

Interim Financial Statements
Period Ended 31st December 2019

Ceylon Hotels Corporation PLC
A Member of the Galle Face 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
Shalike Karunasena

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
32A, Sir Mohamed Macan Markar Mawatha, Colombo 03.

Hotel Reservations

Ceylon Hotels Corporation PLC
Regency Wing - Galle Face Hotel
No. 02, Galle Road, Colombo 03
Tel: 011 5585858 Fax : 011 5345882
Email : sales@ceylonhotels.net
Website : www.chcresorts.lk

CEYLON HOTELS CORPORATION PLC
STATEMENT OF PROFIT OR LOSS



	Group				Company				Variance
	Three Months Ended 31 st December		Nine Months Ended 31 st December		Three Months Ended 31 st December		Nine Months Ended 31 st December		Group
	2019 (Rs.'000')	2018 (Rs.'000')	2019 (Rs.'000')	2018 (Rs.'000')	2019 (Rs.'000')	2018 (Rs.'000')	2019 (Rs.'000')	2018 (Rs.'000')	%
Revenue (Note 4)	254,662	404,542	677,025	1,104,216	2,030	2,366	6,421	6,305	(39)
Cost of sales	(66,599)	(114,758)	(220,998)	(328,277)	(2,031)	(2,321)	(6,385)	(6,247)	33
Gross profit	188,063	289,784	456,026	775,940	(2)	45	37	58	(41)
Other income	(1,952)	923	178	8,799	1,091	34,535	3,302	34,535	(98)
Distribution expenses	(12,308)	(19,305)	(32,552)	(56,063)	-	-	-	-	(42)
Administration expenses	(175,328)	(239,893)	(570,531)	(685,009)	(3,595)	(2,166)	(8,559)	(5,231)	(17)
Other operating expenses	(3,059)	(7)	(34,561)	(98)	-	-	-	-	0
Profit / (loss) from operations	(4,583)	31,502	(181,440)	43,570	(2,506)	32,414	(5,220)	29,362	(516)
Finance income	(987)	98,200	69,883	120,355	5,300	4,399	16,313	13,177	(42)
Finance cost (Note 3.4)	(35,380)	(54,012)	(155,547)	(158,174)	(20,388)	(18,514)	(62,514)	(55,567)	(2)
Net finance cost	(36,367)	44,188	(85,664)	(37,820)	(15,087)	(14,115)	(46,201)	(42,390)	127
Share of profit/(loss) of equity accounted investees, net of tax	(11,491)	(61,672)	(71,004)	(122,849)	-	-	-	-	(42)
Gain on disposal and derecognition of investment in subsidiary	-	-	-	186,650	-	-	-	-	0
Profit/ (loss) before taxation	(52,442)	14,017	(338,108)	69,550	(17,594)	18,299	(51,421)	(13,028)	586
Tax expense	9,568	(1,775)	10,341	(15,652)	-	(2,398)	-	(2,398)	(166)
Profit/(loss) for the period	(42,875)	12,243	(327,767)	53,898	(17,594)	15,901	(51,421)	(15,427)	708
Profit/(Loss) attributable to:									
Equity holders of the company	(40,280)	(2,407)	(282,242)	28,206	(17,594)	15,901	(51,421)	(15,427)	1101
Non controlling interest	(2,595)	14,650	(45,526)	25,692	-	-	-	-	(277)
Profit/(Loss) for the period	(42,875)	12,243	(327,767)	53,898	(17,594)	15,901	(51,421)	(15,427)	708
Basic Earnings/(loss) per share (Rs.)	(0.22)	(0.01)	(1.57)	0.16	(0.10)	0.09	(0.29)	(0.09)	1101

Note : The above figures for the period ended 31st December 2019 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 COMPREHENSIVE INCOME



