

**Interim Financial Statements**  
**Six months ended 30<sup>th</sup> September 2018**

**The Kandy Hotels Company (1938) PLC**  
A Member of the Galle Face Hotel Group

# **THE KANDY HOTELS COMPANY (1938) PLC**

## **CORPORATE INFORMATION**

### **Stock Exchange Listing**

The Ordinary Shares of the Company are listed on the  
Colombo Stock Exchange of Sri Lanka

### **Directors**

Sanjeev Gardiner - Chairman  
Lakshman Samarasinghe  
Priyantha Maddumage  
Charitha Ratwatte  
Lakshman Sirimanne  
Nahil Wijesuriya  
Chandra Mohotti  
Pradeep Nilanga Dela  
Ranjith Gunatilleke

### **Secretaries**

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

### **Auditors**

Ernst & Young  
Chartered Accountants  
201, De Saram Place, Colombo 10

### **Registered Office**

The Kandy Hotels Company (1938) PLC  
Hotel Suisse,  
No. 30, Sangaraja Mawatha, Kandy  
Company Registration No. PQ 201

### **Hotel Reservations**

Ceylon Hotels Corporation PLC  
Regency Wing - Galle Face Hotel  
02, Galle Road, Colombo 3  
Tel: 011 5585858 Fax : 011 5345882  
Email : sales@ceylonhotels.net  
Website : [www.queenshotel.lk/www.hotelsuisse.lk](http://www.queenshotel.lk/www.hotelsuisse.lk)

**THE KANDY HOTELS COMPANY (1938) PLC**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Group				Company				Variance
	Three Months Ended 30 <sup>th</sup> September		Six Months Ended 30 <sup>th</sup> September		Three Months Ended 30 <sup>th</sup> September		Six Months Ended 30 <sup>th</sup> September		
	2018 Rs. '000'	2017 Rs. '000'	2018 Rs. '000'	2017 Rs. '000'	2018 Rs. '000'	2017 Rs. '000'	2018 Rs. '000'	2017 Rs. '000'	
<b>Revenue</b>	192,247	202,567	304,290	328,430	192,247	202,567	304,290	328,430	(7)
Cost of sales	(51,782)	(51,670)	(93,611)	(95,370)	(51,782)	(51,670)	(93,611)	(95,370)	(2)
<b>Gross Profit</b>	140,465	150,897	210,679	233,060	140,465	150,897	210,679	233,060	(10)
Administrative expenses	(60,707)	(54,834)	(116,616)	(106,504)	(60,707)	(54,744)	(116,525)	(106,412)	9
Selling & distribution expenses	(6,582)	(8,317)	(11,687)	(14,834)	(6,582)	(8,317)	(11,687)	(14,834)	(21)
<b>Results from Operating Activities</b>	73,175	87,746	82,376	111,723	73,176	87,836	82,467	111,815	(26)
Finance expenses	(22,173)	(21,187)	(44,956)	(28,872)	(22,173)	(21,187)	(44,956)	(28,872)	56
Finance income	17,985	20,751	36,485	35,178	17,985	20,751	36,485	35,178	4
Net finance cost	(4,188)	(436)	(8,471)	6,306	(4,188)	(436)	(8,471)	6,306	(234)
Share of profit/(loss) of Joint venture	(31,462)	15,848	(46,311)	11,151	-	-	-	-	(515)
<b>Profit before taxation</b>	37,525	103,158	27,594	129,180	68,988	87,400	73,996	118,121	(79)
Income tax	(8,550)	(14,106)	(14,465)	(19,387)	(8,550)	(14,106)	(14,465)	(19,387)	25
<b>Profit for the period</b>	28,975	89,052	13,129	109,793	60,438	73,294	59,532	98,735	(88)
<b>Other comprehensive income</b>	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period, net of tax</b>	28,975	89,052	13,129	109,793	60,438	73,294	59,532	98,735	(88)
<b>Earnings per share for the period</b>	0.05	0.15	0.02	0.19	0.10	0.13	0.10	0.17	

Note : The above figures for the six months ended 30<sup>th</sup> September 2018 and comparatives are provisional and subject to Audit.  
 Figures in brackets indicate deductions.  
 All values are in Rupees Thousands unless otherwise stated.

