



THE FORTRESS RESORT & SPA  
SRI LANKA

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**THE FORTRESS RESORTS PLC**

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**INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED  
30 TH JUNE 2022**

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2022**

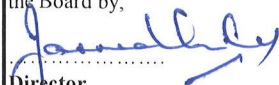
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 TH JUNE**

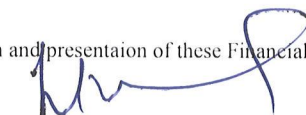
	As.At 30.06.2022 Rs. '000'	As.At 31.03.2022 Audited Rs. '000'	Change %
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	1,192,139	1,206,227	(1)
Right to use of Assets	42,790	43,268	(1)
Intangible Assets	2,138	1,695	26
	<u>1,237,067</u>	<u>1,251,190</u>	(1)
<b>Current Assets</b>			
Inventories	20,491	19,806	3
Trade and Other Receivables	21,133	47,470	(55)
Advances and Prepayments	32,616	30,163	8
Short Term Deposits	492,269	525,768	(6)
Cash and Cash equivalents	34,810	44,869	(22)
	<u>601,319</u>	<u>668,076</u>	(10)
<b>Total Assets</b>	<u><b>1,838,386</b></u>	<u><b>1,919,266</b></u>	(4)
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Stated Capital	1,108,867	1,108,867	-
Accumulated Profits	560,416	519,797	(8)
Equity attributable to Equity Holders of the Parent	1,669,283	1,628,664	(2)
Non Controlling Interest	1	1	-
<b>Total Equity</b>	<u>1,669,284</u>	<u>1,628,665</u>	(2)
<b>Non-Current Liabilities</b>			
Interest Bearing Loans and Borrowings	56,510	93,164	39
Retirement Benefit Obligation	19,637	19,107	(3)
Deferred Tax Liability	8,821	8,821	-
	<u>84,968</u>	<u>121,092</u>	30
<b>Current Liabilities</b>			
Trade and Other Payables	47,408	58,755	19
Contract Liabilities	24,765	59,508	58
Interest Bearing Loans and Borrowings	7,514	47,797	84
Income Tax Payables	4,447	3,449	(29)
	<u>84,134</u>	<u>169,509</u>	50
<b>Total Equity and Liabilities</b>	<u><b>1,838,386</b></u>	<u><b>1,919,266</b></u>	4
Net Asset Value per Share (Rs.)	15.05	14.69	

I certify that these financial statements are in compliance with the requirements of the Companies Act No.7 of 2007

  
**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,

  
**Director**

  
**Director**

Colombo  
10 th August 2022

Note :The above figures for the interim period are not audited

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE**

**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 TH JUNE**

	<b>FOR 3 MONTHS ENDED</b>		<b>Change</b>
	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>%</b>
	<b>Rs. '000'</b>	<b>Rs. '000'</b>	
<b>Revenue</b>	126,013	26,607	374
Cost of Sales	(37,353)	(15,421)	(142)
Gross Profit	<b>88,660</b>	<b>11,186</b>	693
Other Income and Gains	17,105	293	5,738
Selling and Marketing Expenses	(4,564)	(2,609)	(75)
Administrative Expenses	(67,449)	(57,716)	(17)
Finance Cost	(2,535)	(3,637)	30
Finance Income	14,816	9,751	52
<b>Profit/(Loss) before Tax</b>	<b>46,033</b>	<b>(42,732)</b>	208
Income (Tax Expenses)/ Reversal	(5,414)	3,264	(266)
<b>Profit/(Loss) for the period</b>	<b>40,619</b>	<b>(39,468)</b>	203
<b>Other Comprehensive Income</b>	-	-	
Actuarial gain/(loss) on Defined Benefit Plan	-	-	
Income tax effect	-	-	
<b>Net other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>	<b>-</b>	<b>-</b>	
<b>Other comprehensive income for the year ,net of tax</b>	<b>-</b>	<b>-</b>	
<b>Total Comprehensive Income/(loss) for the period net of Tax</b>	<b>40,619</b>	<b>(39,468)</b>	203
<b>Profit and total comprehensive income attributable to</b>			
Entire profit and total comprehensive income is attributable to the equity holders of the parent			
Basic Earnings/(Loss) Per Share	0.37	(0.36)	203
Dividend per share	-	-	-