	Group				Company			
	Three Months Ended 31 st December		Nine Months Ended 31 st December		Three Months Ended 31 st December		Nine Months Ended 31 st December	
	2019 (Rs. '000')	2018 (Rs. '000')	2019 (Rs. '000')	2018 (Rs. '000')	2019 (Rs. '000')	2018 (Rs. '000')	2019 (Rs. '000')	2018 (Rs. '000')
Profit/ (loss) for the period	(42,875)	12,243	(327,767)	53,898	(17,594)	15,901	(51,421)	(15,427)
Other comprehensive income								
Items that will never be reclassified to profit or loss								
Other comprehensive income	-	-	-	-	-	-	-	-
Items that are or may be reclassified to profit or loss								
Effect of translation of foreign operations	-	8,207	-	56,759	-	-	-	-
Total comprehensive income for the period, net of tax	(42,875)	20,450	(327,767)	110,657	(17,594)	15,901	(51,421)	(15,427)
Profit/(loss) attributable to:								
Equity holders of the company	(27,562)	(2,407)	(282,242)	28,206	(17,594)	15,901	(51,421)	(15,427)
Non controlling interest	(15,312)	14,650	(45,526)	25,692	-	-	-	-
Profit for the period	(42,875)	12,243	(327,767)	53,898	(17,594)	15,901	(51,421)	(15,427)
Total Comprehensive Income attributable to :								
Owners of the company	(27,562)	5,800	(282,242)	84,965	(17,594)	15,901	(51,421)	(15,427)
Non controlling interest	(15,312)	14,650	(45,526)	25,692	-	-	-	-
Total comprehensive income for the period	(42,875)	20,450	(327,767)	110,657	(17,594)	15,901	(51,421)	(15,427)

Note : The above figures for the period ended 31st December 2019 are provisional and subject to Audit.

Figures in brackets indicate deductions.

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CEYLON HOTELS CORPORATION PLC
STATEMENT OF FINANCIAL POSITION



As at	Group			Company		
	31.12.2019 (Rs.'000')	31.12.2018 (Rs.'000')	31.03.2019 (Rs.'000')	31.12.2019 (Rs. '000')	31.12.2018 (Rs.'000')	31.03.2019 (Rs.'000')
ASSETS						
Non - Current Assets						
Property, plant & equipment	8,341,640	8,428,492	8,384,654	30	-	35
Intangible assets	27,712	37,752	32,507	-	-	-
Leasehold right over land	-	1,180	590	-	-	-
Investments in subsidiaries	-	-	-	909,348	909,348	909,348
Investments in equity accounted investees	957,520	1,004,926	1,028,524	329,497	329,497	329,497
Investment property	-	-	-	146,760	156,565	146,760
	9,326,872	9,472,351	9,446,275	1,385,635	1,395,410	1,385,640
Current Assets						
Inventories	80,130	104,206	88,739	-	-	-
Trade & other receivables	150,889	213,384	278,475	4,934	5,528	9,712
Amounts due from related companies	315,638	542,519	411,431	413,641	384,519	388,770
Advances on pending capitalization	278,470	-	269,955	-	-	-
Income tax recoverable	1,588	1,356	1,356	-	-	-
Assets held for sale	86,178	86,178	86,178	86,178	86,178	86,178
Cash & cash equivalents	910,660	875,739	832,200	3,518	139	24
	1,823,553	1,823,383	1,968,334	508,271	476,364	484,684
TOTAL ASSETS	11,150,425	11,295,734	11,414,609	1,893,906	1,871,774	1,870,324
EQUITY AND LIABILITIES						
Equity						
Stated capital	362,611	362,611	362,611	362,611	362,611	362,611
Reserves	4,590,078	4,629,842	4,645,033	379,013	379,013	379,013
Accumulated profit /(loss)	1,451,134	1,491,928	1,675,341	56,492	127,361	107,912
Total equity attributable to equityholders of the company	6,403,823	6,484,381	6,682,986	798,116	868,985	849,536
Non controlling interest	1,901,970	2,120,598	1,949,333	-	-	-
	1,901,970	2,120,598	1,949,333	-	-	-
Total Equity	8,305,793	8,604,979	8,632,318	798,116	868,985	849,536
Non - Current Liabilities						
Interest bearing borrowings more than one year	1,146,506	969,210	1,081,767	-	-	-
Employee benefits	18,579	18,578	18,270	6,670	6,525	7,000
Deferred tax liabilities	612,266	608,859	621,788	-	-	-
Lease liability more than one year	117,210	-	-	-	-	-
	1,894,561	1,596,647	1,721,825	6,670	6,525	7,000
Current Liabilities						
Trade and other payables	370,380	346,031	292,674	10,410	9,397	9,209
Lease liability within one year	35,593	-	-	-	-	-
Interest bearing borrowings due within one year	181,283	207,010	-	-	-	-
Amounts due to related companies	170,965	264,149	133,937	92,059	110,218	138,008
Contract Liabilities	16,109	16,626	4,331	-	-	-
Related party interest bearing borrowings	-	-	-	986,638	854,670	865,751
Income tax payable	-	21,698	8,408	13	2,412	13
Bank overdrafts	175,741	238,594	621,115	-	19,567	806
	950,071	1,094,108	1,060,466	1,089,120	996,264	1,013,787
TOTAL EQUITY AND LIABILITIES	11,150,425	11,295,734	11,414,609	1,893,906	1,871,774	1,870,324
Net Assets per Share (Rs.)	35.57	36.02	37.12	4.43	4.83	4.72

