

E D E N



Resort & Spa

EDEN HOTEL LANKA PLC

INTERIM FINANCIAL STATEMENTS -30TH SEPTEMBER 2016

STATEMENT OF FINANCIAL POSITION

EDEN HOTEL LANKA PLC

As at	Group			Company		
	30.09.2016 Rs. '000' (Un-audited)	30.09.2015 Rs '000' (Un-audited)	31.03.2016 Rs. '000' (Audited)	30.09.2016 Rs. '000' (Un-audited)	30.09.2015 Rs '000' (Un-audited)	31.03.2016 Rs. '000' (Audited)
ASSETS						
Non Current Assets						
Property, Plant and Equipment	4,867,591	4,289,597	4,905,422	2,969,499	2,597,831	2,995,510
Goodwill on acquisition	67,685	67,685	67,685	-	-	-
Investment in Subsidiaries	-	-	-	1,507,500	1,507,500	1,507,500
Investment in Equity Accounted Investee	538,942	135,528	212,583	445,205	132,800	204,975
Loans Due From Related Parties	175,000	175,000	175,000	282,118	282,118	282,118
Other Financial Assets	1,014	1,053	917	1,014	1,053	917
	5,650,232	4,668,863	5,361,607	5,205,336	4,521,302	4,991,020
Current Assets						
Inventories	27,612	22,314	27,755	20,224	18,821	19,858
Trade and Other Receivables	186,217	149,746	345,162	217,720	142,185	266,668
Current Tax Assets	13,095	2,040	16,151	4,420	2,040	3,119
Cash and Cash Equivalents	90,520	77,560	161,634	75,269	33,107	158,414
	317,443	251,660	550,702	317,633	196,153	448,060
TOTAL ASSETS	5,967,675	4,920,523	5,912,309	5,522,969	4,717,455	5,439,081
EQUITY AND LIABILITIES						
Capital and Reserves						
Stated Capital	1,584,000	528,000	528,000	1,584,000	528,000	528,000
Capital Reserves	2,007,695	1,610,090	2,007,995	2,008,664	1,610,090	2,008,567
Retained Earnings	(200,533)	(13,787)	(7,609)	27,009	71,447	122,725
TOTAL EQUITY	3,391,162	2,124,303	2,528,385	3,619,672	2,209,537	2,659,292
Non Current Liabilities						
Loans and Borrowings	750,916	1,151,919	901,754	750,000	1,149,400	900,000
Employee Benefits	19,089	18,360	19,191	14,666	14,220	14,912
Deferred Tax Liabilities	192,196	205,890	192,196	174,580	168,555	174,580
	962,202	1,376,170	1,113,141	939,246	1,332,175	1,089,491
Current Liabilities						
Trade and Other Payables	981,476	464,608	1,283,620	547,449	411,524	907,065
Current Tax Payables	1,579	2,524	4,917	1,465	2,524	4,058
Loans and Borrowings	615,521	947,628	962,083	399,400	756,406	761,748
Bank Overdrafts	15,736	5,289	20,163	15,736	5,289	17,426
	1,614,312	1,420,050	2,270,783	964,050	1,175,743	1,690,297
TOTAL EQUITY AND LIABILITIES	5,967,675	4,920,523	5,912,309	5,522,969	4,717,455	5,439,081
Net Assets Per Share (Rs)	32.11	40.23	47.89	34.28	41.85	50.37

These financial statements have been prepared and presented in compliance with the requirements of the Companies Act No 07 of 2007.

SGD

Mrs. S.S. Kotakadeniya
Chief Financial Officer - LOLC Group

The Board of Directors is responsible for the preparation and presentation of these financial statements.

