,431)	-	-
(Increase) / decrease in trade debtors & other receivables	38,929	(5,469)	1,386	(4,423)
(Increase)/decrease in amounts due from related companies	(147,934)	165,292	(225,957)	(358,967)
Increase / (decrease) in trade creditors & other payables	(28,540)	(568,161)	7,499	(46)
Increase/(decrease) in amounts due to related companies	(64,443)	36,593	238,740	(45,518)
<b>Cash generated from operations</b>	<b>(45,498)</b>	<b>(160,217)</b>	<b>15,574</b>	<b>(423,410)</b>
Income tax paid	(52,197)	(51,037)	(7,838)	(730)
Finance expenses paid	(138,353)	(48,861)	(51,778)	(25,660)
Other operating income	800	14,218	3,490	12,460
Gratuity Paid	(1,378)	(1,678)	(595)	(606)
<b>Net cash inflow from operating activities</b>	<b>(236,625)</b>	<b>(247,575)</b>	<b>(41,148)</b>	<b>(437,945)</b>
<b>Cash flow from/(used in) investing activities</b>				
Acquisition of property, plant & equipment	(141,242)	(240,134)	0	-
Acquisition of Leasehold rights over land	(34,289)	-	-	-
Dividend income	-	-	36,141	94,680
Exchange equalation	(501)	1,368	-	-
Interest received	5,526	6,989	-	-
Addition of intangible assets	(1,571)	(832)	-	-
Proceed from disposal of shares	-	337,490	-	337,490
<b>Net cash flow from/(used in) investing activities</b>	<b>(172,077)</b>	<b>104,880</b>	<b>36,141</b>	<b>432,170</b>
<b>Net cash inflow/(outflow) before financing activities</b>	<b>(408,702)</b>	<b>(142,695)</b>	<b>(5,007)</b>	<b>(5,775)</b>
<b>Cash flow from/(used in) financing activities</b>				
Dividend paid to minority	(17,593)	(40,776)	-	-
Repayment / increase in interest bearing borrowings	513,409	(79,072)	-	-
<b>Net cash flow from (used in) financing activities</b>	<b>495,816</b>	<b>(119,848)</b>	<b>-</b>	<b>-</b>
<b>Net Increase/(decrease) in cash &amp; cash equivalents</b>	<b>87,114</b>	<b>(262,543)</b>	<b>(5,007)</b>	<b>(5,775)</b>
Net cash & cash equivalents at the beginning of the period	2,322	299,843	5,077	8,441
<b>Net cash &amp; cash equivalents as at 31<sup>st</sup> December</b>	<b>89,436</b>	<b>37,300</b>	<b>71</b>	<b>2,666</b>
Analysis of Net cash & cash Equivalents as at 31 <sup>st</sup> December				
cash & cash equivalents	324,796	138,423	320	4,111
Bank overdraft	(235,360)	(101,124)	(248)	(1,446)
<b>Net cash &amp; cash equivalents as at 31<sup>st</sup> December</b>	<b>89,436</b>	<b>37,300</b>	<b>71</b>	<b>2,666</b>

Note : The above figures for the nine months ended 31<sup>st</sup> December 2017 are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.



# Ceylon Hotels Corporation PLC

## NOTES TO INTERIM FINANCIAL STATEMENTS



**1) Basis of preparation**

The interim condensed financial statements have been prepared in compliance with Sri Lanka Accounting Standard (SLAS) LKAS 34-Interim Financial Reporting. These interim statements should be read in conjunction with the annual financial statements for the year ended 31<sup>st</sup> March 2017.

**2) Investment in Subsidiaries and Joint ventures**

As at the Balance sheet date, The Kandy Hotels Company (1938) PLC, United Hotels Company Ltd, Tissa Resort (Pvt) Ltd , CHC Foods (Pvt) Ltd, Suisse Hotel (Pvt) Ltd, Ceylon Hotel Maldives (Pvt) Ltd are subsidiaries companies of the company and CHC Rest Houses (Pvt) Ltd and Suisse Hotel Kandy (Pvt) Ltd are joint ventures for the CHC Group.

**3) Stated Capital**

The number of shares representing the stated capital is 180,030,942 ordinary shares and 1,200,000 of 6% non cumulative preference shares as at 31<sup>st</sup> December 2017.

**4) Operating Segment**

A segment is a distinguishable component of an enterprise that is engaged in either providing products or services (Business Segment) or in providing products or services within a particular economic environment (Geographical Segment), which is subject to risks & rewards that are different from those of the segment. However, there are no distinguishable components to be identified as segment for the company.