Note : The above figures for the period ended 31st December 2019 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.

Janaka Ganegoda
Financial Controller

Sgd.

Lakshman Samarasinghe
Chairman

Sgd.

Shalike Karunasena
Director

11th February 2020

CEYLON HOTELS CORPORATION PLC
STATEMENT OF CHANGES IN EQUITY - GROUP



For the Period ended 31st December 2019

	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')
Adjusted Balance as at 01st April 2018	362,611	8,128	4,508,270	10,776	167,080	1,342,552	6,399,417	2,112,496	8,511,913
Profit / (loss) for the year	-	-	-	-	-	205,718	205,718	4,995	210,713
Other comprehensive income	-	-	-	78,045	-	(194)	77,850	20,934	98,784
Total Comprehensive Income	-	-	-	78,045	-	205,524	283,569	25,929	309,497
Transaction with owners of the company, recognized directly in equity									
Transfer to retained earnings	-	-	(69,230)	-	-	69,230	-	-	-
Ordinary share dividend paid to minority	-	-	-	-	-	-	-	(17,591)	(17,591)
Dividends-(15% Cumulative preference shares)	-	-	-	-	-	-	-	(11)	(11)
Disposal of subsidiary	-	-	-	(58,036)	-	58,036	-	(171,490)	(171,490)
Total transaction with owners of the company	-	-	(69,230)	(58,036)	-	127,266	-	(189,092)	(189,092)
Balance as at 31st March 2019	362,611	8,128	4,439,040	30,785	167,080	1,675,341	6,682,986	1,949,333	8,632,318
Adjustment on initial application of SLFRS 16	-	-	-	-	-	3,079	3,079	(1,837)	1,242
Adjusted Balance as at 01st April 2019	362,611	8,128	4,439,040	30,785	167,080	1,678,421	6,686,065	1,947,496	8,633,561
Profit / (loss) for the year	-	-	-	-	-	(282,242)	(282,242)	(45,526)	(327,767)
Total Comprehensive Income	-	-	-	-	-	(282,242)	(282,242)	(45,526)	(327,767)
Transaction with owners of the company, recognized directly in equity									
Transfer to retained earnings	-	-	(54,956)	-	-	54,956	-	-	-
Total transaction with owners of the company	-	-	(54,956)	-	-	54,956	-	-	-
Balance as at 31st December 2019	362,611	8,128	4,384,085	30,785	167,080	1,451,134	6,403,823	1,901,970	8,305,793