Note :The above figures for the interim period are not audited  
: Figures in brackets indicate deductions



**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2022**

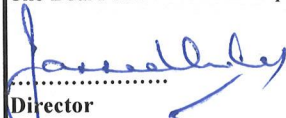
**COMPANY, STATEMENT OF FINANCIAL POSITION AS AT 30 TH JUNE**

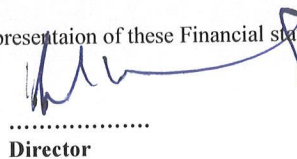
	As.At 30.06.2022 Rs. '000'	As.At 31.03.2022 Audited Rs. '000'	Change %
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Investment In Subsidiary	1,000,010	1,000,010	-
	<u>1,000,010</u>	<u>1,000,010</u>	-
<b>Current Assets</b>			
Other Receivables	95,055	97,019	(2)
Cash and Cash Equivalents	44	44	-
	<u>95,099</u>	<u>97,063</u>	(2)
<b>Total Assets</b>	<u><u>1,095,109</u></u>	<u><u>1,097,073</u></u>	-
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Stated Capital	1,108,867	1,108,867	-
Accumulated Profits/(losses)	(15,541)	(13,677)	14
<b>Total Equity</b>	<u>1,093,326</u>	<u>1,095,190</u>	-
<b>Non-Current Liabilities</b>			
Interest Bearing Loans and Borrowings	-	-	-
Retirement Benefit Obligation	-	-	-
	<u>-</u>	<u>-</u>	-
<b>Current Liabilities</b>			
Trade & Other Payables	1,783	1,883	5
Bank Overdraft	-	-	-
	<u>1,783</u>	<u>1,883</u>	-
<b>Total Equity and Liabilities</b>	<u><u>1,095,109</u></u>	<u><u>1,097,073</u></u>	-
Net Asset value per share (Rs.)	9.86	9.88	-

I certify that these financial statements are in compliance with the requirements of the Companies Act No.7 of 2007

  
 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,

  
 Director

  
 Director

Colombo  
 10 th August 2022

Note :The above figures for the interim period are not audited

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2022**

**COMPANY, STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 TH JUNE**

	<b>FOR 3 MONTHS ENDED</b>		<b>Change</b>
	<b>30.06.2022</b>	<b>30.06.2021</b>	<b>%</b>
	<b>Rs. '000'</b>	<b>Rs. '000'</b>	
<b>Revenue</b>	-	-	
Cost of Sales	-	-	
<b>Gross Profit</b>	-	-	
Other Income and Gains	-	-	-
Selling and Marketing Expenses	-	-	
Administrative Expenses	(1,864)	(622)	(200)
Finance Cost	-	-	-
Finance Income	-	-	
<b>Profit/(Loss) before Tax</b>	(1,864)	(622)	(200)
Income Tax Expenses	-	-	-
<b>Profit /(Loss) for the period</b>	(1,864)	(622)	(200)
<b>Other Comprehensive Income/(Loss)</b>	-	-	
<b>Total Comprehensive Income/(Loss) for the period</b>	(1,864)	(622)	(200)
Basic Earnings / (Loss) per share for the period	(0.02)	(0.01)	(200)
Dividend per share	-	-	-

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**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2022**