**5) Dividends**

Company paid a final dividend of Rs 1/- per share for the financial year ended 31<sup>st</sup> March 2017 in the form of scrip dividend, which was approved by the shareholders at the Annual General Meeting held on 27<sup>th</sup> September 2017. Accordingly Ceylon Hotels Corporation PLC issued 8,205,541 ordinary voting shares on 06<sup>th</sup> October 2017, in the proportions of 1:20.940167260.

**6) Contingent Liabilities**

a) There have not been any significant changes in the nature of contingent liabilities which were disclosed in the annual report for the year ended 31<sup>st</sup> March 2017.

b) The Company has issued following Corporate Guarantees on behalf of its subsidiaries:

<u>Subsidiary</u>	<u>In favour of</u>	<u>Amount - Rs'000</u>
Kandy Hotels Co (1938) PLC	Sampath Bank PLC	600,000
United Hotels Co Ltd	Commercial Bank PLC	75,000
United Hotels Co Ltd	Cargills Bank Ltd	350,000

**7) Subsequent Events**

On 06<sup>th</sup> February 20018, Its Group Company Ceylon Hotels Maldives (Pvt) Ltd (CHML) has entered in to a 50:50 Joint venture agreement with Zhen Hua Engineering Company Limited (ZHEC), a Group company of the China Harbour Engineering Co Ltd. In terms of aforesaid joint venture CHML & ZHEC have agreed to develop a 85 to 100 room resort on Ambara Island in the Maldives. The approximate investment in this regard will be USD 50 Million. Market announcement in this regard made on 06<sup>th</sup> February 2018.

# Ceylon Hotels Corporation PLC

## SHARE INFORMATION



1. The Public shareholding as at 31<sup>st</sup> December 2017- 28.62%
2. Number of public shareholders as at 31<sup>st</sup> December 2017- 6,993
3. Directors shareholding as at 31<sup>st</sup> December 2017

Name of Director	Ledger	CDS	Total
Lakshman Samarasinghe - Chairman	137	5453	5590
Sanjeev Gardiner	Nil	Nil	Nil
Priyantha Maddumage	Nil	1	1
Kuvera De Zoysa	Nil	Nil	Nil
Mangala Boyagoda	Nil	Nil	Nil
Kamantha Amarasekera	Nil	Nil	Nil
WasanthaWimalaweera	Nil	Nil	Nil
Ajith Devasurendra	Nil	Nil	Nil
Ranil Pathirana	Nil	Nil	Nil
Shalike Karunasena	Nil	Nil	Nil

4. Top 20 ordinary shareholders as at 31<sup>st</sup> December 2017

Name	Position	No of Shares	%
National Development Bank PLC/ Ceylon Hotels Holdings	1	60,245,919	33.46
Ceylon Hotels Holdings (Pvt) Ltd	2	37,994,096	21.10
Employees Provident Fund	3	21,519,334	11.95
Roeswood (Pvt) Limited- Account No. 1	4	18,763,003	10.42
Seylan Bank PLC/Arcc Capital (Pvt) Ltd (Collateral)	5	10,791,878	5.99
Seylan Bank Ltd/The Galle Face Hotel Co .Ltd	6	10,365,500	5.76
Bank of Ceylon - No 2	7	5,008,269	2.78
National Savings Bank	8	3,975,017	2.21
Associated Electrical Corporation Limited	9	1,053,883	0.59
Hotel International Ltd	10	1,048,230	0.58
Mrs C A D S Woodward	11	723,173	0.40
Sithlanka (Pvt) Ltd	12	447,706	0.25
Kanishka Nuwan Karunaratne	13	401,600	0.22
Seylan Bank PLC/Arcc Capital (Pvt) Ltd	14	267,178	0.15
Sunshine Holdings PLC	15	234,662	0.13
Phoenix Ventures (Pvt) Limited	16	209,551	0.12
Rockport Limited	17	192,855	0.11
Union Bank of Colombo PLC/Sithampalam Abishek	18	148,572	0.08
Sheik Mohamed Hassan Mohamed	19	139,146	0.08
Cocoshell Activated Carbon Co Ltd	20	133,589	0.07
<b>Sub total</b>		<b>173,663,161</b>	<b>96.46</b>
Balance held by others		6,367,781	3.54
<b>Total number of shares</b>		<b>180,030,942</b>	<b>100.00</b>

- 5) Market Price per Share for the quarter ended 31<sup>st</sup> December 2017

	2017 (Rs.)	2016 (Rs.)
Highest Market Price	19.50	23.50
Lowest Market Price	14.50	19.00
Last Traded Price	15.50	20.30