**THE KANDY HOTELS COMPANY (1938) PLC**  
**STATEMENT OF FINANCIAL POSITION**

As at

	Group			Company		
	30.09.2018 Rs. '000'	30.09.2017 Rs. '000'	31.03.2018 Rs. '000'	30.09.2018 Rs. '000'	30.09.2017 Rs. '000'	31.03.2018 Rs. '000'
<b>ASSETS</b>						
<b>Non Current Assets</b>						
Property, plant & equipment	6,319,959	6,364,975	6,348,836	6,319,959	6,364,975	6,348,836
Intangible assets	27,088	349	29,344	27,088	349	29,344
Investment in subsidiary	-	-	-	352,843	352,843	352,843
Investment in joint venture	305,044	315,308	351,355	-	-	-
Non current financial assets	600,000	600,000	600,000	600,000	600,000	600,000
	<b>7,252,091</b>	<b>7,280,633</b>	<b>7,329,536</b>	<b>7,299,890</b>	<b>7,318,167</b>	<b>7,331,024</b>
<b>Current Assets</b>						
Inventories	38,965	33,205	35,481	38,965	33,205	35,481
Trade and other receivables	92,913	71,308	113,982	92,913	71,308	113,982
Amounts due from related party	871,039	787,799	830,526	871,039	787,799	830,526
Cash and cash equivalents	47,014	5,893.90	7,692	46,980	5,849	7,656
	<b>1,049,932</b>	<b>898,207</b>	<b>987,681</b>	<b>1,049,897</b>	<b>898,162</b>	<b>987,645</b>
<b>TOTAL ASSETS</b>	<b>8,302,023</b>	<b>8,178,839</b>	<b>8,317,217</b>	<b>8,349,787</b>	<b>8,216,329</b>	<b>8,318,669</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Equity</b>						
Stated capital	16,750	16,750	16,750	16,750	16,750	16,750
Revaluation Reserves	5,899,138	6,282,602	5,913,735	5,791,066	6,192,228	5,805,663
Retained earnings	930,421	832,934	960,444	1,086,435	960,886	1,070,056
<b>Total Equity</b>	<b>6,846,309</b>	<b>7,132,286</b>	<b>6,890,929</b>	<b>6,894,251</b>	<b>7,169,864</b>	<b>6,892,469</b>
<b>Non-Current Liabilities</b>						
Interest bearing borrowings	508,700	600,000	508,700	508,700	600,000	508,700
Retirement benefit obligations	5,255	5,274	5,158	5,255	5,274	5,158
Deferred taxation	565,848	198,355	569,665	565,848	198,355	569,665
	<b>1,079,803</b>	<b>803,629</b>	<b>1,083,523</b>	<b>1,079,803</b>	<b>803,629</b>	<b>1,083,523</b>
<b>Current Liabilities</b>						
Interest bearing borrowings	66,400	-	91,300	66,400	-	91,300
Trade and other payables	113,354	85,672	116,588	113,177	85,585	116,501
Amounts due to related companies	12,500	1,294	11,608	12,500	1,294	11,608
Income tax payable	10,153	15,229	13,335	10,153	15,229	13,335
Dividends payable	57,750	-	-	57,750	-	-
Bank overdraft	115,754	140,729	109,934	115,754	140,728	109,934
	<b>375,910</b>	<b>242,924</b>	<b>342,765</b>	<b>375,733</b>	<b>242,836</b>	<b>342,678</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>8,302,023</b>	<b>8,178,839</b>	<b>8,317,217</b>	<b>8,349,787</b>	<b>8,216,329</b>	<b>8,318,669</b>
<b>Net Assets per Share (Rs.)</b>	<b>11.86</b>	<b>12.35</b>	<b>11.93</b>	<b>11.94</b>	<b>12.42</b>	<b>11.94</b>

The above figures for the six months ended 30<sup>th</sup> September 2018 and comparatives are provisional and subject to Audit.  
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.