Approved and signed for and on behalf of the Board,

SGD

Mr.W.D.K. Jayewardena
Chairman
09th November 2016

SGD

Mrs. K.U. Amarasinghe
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

EDEN HOTEL LANKA PLC

	Group						Company					
	Three months ended			Six months ended			Three months ended			Six months ended		
	30.09.2016 Rs. '000 (Unaudited)	30.09.2015 Rs "000" (Unaudited)	Variance %	30.09.2016 Rs. '000 (Unaudited)	30.09.2015 Rs. '000 (Unaudited)	Variance %	30.09.2016 Rs "000" (Unaudited)	30.09.2015 Rs "000" (Unaudited)	Variance %	30.09.2016 Rs "000" (Unaudited)	30.09.2015 Rs "000" (Unaudited)	Variance %
Revenue	214,422	136,041	57.62	375,039	250,211	49.89	179,641	136,041	32.05	313,151	229,488	36.46
Cost of Sales	(54,014)	(32,459)	66.41	(99,010)	(64,099)	54.46	(43,239)	(32,459)	33.21	(77,921)	(58,511)	33.17
GROSS PROFIT	160,408	103,582		276,029	186,112		136,402	103,582		235,230	170,977	
Other Operating Income	8,561	1,078	>100	6,100	3,716	64.15	5,884	985	>100	1,717	1,715	0.07
Personnel costs	(51,630)	(38,284)	34.86	(111,437)	(75,621)	47.36	(37,145)	(28,878)	28.63	(79,785)	(56,655)	40.83
Depreciation and amortization	(29,147)	(28,739)	1.42	(58,294)	(57,030)	2.22	(21,347)	(21,249)	0.46	(42,694)	(42,065)	1.49
Other operating expenses	(89,179)	(73,204)	21.82	(172,327)	(153,638)	12.16	(68,120)	(59,243)	14.98	(127,772)	(120,239)	6.26
RESULTS FROM OPERATING ACTIVITIES	(987)	(35,567)		(59,929)	(96,461)		15,675	(4,804)		(13,304)	(46,267)	
Finance Expenses	(66,176)	(53,267)	24.24	(130,929)	(102,259)	28.04	(39,637)	(42,479)	(6.69)	(82,412)	(80,587)	2.26
Share of Profit/(Loss) of Equity Accounted Investees (Associates)	(1,905)	(816)	>100	(2,065)	(2,385)	(13.43)	-	-	-	-	-	-
PROFIT/(LOSS) BEFORE TAXATION	(69,068)	(89,650)		(192,923)	(201,106)		(23,962)	(47,283)		(95,716)	(126,855)	
Taxation	-	-	-	-	-	-	-	-	-	-	-	-
PROFIT/(LOSS) AFTER TAXATION	(69,068)	(89,650)		(192,923)	(201,106)		(23,962)	(47,283)		(95,716)	(126,855)	
STATEMENT OF OTHER COMPREHENSIVE INCOME												
Profit/(Loss) for the period	(69,068)	(89,650)		(192,923)	(201,106)		(23,962)	(47,283)		(95,716)	(126,855)	
Net change in fair values of AFS Investments	52	29	81.37	96	202	(52.25)	52	29	81.37	96	202	(52.25)
Exchange gain/(loss) from translation of foreign operations	(3,248)	4,852	(> 100)	(397)	6,478	(> 100)	-	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSE)	(72,264)	(84,769)		(193,224)	(194,426)		(23,910)	(47,254)		(95,620)	(126,653)	
Profit/(loss) attributable to:												
Shareholders of the company	(69,068)	(89,650)	(22.96)	(192,923)	(201,106)	(4.07)	(23,962)	(47,283)	(49.32)	(95,716)	(126,855)	(24.55)
Non Controlling Interest	(69,068)	(89,650)		(192,923)	(201,106)		(23,962)	(47,283)		(95,716)	(126,855)	
Total Comprehensive income/(expenses) attributable to:												
Shareholders of the company	(72,264)	(84,769)	(14.75)	(193,224)	(194,426)	(0.62)	(23,910)	(47,254)	(49.40)	(95,620)	(126,653)	(24.50)
Non Controlling Interest	(72,264)	(84,769)		(193,224)	(194,426)		(23,910)	(47,254)		(95,620)	(126,653)	
BASIC EARNINGS/(LOSSES) PER SHARE BASED ON PROFIT AFTER TAX	(0.69)	(1.70)		(1.93)	(3.81)		(0.24)	(0.90)		(0.96)	(2.40)	

NOTES

- The Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Cash Flow Statement and the Statement of Changes in Equity for the Group and the Company as at and for the period ended 30th September 2016 are drawn up from unaudited accounts of the company and its' subsidiary companies and provide information required by the Colombo Stock Exchange and LKAS 34, "Interim Financial Reporting". Further, provisions of the Companies Act No.7 of 2007 has been considered in preparing these Interim Financial Statements of the company.
- Accounting policies, significant judgment and estimates stated in the financial statements for the year ended 2015/16, are followed in preparation of these Interim Financial Statements.
- Comparative figures have been reclassified where necessary to conform current period's presentation.
- Revenue Includes accommodation sales for rooms occupied on daily basis, together with outlet sales and other income from hotel operations.
- Other Income represents other sources of income not shown under revenue.
- All expenses related to management expenditure is fully provided for in these financial statements.
- In April 2016, the Company issued 52.8Mn ordinary shares at Rs 20.00 per share by way of a rights issue.
- There are no contingent liabilities as at the reporting date that require disclosure in these Interim Financial Statements.
- There has been no material events occurring after the reporting date that require adjustments to or disclosure in these Interim Financial Statements.