For the Period ended 31st December 2018

	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')
Balance as at 01st April 2017	198,500	8,128	4,836,583	8,084	167,080	1,628,172	6,846,546	2,057,384	8,903,931
Profit / (loss) for the year	-	-	-	-	-	(56,213)	(56,213)	45,018	(11,195)
Other comprehensive income	-	-	(247,255)	3,141	-	829	(243,285)	(107,091)	(350,376)
Total Comprehensive Income	-	-	(247,255)	3,141	-	(55,384)	(299,498)	(62,073)	(361,571)
Transaction with owners of the company, recognized directly in equity									
Transfer to/(from) Reserves	-	-	(71,514)	-	-	71,514	-	-	-
Effect of changes in holding percentage without change in control	-	-	(9,545)	(448)	-	(124,795)	(134,787)	134,787	-
Script dividend paid	164,111	-	-	-	-	(171,825)	(7,715)	-	(7,715)
Ordinary share dividend paid to minority	-	-	-	-	-	-	-	(17,591)	(17,591)
Dividends-(15% Cumulative preference shares)	-	-	-	-	-	-	-	(11)	(11)
Total transaction with owners of the company	164,111	-	(81,059)	(448)	-	(225,106)	(142,502)	117,185	(25,317)
Balance as at 31st March 2018	362,611	8,128	4,508,270	10,776	167,080	1,347,682	6,404,547	2,112,496	8,517,043
Adjustment on initial application of SLFRS 09	-	-	-	-	-	(5,130)	(5,130)	-	(5,130)
Adjusted Balance as at 01st April 2018	362,611	8,128	4,508,270	10,776	167,080	1,342,552	6,399,417	2,112,496	8,511,913
Profit / (loss) for the year	-	-	-	56,759	-	28,206	84,965	25,692	110,657
Total Comprehensive Income	-	-	-	56,759	-	28,206	84,965	25,692	110,657
Transaction with owners of the company, recognized directly in equity									
Transfer to retained earnings	-	-	(53,636)	(67,536)	-	121,171	-	-	-
Dividends - 2017/18	-	-	-	-	-	-	-	(17,591)	(17,591)
Total transaction with owners of the company	-	-	(53,636)	(67,536)	-	121,171	-	(17,591)	(17,591)
Balance as at 31st December 2018	362,611	8,128	4,454,634	(0)	167,080	1,491,928	6,484,382	2,120,598	8,604,979

Note : The above figures for the period ended 31st December 2019 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 - COMPANY



For the Period ended 31st December 2019

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	AFS Reserve (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total Equity (Rs.'000')
Balance as at 01st April 2018	362,611	8,128	-	204,167	166,718	142,788	884,412
Profit / (loss) for the year	-	-	-	-	-	(36,046)	(36,046)
Other comprehensive income	-	-	-	-	-	1,171	1,171
Total Comprehensive Income	-	-	-	-	-	(34,875)	(34,875)
Balance as at 31st March 2019	362,611	8,128	-	204,167	166,718	107,912	849,536
Profit / (loss) for the period	-	-	-	-	-	(51,421)	(51,421)
Total Comprehensive Income	-	-	-	-	-	(51,421)	(51,421)
Balance as at 31st December 2019	362,611	8,128	-	204,167	166,718	56,492	798,116

For the Period ended 31st December 2018

	Stated Capital (Rs.'000')	Capital Reserves (Rs.'000')	Revaluation Reserves (Rs.'000')	AFS Reserve (Rs.'000')	General Reserves (Rs.'000')	Accumulated Losses (Rs.'000')	Total Equity (Rs.'000')
Balance as at 01st April 2017	198,500	8,128	-	205,239	166,718	355,060	933,645
Profit / (loss) for the year	-	-	-	-	-	(30,340)	(30,340)
Other Comprehensive Income							
Other comprehensive income	-	-	-	(1,072)	-	(148)	(1,220)
Total Comprehensive Income	-	-	-	(1,072)	-	(30,488)	(31,560)
Transaction with owners of the company, recognized directly in equity							
Script dividend paid	164,111	-	-	-	-	(171,825)	(7,715)
Total transaction with owners of the company	164,111	-	-	-	-	(171,825)	(7,715)
Balance as at 31st March 2018	362,611	8,128	-	204,167	166,718	152,747	894,371
Adjustment on initial application of SLFRS 09	-	-	-	-	-	(9,959)	(9,959)
Adjusted Balance as at 01st April 2018	362,611	8,128	-	204,167	166,718	142,788	884,412
Profit / (Loss) for the period	-	-	-	-	-	(15,427)	(15,427)
Other comprehensive income	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	(15,427)	(15,427)
Balance as at 31st December 2018	362,611	8,128	-	204,167	166,718	127,361	868,985

Note : The above figures for the period ended 31st December 2019 are provisional and subject to Audit.
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CEYLON HOTELS CORPORATION PLC
STATEMENT OF CASH FLOWS