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P Sivatheesh

**Financial Controller**

**Ceylon Hotels Corporation Group**

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

Approved & signed for and on behalf of the Board,

Sgd.

.....  
Lakshman Samarasinghe

**Director**

12<sup>th</sup> November 2018

Sgd.

.....  
Lakshman Sirimanne

**Director**

**THE KANDY HOTELS COMPANY (1938) PLC**  
**STATEMENT OF CHANGES IN EQUITY**

Period ended 30<sup>th</sup> September 2018

Group

Balance as at 01<sup>st</sup> April 2017

Profit for the period  
Income tax effect on revaluation of land  
Share of other comprehensive income attributable to joint venture, net of tax  
Total other comprehensive income for the period, net of tax  
**Total Comprehensive Income**

Transfers to retained earnings  
Dividends-(15% Cumulative preference shares)  
Dividends paid

Balance as at 31<sup>st</sup> March 2018

Profit for the period  
**Total Comprehensive Income**

Dividends - 2017/18  
Transfers to retained earnings

Balance as at 30<sup>th</sup> September 2018

	Stated Capital Rs. '000'	Revaluation Reserves Rs. '000'	Retained Earnings Rs. '000'	Total Equity Rs. '000'
Balance as at 01 <sup>st</sup> April 2017	16,750	6,298,512	764,981	7,080,243
Profit for the period	-	-	224,220	224,220
Income tax effect on revaluation of land	-	(373,281)	-	(373,281)
Share of other comprehensive income attributable to joint venture, net of tax	-	17,699	(0)	17,699
Total other comprehensive income for the period, net of tax	-	-	(164)	(164)
<b>Total Comprehensive Income</b>	-	(355,582)	224,055	(131,526)
Transfers to retained earnings	-	(29,195)	29,195	-
Dividends-(15% Cumulative preference shares)	-	-	(38)	(38)
Dividends paid	-	-	(57,750)	(57,750)
Balance as at 31 <sup>st</sup> March 2018	16,750	5,913,735	960,444	6,890,929
Profit for the period	-	-	13,129	13,129
<b>Total Comprehensive Income</b>	-	-	13,129	13,129
Dividends - 2017/18	-	-	(57,750)	(57,750)
Transfers to retained earnings	-	(14,597)	14,597	-
Balance as at 30 <sup>th</sup> September 2018	16,750	5,899,138	930,421	6,846,309

Company

Balance as at 01<sup>st</sup> April 2017

Profit for the period  
Income tax effect on revaluation of land  
Total other comprehensive income for the period, net of tax  
**Total Comprehensive Income**

Dividends-(15% Cumulative preference shares)  
Dividends paid  
Transfers to retained earnings

Balance as at 31<sup>st</sup> March 2018

Profit for the period  
**Total Comprehensive Income**

Dividends - 2017/18  
Transfers to retained earnings

Balance as at 30<sup>th</sup> September 2018

	Stated Capital Rs. '000'	Revaluation Reserves Rs. '000'	Retained Earnings Rs. '000'	Total Equity Rs. '000'
Balance as at 01 <sup>st</sup> April 2017	16,750	6,208,139	903,991	7,128,880
Profit for the period	-	-	194,822	194,822
Income tax effect on revaluation of land	-	(373,281)	-	(373,281)
Total other comprehensive income for the period, net of tax	-	-	(164)	(164)
<b>Total Comprehensive Income</b>	-	(373,281)	194,658	(178,623)
Dividends-(15% Cumulative preference shares)	-	-	(38)	(38)
Dividends paid	-	-	(57,750)	(57,750)
Transfers to retained earnings	-	(29,195)	29,195	-
Balance as at 31 <sup>st</sup> March 2018	16,750	5,805,663	1,070,056	6,892,469
Profit for the period	-	-	59,532	59,532
<b>Total Comprehensive Income</b>	-	-	59,532	59,532
Dividends - 2017/18	-	-	(57,750)	(57,750)
Transfers to retained earnings	-	(14,597.36)	14,597.36	-
Balance as at 30 <sup>th</sup> September 2018	16,750	5,791,066	1,086,435	6,894,251

Note : The above figures for the six months ended 30<sup>th</sup> September 2018 and comparatives are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