STATEMENT OF CHANGES IN EQUITY

EDEN HOTEL LANKA PLC

For the Six Months Ended 30th September 2016
GROUP

	Stated Capital Rs. 000	Reserves Rs. 000	Retained Earnings Rs. 000	Non controlling interest Rs. 000	Total Equity Rs. 000
Balance as at 01st April 2015	528,000	1,609,888	180,841	-	2,318,729
Total comprehensive income for the period					
Net profit/(loss) for the period			(201,106)		(201,106)
Other comprehensive income					
Net change in fair value of available for sale financial assets	-	202	-	-	202
Exchange gain from translation of foreign operations	-	-	6,478	-	6,478
Total comprehensive income for the period	-	202	(194,628)	-	(194,426)
Balance as at 30th September 2015	528,000	1,610,090	(13,787)	-	2,124,303
Balance as at 1st April 2016	528,000	2,007,995	(7,609)	-	2,528,385
Issue of new shares	1,056,000				1,056,000
Total Comprehensive Income for the year	1,584,000	2,007,995	(7,609)	-	3,584,385
Total Comprehensive Income for the year					
Net profit/(loss) for the period			(192,923)		(192,923)
Other comprehensive income					
Net change in fair value of AFS	-	96	-	-	96
Exchange gain from translation of foreign operations	-	(397)	-	-	(397)
Total Comprehensive Income for the year	-	(300)	(192,923)	-	(193,224)
Balance as at 30th September 2016	1,584,000	2,007,695	(200,533)	-	3,391,162

COMPANY

	Stated Capital Rs. 000	Reserves Rs. 000	Retained Earnings Rs. 000	Total Equity Rs. 000
Balance as at 01st April 2015	528,000	1,609,888	198,302	2,336,190
Total comprehensive income for the period				
Net profit/(loss) for the period			(126,855)	(126,855)
Other comprehensive income				
Net change in fair value of available for sale financial assets		202		202
Total comprehensive income for the period	-	202	(126,855)	(126,653)
Balance as at 30th September 2015	528,000	1,610,090	71,447	2,209,537
Balance as at 1st April 2016	528,000	2,008,567	122,725	2,659,292
Issue of new shares	1,056,000			1,056,000
Total Comprehensive Income for the year	1,584,000	2,008,567	122,725	3,715,292
Total Comprehensive Income for the year				
Net profit/(loss) for the period			(95,716)	(95,716)
Other comprehensive income				
Net change in fair value of AFS		96		96
Total Comprehensive Income for the year	-	96	(95,716)	(95,620)
Balance as at 30th September 2016	1,584,000	2,008,664	27,009	3,619,672

STATEMENT OF CASH FLOWS

EDEN HOTEL LANKA PLC

For the Six Months Ended 30th September	Group 2016 Rs "000"	Group 2015 Rs "000"	Company 2016 Rs "000"	Company 2015 Rs "000"
Cash Flows From Operating Activities				
Net Profit / (Loss) Before Taxation	(192,923)	(201,106)	(95,716)	(126,855)
Adjustments for :				
Depreciation	58,294	57,030	42,694	42,065
Provision for retirement benefit obligations	1,350	1,467	1,050	1,050
Finance expenses	145,722	124,706	106,200	103,437
Interest income	(14,792)	(24,155)	(23,788)	(24,155)
Share of Profit/(Loss) of Equity Accounted Investees (Associates)	2,065	2,385	-	-
Operating Profit before Working Capital Changes	<u>(286)</u>	<u>(39,673)</u>	<u>30,440</u>	<u>(4,457)</u>
(Increase) / Decrease in inventories	143	1,018	(365)	317
(Increase) / Decrease in receivables	110,386	64,229	71,340	52,976
Increase / (Decrease) in trade and other payables	<u>(67,181)</u>	<u>39,627</u>	<u>(64,444)</u>	<u>8,915</u>
Cash Generated from Operations	<u>43,061</u>	<u>65,202</u>	<u>36,970</u>	<u>57,751</u>
Income tax paid	(3,338)	(3,487)	(2,594)	(1,503)
Finance expenses paid	(79,409)	(110,329)	(79,409)	(99,969)
Retirement benefit expenses paid	<u>(1,452)</u>	<u>(932)</u>	<u>(1,295)</u>	<u>(262)</u>
Net Cash Flow From Operating Activities	<u>(41,138)</u>	<u>(49,547)</u>	<u>(46,327)</u>	<u>(43,984)</u>
Cash Flow from Investing Activities				
(Acquisition)/ Disposal of property, plant and equipment	(20,463)	(13,474)	(16,681)	(12,248)
(Acquisitions)/Disposals in investments	(328,820)	2,477	(240,230)	2,477
Interest income received	96	9,499	96	528
Net Cash Flow from Investing Activities	<u>(349,187)</u>	<u>(1,499)</u>	<u>(256,815)</u>	<u>(9,244)</u>
Cash Flow from Financing Activities				
Proceeds from rights issue	1,056,000	-	1,056,000	-
Fund transfers from/ payment made to parent company	(234,963)	290,663	(321,963)	290,663
Repayment of interest bearing loans and borrowings	<u>(497,399)</u>	<u>(252,000)</u>	<u>(512,348)</u>	<u>(252,000)</u>
Net Cash used in Financing Activities	<u>323,638</u>	<u>38,663</u>	<u>221,689</u>	<u>38,663</u>
Net Decrease in Cash and Cash Equivalents	<u>(66,687)</u>	<u>(12,382)</u>	<u>(81,456)</u>	<u>(14,565)</u>
Cash and Cash Equivalents as at 1st April	141,471	84,652	140,988	42,384
Cash and Cash Equivalents as at 30th September	<u><u>74,784</u></u>	<u><u>72,271</u></u>	<u><u>59,533</u></u>	<u><u>27,819</u></u>
Analysis of Cash and Cash Equivalents at the end of the year				
Cash at Bank	90,520	77,560	75,269	33,107
Bank overdraft	<u>(15,736)</u>	<u>(5,289)</u>	<u>(15,736)</u>	<u>(5,289)</u>
Cash and Cash Equivalents	<u><u>74,784</u></u>	<u><u>72,271</u></u>	<u><u>59,533</u></u>	<u><u>27,819</u></u>