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED**  
**30 TH JUNE**

Group	Attributable to the equity holders of the parent			
	Stated Capital	Accumulated Profit	Non Controlling Interest	Total
	Rs. '000'	Rs. '000'	Rs. '000'	Rs. '000'
Balance as at 01st April 2022	1,108,867	519,797	1	1,628,665
Profits for the Period	-	40,619	-	40,619
				-
Balance as at 30 th June 2022	<u>1,108,867</u>	<u>560,416</u>	<u>1</u>	<u>1,669,284</u>
Balance as at 01st April 2021	1,108,867	487,909	1	1,596,777
Loss for the Period	-	(39,468)	-	(39,468)
Balance as at 30 th June 2021	<u>1,108,867</u>	<u>448,441</u>	<u>1</u>	<u>1,557,309</u>
Company	Stated Capital	Accumulated Profit/(Losses)	Total	
	Rs. '000'	Rs. '000'	Rs. '000'	
Balance as at 01st April 2022	1,108,867	(13,677)	1,095,190	
Loss for the Period	-	(1,864)	(1,864)	
Balance as at 30 th June 2022	<u>1,108,867</u>	<u>(15,541)</u>	<u>1,093,326</u>	
Balance as at 01st April 2021	1,108,867	(9,733)	1,099,134	
Loss for the Period	-	(622)	(622)	
Balance as at 30 th June 2021	<u>1,108,867</u>	<u>(10,355)</u>	<u>1,098,512</u>	

Note :The above figures for the interim period are not audited  
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**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2022**

**STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED**  
**30 TH JUNE**

**FOR THE PERIOD ENDED**

**FOR THE PERIOD ENDED**

	<b>Group</b>		<b>Company</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Rs. '000'</b>	<b>Rs. '000'</b>	<b>Rs. '000'</b>	<b>Rs. '000'</b>
<b>Cash Flows From / (Used in) Operating Activities</b>				
Profit/(Loss) before tax	46,033	(42,732)	(1,864)	(622)
<b>Adjustments for</b>				
Depreciation	16,120	17,046	-	-
Amortisation of intangible assets	287	324	-	-
Depreciation of Right of Use assets	478	2,440	-	-
Finance Cost	2,535	3,638	-	-
Finance Income	(14,816)	(9,751)	-	-
Exchange Gain	(807)	-	-	-
Provision for Defined Benefit Obligation	819	984	-	-
Operating Profit/(Loss) before Working Capital Changes	50,649	(28,051)	(1,864)	(622)
(Increase)/ Decrease in Inventories	(685)	1,024	-	-
(Increase)/ Decrease in Trade and Other Receivables and prepayments	23,885	1,699	1,964	832
Increase/(Decrease) in Trade and Other Payables and Contract Liabilities	(46,091)	(6,511)	(100)	(210)
Cash Generated from / (Used in) Operations	27,758	(31,839)	-	-
Finance Cost Paid	(98)	(5,695)	-	-
Defined Benefit Obligation paid	(290)	(348)	-	-
Income Tax paid	(4,417)	(4,853)	-	-
Net Cash From / (used in) Operating Activities	22,953	(42,735)	-	-
<b>Cash Flows from / (Used in) Investing Activities</b>				
Acquisition of Property, Plant and Equipment	(1,787)	(389)	-	-
Acquisition of Intangible Assets	(730)	-	-	-
Investment in Fixed deposits/Treasury Bills	(268,543)	(30,000)	-	-
Withdrawal of Fixed Deposits	300,000	145,000	-	-
Finance Income Received	15,761	30,514	-	-
Net Cash from/(Used in) Investing Activities	44,701	145,125	-	-
<b>Cash Flows from (Used in) Financing Activities</b>				
Repayments of interest bearing loans and borrowings	(82,257)	(102,242)	-	-
Principal Payments under Finance Lease Liabilities	-	(1,636)	-	-
Net Cash from/(Used in) Financing Activities	(82,257)	(103,878)	-	-
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	(14,603)	(1,488)	-	-
<b>Cash and Cash Equivalents at the beginning of the Period</b>	44,869	693	44	26
<b>Cash and Cash Equivalents at the end of the period</b>	<b>30,266</b>	<b>(795)</b>	<b>44</b>	<b>26</b>

For the purpose of the cash flow statement, the period end cash and cash equivalents comprise of the following:

Cash at Bank & In Hand	34,810	6,900	44	26
Bank Overdraft	(4,544)	(7,695)	-	-
	<b>30,266</b>	<b>(795)</b>	<b>44</b>	<b>26</b>

Note :The above figures for the interim period are not audited

:Figures in brackets indicate deductions

**THE FORTRESS RESORTS PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**FOR THE PERIOD ENDED 30 TH JUNE 2022**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 TH JUNE**