**THE KANDY HOTELS COMPANY (1938) PLC**  
**STATEMENT OF CHANGES IN EQUITY**

Period ended 30<sup>th</sup> September 2017

Group

	Stated Capital Rs. '000'	Revaluation Reserves Rs. '000'	Retained Earnings Rs. '000'	Total Equity Rs. '000'
<b>Balance as at 01<sup>st</sup> April 2016</b>	<b>16,750</b>	<b>5,599,152</b>	<b>630,838</b>	<b>6,246,740</b>
Profit for the period	-	-	246,177	246,177
Total other comprehensive income for the period, net of tax	-	731,179	559	731,738
<b>Total Comprehensive Income</b>	<b>-</b>	<b>731,179</b>	<b>246,736</b>	<b>977,915</b>
Dividends paid (2015/2016)	-	-	(144,375)	(144,375)
Dividends (15% Cumulative preference shares)	-	-	(38)	(38)
Transfer to retained earnings	-	(31,820)	31,820	-
<b>Balance as at 31<sup>st</sup> March 2017</b>	<b>16,750</b>	<b>6,298,512</b>	<b>764,981</b>	<b>7,080,243</b>
Profit for the period	-	-	109,793	109,793
Total other comprehensive income for the period, net of tax	-	-	-	-
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>109,793</b>	<b>109,793</b>
Dividends paid (2016/2017)	-	-	(57,750)	(57,750)
Transfer to retained earnings	-	(15,910)	15,910	-
<b>Balance as at 30<sup>th</sup> September 2017</b>	<b>16,750</b>	<b>6,282,602</b>	<b>832,934</b>	<b>7,132,286</b>

Company

	Stated Capital Rs. '000'	Revaluation Reserves Rs. '000'	Retained Earnings Rs. '000'	Total Equity Rs. '000'
<b>Balance as at 01<sup>st</sup> April 2016</b>	<b>16,750</b>	<b>5,508,779</b>	<b>768,174</b>	<b>6,293,702</b>
Profit for the period	-	-	247,837	247,837
Total other comprehensive income for the period, net of tax	-	731,179	574	731,753
<b>Total Comprehensive Income</b>	<b>-</b>	<b>731,179</b>	<b>248,411</b>	<b>979,590</b>
Dividends (15% Cumulative preference shares)	-	-	(38)	(38)
Transfer to retained earnings	-	(31,820)	31,820	-
Dividends paid (2015/2016)	-	-	(144,375)	(144,375)
<b>Balance as at 31<sup>st</sup> March 2017</b>	<b>16,750</b>	<b>6,208,138</b>	<b>903,991</b>	<b>7,128,879</b>
Profit for the period	-	-	98,735	98,735
Total other comprehensive income for the period, net of tax	-	-	-	-
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>98,735</b>	<b>98,735</b>
Dividends (15% Cumulative preference shares)	-	-	-	-
Transfer to retained earnings	-	(15,910)	15,910	-
Dividends paid (2016/2017)	-	-	(57,750)	(57,750)
<b>Balance as at 30<sup>th</sup> September 2017</b>	<b>16,750</b>	<b>6,192,228</b>	<b>960,886</b>	<b>7,169,864</b>

Note : The above figures for the six months ended 30<sup>th</sup> September 2018 and comparatives are provisional and subject to Audit.  
 Figures in brackets indicate deductions.  
 All values are in Rupees Thousands unless otherwise stated.