	Group		Company	
For the Period Ended 31 st December	2019 (Rs.'000')	2018 (Rs.'000')	2019 (Rs.'000')	2018 (Rs.'000')
Net Profit /(loss) before taxation	(338,108)	69,550	(51,421)	(13,028)
Adjustments for:				
Depreciation on property, plant and equipment	139,341	138,308	5	24
Provision for retiring gratuity	3,777	3,779	282	282
Finance cost	155,547	158,174	62,514	55,567
Share of results of equity accounted investee	71,004	122,849	-	-
Interest income	(69,883)	(120,355)	(16,313)	(13,177)
Amortization of leasehold right over land	590	1,771	-	-
Amotization of intangible assets	4,795	2,132	-	-
Profit / (loss) on disposal of property, plant & equipment	24,301	7,153	-	-
Net Impact from SLFRS 16	7,151	-	-	-
Net impairment for ECL impact under SLFRS 09	(411)	-	506	-
Gain on disposal and de-recognition of investment in subsidiary	-	(186,650)	-	-
Assets written off	10,048	-	-	-
Other operating income	(178)	(8,799)	(3,302)	(34,535)
Operating profit before working capital changes	7,973	187,912	(7,729)	(4,868)
(Increase) / Decrease in Inventories	8,608	(22,316)	-	-
(Increase) / Decrease in Trade debtors & other receivables	127,355	134,577	4,778	(374)
(Increase)/ Decrease in Amounts due from related companies	104,718	(299,023)	(25,377)	(50,102)
Increase / (Decrease) in Trade creditors & other payables	(31,697)	15,223	1,201	217
Increase/ (Decrease) in amounts due to related companies	37,028	95,995	74,937	45,347
Cash generated from operations	253,984	112,369	47,811	(9,780)
Income tax paid	(11,622)	(22,727)	-	(1,569)
Finance expenses paid	(27,647)	(158,174)	(62,514)	(55,567)
Other operating income	178	8,799	3,302	34,535
Gratuity paid	(3,468)	(1,741)	(612)	(292)
Net cash inflow from operating activities	211,427	(61,474)	(12,012)	(32,673)
Cash Flow from Investing Activities				
Acquisition of property, plant & equipment	(8,175)	(33,422)	-	-
Net Sales proceed from disposal and de-recognition of investment in subsidiary	-	653,741	-	-
Interest Received	69,883	120,355	16,313	13,177
Exchange equalation	-	56,759	-	-
Addition of intangible assets	-	(1,500)	-	-
Proceeds from Disposal of PPE	4,676	-	-	-
Net Cash flow from/(used in) investing activities	66,385	795,932	16,313	13,177
Net Cash Inflow/(Outflow) before financing activities	277,812	734,458	4,300	(19,496)
Cash Flow from/(used in) financing activities				
Dividend paid to minority	-	(17,591)	-	-
Repayment / Increase in Interest bearing borrowings	246,023	(167,771)	-	(1,522)
Net Cash flow from (used in) financing activities	246,023	(185,362)	-	(1,522)
Net Increase/(Decrease) in cash & cash equivalents	523,835	549,095	4,300	(21,018)
Net Cash & cash equivalents at the beginning of the period	211,084	88,050	(782)	1,590
Net Cash & cash equivalents as at 31st December	734,919	637,145	3,518	(19,428)
Analysis of net Cash & cash equivalents as at 31st December				
Cash & cash equivalents	910,660	875,739	3,518	139
Bank overdrafts	(175,741)	(238,594)	-	(19,567)
Net Cash & cash equivalents as at 31st December	734,919	637,145	3,518	(19,428)

Note : The above figures for the period ended 31st December 2019 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 31st March 2019.

2. Accounting Policies

The Accounting policies are in line with the policies published in the annual financial statements for the year ended 31st March 2019, except for the adoption of new standards effective as of 01st April 2019. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3. New accounting standards and interpretations

3.1. SLFRS 16 - Leases

SLFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company recognizes a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items.

3.2. Transition to SLFRS 16

The Company has applied SLFRS 16 from 01st April 2019 using the modified retrospective approach. Therefore, the cumulative effect of adopting SLFRS 16 was recognized as an adjustment to the opening balance of Retained Earnings at 01st April 2019, with no restatement of comparative information.

The following table summarizes the impact of transition to SLFRS 16 - "Leases" as at 01st April 2019.