Changes in classifications

The company reclassified certain prior period figures in the Statement of Cash Flow as describe below.

	Prior Classification Rs in "000"	Re - Classification Rs in "000"	Re- classified Rs in "000"
Increase / (Decrease) in trade and other payables	299,578	(290,663)	8,915
Fund transfers from/ payment made to parent company	-	290,663	290,663
Interest income received	24,155	(23,627)	528
(Increase) / Decrease in receivables	29,349	23,627	52,976

The Group reclassified certain prior period figures in the Statement of Cash Flow as describe below.

	Prior Classification Rs in "000"	Re - Classification Rs in "000"	Re- classified Rs in "000"
Increase / (Decrease) in trade and other payables	330,290	(290,663)	39,627
Fund transfers from/ payment made to parent company	-	290,663	290,663
Interest income received	24,155	(14,656)	9,499
(Increase) / Decrease in receivables	49,573	14,656	64,229

EDEN HOTELS LANKA PLC
SHAREHOLDERS' INFORMATION

- A. Names and the Number of Shares held by the 20 Largest Shareholders and the Percentage (%) as at 30.09.2016

20 MAJOR SHAREHOLDERS OF THE COMPANY AS AT 30TH SEPTEMBER 2016

	NAME	NO OF SHARES	(%)
1	Palm Garden Hotels PLC	48,796,944	46.21
2	Browns Hotels & Resorts Limited	28,500,142	26.99
3	Local Mandatory Offer by Browns Hotels & Resorts Limited	16,446,851	15.75
4	Employees Trust Fund Board	1,581,943	1.50
5	Mercantile Investments and Finance PLC	1,049,600	0.99
6	Bank of Ceylon No.01 Account	775,550	0.73
7	Mr.W C A Wimaladharm	296,052	0.28
8	Mrs.N.H.Abdul Husein	295,753	0.28
9	Dee investments (Pvt) Limited	290,427	0.28
10	Mrs.B Wimaladharm	275,000	0.26
11	Mr.M I Raji	274,093	0.26
12	Union Investments (Private) Ltd	250,000	0.24
13	Merchant Bank of Sri Lanka	127,743	0.12
14	Union Bank of Colombo PLC	115,000	0.11
15	Malship Ceylon Limited	111,637	0.11
16	N.Vaitilingam & Company Limited	102,324	0.10
17	Mr. Abdul Hameed	101,200	0.10
18	C M Holdings PLC	100,000	0.10
19	Mr K C Vignarajah	97,000	0.09
20	Mr H Abdulhusein	92,000	0.09
	T O T A L	99,679,259	94.40
	OTHERS	5,920,741	5.60
		105,600,000	100.00

- B. The Public Holding Percentage as at 30.09.2016 : 26.80% comprising of 5413 shareholders

C. Directors' Shareholding as at 30.09.2016:	No of shares	(%)
Mr. W D K Jayawardena	Nil	Nil
Ms. K U Amarasinghe	Nil	Nil
Mr. D S K Amarasekera	Nil	Nil
Mr. M T A Furkhan	1	-
Mr. Stefan Furkhan	1	-
Mr. J M Swaminathan	Nil	Nil

- D. Number of Shares representing the Company's Stated Capital 105,600,000 Ordinary Shares.

E. Market price of shares recorded during the quarter ended	30.09.2016	30.09.2015
	Rs.	Rs.
Highest Market Price	19.80	24.60
Lowest Market Price	15.00	18.40
Last Traded Price	16.00	19.50