**THE KANDY HOTELS COMPANY (1938) PLC**  
**STATEMENT OF CASH FLOWS**

For the Six Months ended 30<sup>th</sup> September

**Cash Flows from/(used in) Operating Activities**

Profit before tax

**Adjustments for:**

Finance income

Finance expenses

Share of results of equity accounted investee

Depreciation of property, plant and equipment

Amortisation of intangible assets

Loss on disposal of property, plant and equipment

Gratuity provision and related costs

Operating profit before working capital changes

(Increase)/decrease in inventories

(Increase)/decrease in trade and other receivables

(Increase)/decrease in amount due from related parties

Increase/(decrease) in trade and other creditors

Increase/(decrease) in amount due to related parties

**Cash generated from/ (used in) operations**

Finance expenses paid

Income tax paid

Gratuity paid

**Net cash flow from/(used in) operating activities**

**Cash flows from/ (used in) investing activities**

Interest received

Purchase and construction of property, plant and equipment

Acquisition of intangible assets

Investment

Proceeds from disposal of property, plant and equipment

**Net cash flow from/(used in) investing activities**

**Cash flows from/ (used in) financing activities**

Dividend paid

Repayment / Increase in Interest bearing borrowings

**Net cash flow from / (used in) financing activities**

**Net Increase/(Decrease) in Cash and cash equivalents**

**Cash and cash equivalents at the beginning of the period**

**Cash and cash equivalents at the end of the period**

	Group		Company	
	2018 Rs.'000'	2017 Rs.'000'	2018 Rs.'000'	2017 Rs.'000'
Profit before tax	27,594	129,180	73,996	118,121
<b>Adjustments for:</b>				
Finance income	(36,485)	(35,178)	(36,485)	(35,178)
Finance expenses	44,956	28,872	44,956	28,872
Share of results of equity accounted investee	46,311	(11,151)	-	-
Depreciation of property, plant and equipment	31,603	28,126	31,603	28,126
Amortisation of intangible assets	2,256	29	2,256	29
Loss on disposal of property, plant and equipment	77	-	77	-
Gratuity provision and related costs	956	1,059	956	1,059
Operating profit before working capital changes	117,268	140,937	117,359	141,030
(Increase)/decrease in inventories	(3,484)	909	(3,484)	909
(Increase)/decrease in trade and other receivables	21,070	20,124	21,070	20,124
(Increase)/decrease in amount due from related parties	(40,514)	(237,907)	(40,514)	(237,907)
Increase/(decrease) in trade and other creditors	(3,235)	(2,579)	(3,324)	(2,582)
Increase/(decrease) in amount due to related parties	892	1,120	892	1,120
<b>Cash generated from/ (used in) operations</b>	<b>91,997</b>	<b>(77,396)</b>	<b>91,998</b>	<b>(77,306)</b>
Finance expenses paid	(44,956)	(28,872)	(44,956)	(28,872)
Income tax paid	(21,463)	(27,641)	(21,463)	(27,641)
Gratuity paid	(859)	(234)	(859)	(234)
<b>Net cash flow from/(used in) operating activities</b>	<b>24,719</b>	<b>(134,143)</b>	<b>24,720</b>	<b>(134,054)</b>
<b>Cash flows from/ (used in) investing activities</b>				
Interest received	36,485	35,178	36,485	35,178
Purchase and construction of property, plant and equipment	(2,884)	(3,546)	(2,884)	(3,546)
Acquisition of intangible assets	-	(333)	-	(333)
Investment	-	(600,000)	0	(600,000)
Proceeds from disposal of property, plant and equipment	82	55	82	55
<b>Net cash flow from/(used in) investing activities</b>	<b>33,683</b>	<b>(568,646)</b>	<b>33,683</b>	<b>(568,646)</b>
<b>Cash flows from/ (used in) financing activities</b>				
Dividend paid	-	(57,750)	-	(57,750)
Repayment / Increase in Interest bearing borrowings	(24,900)	600,000	(24,900)	600,000
<b>Net cash flow from / (used in) financing activities</b>	<b>(24,900)</b>	<b>542,250</b>	<b>(24,900)</b>	<b>542,250</b>
<b>Net Increase/(Decrease) in Cash and cash equivalents</b>	<b>33,502</b>	<b>(160,540)</b>	<b>33,504</b>	<b>(160,540)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>(102,242)</b>	<b>25,705</b>	<b>(102,278)</b>	<b>25,571</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>(68,739)</b>	<b>(134,835)</b>	<b>(68,774)</b>	<b>(134,969)</b>

Note : The above figures for the six months ended 30<sup>th</sup> September 2018 and comparatives are provisional and subject to Audit.

Figures in brackets indicate deductions.

All values are in Rupees Thousands unless otherwise stated.