1. Market Price of Ordinary Shares

	30.06.2022	30.06.2021
	Rs.	Rs.
Highest Price Per Share for the Quarter	12.90	11.80
Lowest Price Per Share for the Quarter	9.50	9.80
Last Traded	11.50	9.80

2. Financial year of the Company / Group ends on 31st March . Interim figures are for three months ended 30 June 2022

3. The Statement of Financial Position of the Company and Group as at 30 th June 2022 and Statements of Income, Changes in Equity and Cash Flow for the period then ended have been prepared in accordance with Sri Lanka Accounting Standards 34 ,interim financial statements and are in agreement with the books of accounts maintained by the group and have provided the information required by the Colombo Stock Exchange.

4. The presentation and classification of figures for the corresponding period of the previous year have been amended, where relevant, to be comparable with those for the current year.

5. All values included in these Financial Statements are in '000' rupees unless otherwise stated.

6. Subsidiaries.

The Subsidiaries and its controlling percentages of the Group, which have been consolidated are as follows

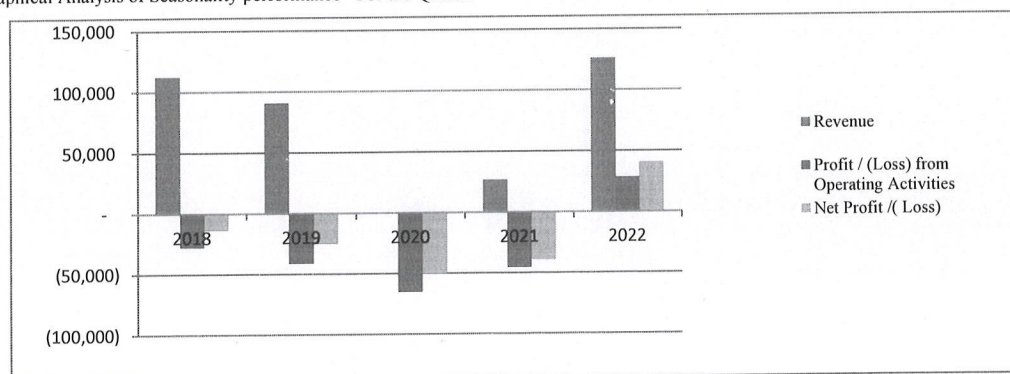
Subsidiaries	2022	2021	Nature of the Operations
<b>Direct holding</b>			
La Forteresse (Private) Limited	100%	100%	Operations of Small Luxury Hotel
<b>Indirect holding</b>			
Summer Season Mirissa (Private ) Limited	99.99%	99.99%	Operation not yet commenced

Investment in subsidiaries are carried at cost less impairments (if any) in the separate financial statements

7. Net Assets value per Share has been calculated, for all periods, based on the number of shares in issue as at 30 th June 2021, amounting to 110,886,684.

8. There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31 st March 2022.

9. Graphical Analysis of Seasonality performance - For the Quarter



10. The percentage of the shares held by public as at 30 th June 2022 was 26.93% Comprising of 1,949 Shareholders. (30 th June 2021 -15.465% Comprising 2,017 shareholders)

11. The float adjusted market capitalization as at 30 th June 2022 - Rs.343,405,973.50

12. The Float adjusted market capitalization of the company falls under Option 2 of Rule 7.13.1(b) of the Listing Rules of the Colombo Stock Exchange and the Company has complied with the minimum public holding requirement applicable under the said option.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED**  
**30 TH JUNE 2022**

13. The interim financial statements are unaudited and have been prepared in accordance with the same accounting policies and methods set out in the Annual Financial Statements for the year ended 31 March 2022 and are in compliance with the Sri Lanka Accounting Standard 34 - Interim Financial Reporting.