	Rs.'000
Assets	
Right-of-use assets	13,340
Impact to Total Assets	<u><u>13,340</u></u>
Equity	
Retained earnings	1,242
	<u>1,242</u>
Liabilities	
Existing Lease Liability	(15,148)
Lease Liability as per SLFRS 16	27,245
	<u>12,097</u>
Impact to Total Equity & Liabilities	<u><u>13,340</u></u>

3.3. Right of use Assets & Lease Liabilities

The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

3.4. Impact for the period

As a result of applying SLFRS 16, the Group recognised Rs. 2.8 Mn of amortisation charges as administrative expense and Rs. 8.91 Mn of interest costs as finance expense during the nine months ended 31st December 2019 in the income statement. Therefore, the total impact on the statement of profit or loss due to the application of this standard during the period is Rs. 11.71 Mn.

4. Revenue

The Group has recorded a drop in revenue of 39% during the period ended 31st December 2019 compared to 31st December 2018. The primary reason for the decline in revenue is due to the challenging industry conditions faced in the immediate aftermath of the Easter Attacks in April 2019.

5. Investment in Subsidiaries and Joint ventures

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 of the company and Ceylon Holidays Holding (Pvt) Ltd, CHC Rest Houses (Pvt) Ltd, Suisse Hotel Kandy (Pvt) Ltd and Handhuvaru Ocean Holidays (Pvt) Ltd are joint ventures for the CHC Group.

6. 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 31st December 2019.

7. 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.



8. 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 31st March 2019, other than following guarantees issued during the period.

Subsidiary	In favour of	Amount - Rs.'000
United Hotels Co. Ltd	Commercial Bank PLC	3,750
The Kandy Hotels Co. (1938) PLC	Commercial Bank PLC	50,000

b) Corporate Guarantees issued by the company on behalf of its subsidiaries are as follows:

Subsidiary	In favour of	Amount - Rs.'000
The Kandy Hotels Co. (1938) PLC	Sampath Bank PLC	595,500
United Hotels Co. Ltd	Commercial Bank PLC	78,750
United Hotels Co. Ltd	Cargills Bank Ltd	692,000
The Kandy Hotels Co. (1938) PLC	Commercial Bank	164,000

Subsidiary	In favour of	Amount - USD '000
United Hotels Co. Ltd	Cargills Bank Ltd	120

9. Related Party Transactions

The company carries out transactions in the ordinary course of its business and are at arm's length price with parties who are defined as related parties in LKAS 24 the details of which are reported below.

For the Period ended 30 th December In LKR '000	Note	Company	
		2019	2018
i) Transactions with Subsidiary Companies			
The Kandy Hotels Company (1938) PLC (KHCL)			
Expenses paid by company on behalf of KHCL	A	994	530
Interest Charged by KHCL	C	61,280	54,912
Settlement of Expenses paid by company on behalf of KHC		1,683	558
Temporary advance from KHC	B	11,719	30,735
United Hotels Company Ltd (UHCL)			
Temporary advance to UHCL	B	7,950	8,350
Expenses paid by company on behalf of UHCL	A	19,090	10,693
Settlement of Expenses paid by company on behalf of UHCL		6,833	10,844
Settlement of Related party balance		30,510	-
CHC Foods (Pvt) Ltd			
Temporary advance from CHC to CHC Food	B	7,200	5,000
Expenses paid by CHC on behalf of CHC Foods	A	5,924	1,901
Settlement of Expenses paid by CHC on behalf of CHC Foods		1,712	1,194
Tissa Resort (Pvt) Ltd			
Temporary advance to Tissa Resort	B	1,000	-
Expenses paid by CHC on behalf of Tissa Resort	A	2,944	3,546
Settlement of Expenses paid by CHC on behalf of Tissa Resort		4,300	3,990
Settlement of Related party balance		9,000	-
ii) Transactions with Joint Venture Companies			
CHC Rest Houses (Pvt) Ltd (CHC RH)			
Temporary advance to CHC RH	B	1,500	-
Expenses paid by CHC on behalf of CHC RH	A	5,181	470
Settlement of Expenses paid by CHC on behalf of CHC RH		7,066	2,517
Ceylon Holiday Holdings (Pvt) Ltd			
Temporary advance to Ceylon Holidays Holdings	B	6,760	19,579
ii) Transactions with Ultimate parent company			
The Galle Face Hotel Co. Ltd (GFHCL)			
Temporary advance from GFHCL	B	3,250	16,879
Settlement of Related party balance		2,000	-
iii) Transactions with Affiliate company			
Ceylon Hotels Holdings (Pvt) Ltd (CHH)			
Interest charged by company	C	16,313	8,752
Temporary advance to CHH	B	10,819	-
GFH Management Co. (Pvt) Ltd (GFHM)			
Expenses paid by CHC on behalf of GFHM	A	1,663	1,752
Settlement of Related party balance		1,783	1,462