**THE KANDY HOTELS COMPANY (1938) 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 31st March 2018.

**2) Stated capital**

The Number of shares representing the Stated Capital 577,500,000 Ordinary Shares and 50,000 fully paid Preference shares @ 15% as at 30th September 2018.

**3) 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.

**4) Non current financial assets**

In May 2017, Company acquired 16.11% stake with total investment of LKR 600 Mn in United Hotels Co Ltd, which is a subsidiary of Ceylon Hotels Corporation PLC.

**5) Contingent liabilities**

There has not been any significant changes in the nature of Contingent Liabilities which were disclosed in the Annual Report for the year ended 31st March 2018.

**6) Subsequent events**

There were no material events taken place after the Balance Sheet date which would require adjustments or disclosure in the Interim Financial Statement.



**THE KANDY HOTELS COMPANY (1938) PLC**  
**NOTES TO INTERIM FINANCIAL STATEMENTS**

**SHARE INFORMATION**

1. The Public holdings as at 30<sup>th</sup> September 2018 - 27.70%
2. Number of Public shareholders as at 30<sup>th</sup> September 2018 - 1,923
3. Directors shareholding as at 30<sup>th</sup> September 2018

Directors Shareholdings		30-Sep-18	
		Preference	Ordinary
1	Mr. Sanjeev Gardiner	9,500	87,500
2	Mr. Lakshman Samarasinghe	Nil	5,500
3	Mr. Charitha Ratwatte	Nil	175,000
4	Mr. Priyantha Maddumage	Nil	Nil
5	Mr. Lakshman Sirimanne	Nil	3,500
6	Mr. Ranjith Gunathilleke	Nil	43,611
7	Mr. Nahil Wijesuriya	Nil	Nil
8	Mr. Chandra Mohotti	Nil	Nil
9	Mr. Nilanga Dela	Nil	Nil

4. Top 20 ordinary shareholders as at 30<sup>th</sup> September 2018

	Name	No. of shares	%
1	Ceylon Hotels Corporation PLC	401,567,250	69.54
2	Progruss Investments Limited	69,300,000	12.00
3	Adiuvat Investment Fund	40,775,000	7.06
4	Hotel International (Pvt) Ltd	13,282,696	2.30
5	Mr. N.V.S. Saackville	4,368,000	0.76
6	Mr. P.R.F Collas	1,965,250	0.34
7	Mrs. L. Ratwatte	1,853,000	0.32
8	Mrs. M.F. Gunasekera	1,750,000	0.30
9	Mr. P.V. Gunasekera	1,750,000	0.30
10	Mrs. A.U.R. Pethiyagoda	1,500,000	0.26
11	Mr. M. Chevallaz	1,496,250	0.26
12	Mr. P. Chevallaz	1,496,250	0.26
13	Mr. A. Chevallaz	1,496,250	0.26
14	Mr. J. Laravoire	1,496,250	0.26
15	Mr. E. Laravoire	1,496,250	0.26
16	Ms. H. Sauties	1,496,250	0.26
17	Mr. J. P. Sauties	1,496,250	0.26
18	Mr. H.A. Van Starrex	1,075,451	0.19
19	Mr. F.D.M. Badcock	1,034,250	0.18
20	Mr. J.F.C. Badcock	1,034,250	0.18
	Balance held by others	25,771,103	4.46
	<b>Total number of shares</b>	<b>577,500,000</b>	<b>100.00</b>

5. Market price per share for the quarter ended 30<sup>th</sup> September 2018.

	2018 <u>(Rs.)</u>	2017 <u>(Rs.)</u>
Highest Market Price	5.50	6.50
Lowest Market Price	4.90	5.30
Closing Market Price	5.00	5.60

6. The float adjusted market capitalisation as at 30<sup>th</sup> September 2018 was Rs. 799,837,500/- with reference to the rule no. 7.6 (iv) of the listing rules of the Colombo stock exchange. As the float adjusted market capitalisation is less than Rs. 2.5 billion, The Kandy Hotels Company (1938) PLC complies under option 5 of the Listing Rules 7.13.1 (a) with the minimum public holding requirements.