14. The number of shares held by the Board of Directors as of 30 th June 2022 are as follows:

	<b>Name of the Director</b>	<b>No of Shares</b>	<b>%</b>
1	Mr. Malik Joseph Fernando	833,333	0.075
2	Mr. Merrill Joseph Fernando	2,124,400	1.916
3	Mr.L.N.De Silva Wijeyeratne	Nil	-
4	Mr.J.A.S.Sumith Adhihetty	13,741	0.010
5	Mr.C.Vishvajit Cabraal	Nil	-
6	Mr.K.D.Harindra Perera	Nil	-
7	Mr.R.E.Uvindra De Silva	Nil	-
8	Mr.Jan Peter Van Twest	Nil	-
9	Mr.C.Umagiliya Weerawardena	Nil	-
10	Mr.R.N.Malinga (Alternate Director to Malik J Fernando)	Nil	-

15. Twenty largest shareholders of the company as of 30 th June 2022 are as follows:

	<b>Name of the Share Holder</b>	<b>No of Shares</b>	<b>%</b>
1	M J F HOLDINGS LTD	28,616,411	25.807
2	VALLIBEL LEISURE (PRIVATE) LIMITED	24,417,932	22.021
3	VALLIBEL ONE PLC	20,618,257	18.594
4	MR.K.D.D. PERERA	10,329,317	9.315
5	L B FINANCE PLC	4,051,100	3.653
6	MR. MERRIL J FERNANDO	2,124,400	1.916
7	BANK OF CEYLON NO. 1 ACCOUNT	1,461,100	1.318
8	SEYLAN BANK PLC/JAYANTHA DEWAGE	1,441,400	1.300
9	MR. A P L FERNANDO	1,141,400	1.029
20	MOTOR SERVICE STATION (PRIVATE) LTD	1,095,283	0.988
10	MRS N U D ARIYARATNA	843,483	0.761
11	MR. M. J. FERNANDO	833,333	0.752
12	MR D C FERNANDO	833,333	0.752
13	DR.D.JAYANNTHA	621,000	0.560
15	SEYLAN BANK PLC/BERTRAM MANSON AMARASEKARA	550,000	0.496
16	MR.M.P.D COORAY	459,204	0.414
18	ANVERALLY AND SON (PVT) LTD A/C NO 1	373,810	0.337
17	MERCHANT BANK OF SRI LANKA & FINANCE PLC/S.A.A HASITHA	365,586	0.330
19	ROYAL CEREMICS LANKA PLC	336,100	0.303
14	SEYLAN BANK PLC/A.M.NIMESHA ANURUDDHA ABHEYKON	295,161	0.266

## Corporate Information

### Name of the Company

The Fortress Resorts PLC

Company Registration No  
PQ 207

### Legal Form

Public Quoted Company with Limited Liability,  
Quoted on the Diri Savi Board of the Colombo  
Stock Exchange.

### Registered Office

Level 29, West Tower  
World Trade Center, Echelon Square  
Colombo 01.

### Board Of Directors

Mr.K D Harindra Perera ( Managing Director )  
Mr. J A S Sumith Adhihetty  
Mr. Malik Joseph Fernando  
(Alternate Director Mr.R N Malinga)  
Mr.Jan Peter Van Twest  
Mr. Merrill Joseph Fernando  
Mr. L N De Silva Wijeyeratne  
Mr.Chathura Vishvajit Cabraal  
Mr.C Umagiliya Weerawardena  
Mr. R.E.Uvindra De Silva

### Subsidiary Companies

La Forteresse (Private) Limited  
Summer Season Mirissa (Pvt) Ltd

### Hotel

The Fortress Resorts & Spa, Koggala  
Telephone : 091 4389400  
Fax : 091 4389458  
Email: info@thefortress.lk

### Secretaries

P W Corporate Secretarial (Pvt) Ltd.  
No.3/17, Kynsey Road.  
Colombo 08.  
Telephone : 011 4640360-3  
Fax : 011 4740588  
Email: pwcs@pwcs.lk

### External Auditors

Ernst & Young  
Chartered Accountants  
201,De Seram Place,  
Colombo 10.

### Internal Auditors

BDO Partners  
Chartered Accountants  
"Charter House"  
65/2, Sir Chittampalam A Gardiner Mawatha  
Colombo 02.

### Bankers

Bank of Ceylon  
Sampath Bank PLC  
Pan Asia Banking Corporation PLC