Non recurrent Related Party Transactions

There are no non-recurrent related party transactions for the period ended 31st December 2019.

- A) Transactions carried out in the ordinary course of business and charge at the face value of the expenses.
 B) Temporary advances given in the ordinary course of business and no interest charge on the outstanding balances. Payable on demand and short term in nature.
 C) Terms and conditions related to inter company borrowings/lendings :

Company	Party	Repayment	Interest Rate
Kandy Hotels Company (1938) PLC	Lender	On Demand	AWDR p.a
Ceylon Hotel Corporation PLC	Borrower		
Ceylon Hotel Corporation PLC	Lender	On Demand	AWDR p.a
Ceylon Hotel Holdings (Pvt) Ltd	Borrower		

10. Interest bearing loans & borrowings

Companies of the Group received a capital and interest moratorium (from April 2019 to March 2020) on the existing term loan and overdrafts in accordance with the financial relief package announced by the Government to the Tourism industry.

11. Subsequent events

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

CEYLON HOTELS CORPORATION PLC
SHARE INFORMATION



1. The Public Share Holding as at 31st December 2019 - 51,531,383 (28.62%.)
2. Number of public share holders as at 31st December 2019 - 6,934.
3. Directors Share Holding as at 31st December 2019

Name of Director	Total
Mr. Lakshman Samarasinghe - Chairman	5,590
Mr. Sanjeev Gardiner	Nil
Mr. Priyantha Maddumage	1
Mr. Kuvera De Zoysa	Nil
Mr. Mangala Boyagoda	Nil
Mr. Kamantha Amarasekera	Nil
Mr. Wasantha Wimalaweera	Nil
Mr. Ajith Devasurendra	Nil
Mr. Ranil Pathirana	Nil
Mr. Shalike Karunasena	Nil

4. Top 20 Ordinary Shareholders as at 31st December 2019

Name	Position	No of Shares	%
National Development Bank PLC/ Ceylon Hotels Holdings (Pvt) Ltd	1	60,245,919	33.46
Ceylon Hotel Holdings (Pvt) Ltd	2	37,994,096	21.10
Employees Provident Fund	3	21,519,334	11.95
Rosewood (Pvt) Limited- Account No. 1	4	18,763,003	10.42
Seylan Bank PLC/ARRC Capital (Pvt) Ltd	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 A/C (BOC PTF)	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 (Pvt) Ltd	10	1,048,230	0.58
Mrs. C.A.D.S. Woodward	11	757,708	0.42
Mr. K. N. Karunaratne	12	509,500	0.28
Sithlanka (Pvt) Ltd	13	447,706	0.25
Seylan Bank PLC/ARRC Capital (Pvt) Ltd	14	267,178	0.15
Sunshine Holdings PLC	15	234,662	0.13
Rockport Limited	16	192,855	0.11
Mr. S. Abishek	17	148,572	0.08
Mr. S.M. Hassan Mohamed	18	139,146	0.08
Cocoshell Activated Carbon Co. Ltd	19	133,589	0.07
Asha Financial Services Ltd/Mr. C.N.Pakianathan	20	125,700	0.07
Sub total		173,721,745	96.50
Balance held by others		6,309,197	3.50
Total number of shares		180,030,942	100.00

5. Market Price per Share for the quarter ended 31st December 2019

	2019	2018
	(Rs.)	(Rs.)
Highest Market Price	14.00	14.00
Lowest Market Price	11.20	11.00
Last Traded Price	11.80	12.00

6. The float adjusted market capitalisation as at 31st December 2019 was Rs. 607,993,296/- 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, Ceylon Hotels Corporation PLC complies under option 5 of the Listing Rules 7.13.1 (a) with the minimum public holding requirements.