



Tangerine Beach Hotels PLC

Company Reg. No. PQ 162

236, Galle Road, Colombo 3, Sri Lanka.

Telephone: 2422518/9, 2343720-7 FAX: 2448279, 2391193

E-mail: tangerine@mi.com.lk

Web Site: <http://www.tangerinehotels.com>

Tangerine Beach Hotels PLC.
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 For The Six Months Ended 30th September 2016

	Six months ended 30th September			Three months ended 30th September		
	2016 Rs. '000'	2015 Rs. '000'	Change Rs. '000'	2016 Rs. '000'	2015 Rs. '000'	Change Rs. '000'
Revenue	230,601	198,273	32,328	128,502	112,736	15,766
Cost of Sales	(105,820)	(82,966)	(22,854)	(59,595)	(45,048)	(14,547)
Gross Profit	124,781	115,307	9,474	68,907	67,688	1,219
Other Income	5,364	10,631	(5,267)	1,231	6,310	(5,079)
Selling and Distribution Costs	(5,868)	(4,287)	(1,581)	(2,759)	(2,315)	(444)
Administrative Expenses	(147,087)	(131,348)	(15,739)	(76,416)	(69,103)	(7,313)
De - recognition of Property, Plant & Equipment	(1,252)	-	(1,252)	(1,252)	-	(1,252)
Other Expenses	(434)	(328)	(106)	(284)	(195)	(89)
Finance Income	6,970	5,473	1,497	3,497	3,037	460
Finance Expenses	(272)	(405)	133	(129)	(194)	65
Share of Associate Company's Profit / (Loss)	(6,056)	5,205	(11,261)	154	6,146	(5,992)
Profit / (Loss) Before Tax	(23,854)	248	(24,102)	(7,051)	11,374	(18,425)
Income Tax	(6,969)	(3,323)	(3,646)	(5,621)	433	(6,054)
Net Profit / (Loss) for the Period	(30,823)	(3,075)	(27,748)	(12,672)	11,807	(24,479)
Other Comprehensive Income						
Other Comprehensive Income to be reclassified to Profit or Loss in subsequent periods(net of tax)	-	-	-	-	-	-
Other Comprehensive Income not to be reclassified to Profit or Loss in subsequent periods(net of tax)						
Income Tax effect	1,458	528	930	729	52	677
Other Comprehensive Income for the period	1,458	528	930	729	52	677
Income Tax effect-Associate	272	183	89	166	91	75
	272	183	89	166	91	75
Other Comprehensive Income for the period	1,730	711	1,019	895	143	752
Total Comprehensive Income for the period, net of tax	(29,093)	(2,364)	(26,729)	(11,777)	11,950	(23,727)
Earnings Per - Share - Basic	(1.54)	(0.15)	(1.39)	(0.63)	0.59	(1.22)

The above figures are provisional and subject to audit.

It is certified that the financial statement have been prepared in compliance with the requirements of the Companies Act No.7 of 2007

M.I. Shahabdeen

Group Financial Controller

A.M. Ondaatje
 Joint Managing Director

Nov 11, 2016

T.J. Ondaatje
 Director



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Tangerine Beach Hotels PLC STATEMENT OF FINANCIAL POSITION As At 30th September 2016

	30.09.2016 Rs.'000'	30.09.2015 Rs.'000'	31.03.2016 Rs.'000'
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	2,201,501	2,027,559	2,192,954
Intangible Assets	2,857	3,295	3,122
Investment in Associate Company	654,350	538,169	672,734
	<u>2,858,708</u>	<u>2,569,023</u>	<u>2,868,810</u>
Current Assets			
Inventories	15,894	15,040	15,582
Trade and Other Receivables	63,478	42,348	114,601
Income Tax Receivable	1,228	5,253	-
Other Non Financial Assets	10,385	8,748	6,445
Amounts Due from Related Parties-Other Financial Assets	43	1,441	67
Short-term Investments-Other Financial Assets	182,132	146,818	116,156
Cash and Cash Balances	57,030	64,669	127,655
	<u>330,190</u>	<u>284,317</u>	<u>380,506</u>
Total Assets	<u>3,188,898</u>	<u>2,853,340</u>	<u>3,249,316</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	244,800	244,800	244,800
Revaluation Reserve	1,800,101	1,506,434	1,799,154
Retained Earnings	923,019	846,084	963,058
Total Equity	<u>2,967,920</u>	<u>2,597,318</u>	<u>3,007,012</u>
Non-Current Liabilities			
Interest Bearing Loans and Borrowings	3,226	7,528	5,377
Deferred Tax Liabilities	101,014	92,150	99,653
Post Employee Benefit Liability	25,985	30,869	30,690
	<u>130,225</u>	<u>130,547</u>	<u>135,720</u>
Current Liabilities			
Trade and Other Payables	68,628	110,207	77,738
Amounts Due to Related Parties	7,673	4,104	7,371
Income Tax Payable	-	-	6,656
Interest Bearing Loans and Borrowings	14,452	11,164	14,819
	<u>90,753</u>	<u>125,475</u>	<u>106,584</u>
Total Equity and Liabilities	<u>3,188,898</u>	<u>2,853,340</u>	<u>3,249,316</u>
Net Assets per Share (Rs.)	148.40	129.87	150.35

The above figures are provisional and subject to Audit.

It is certified that the financial statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007

M.I. Shahabdeen
Group Financial Controller

A.M. Ondaatjie
Joint Managing Director
Nov 11, 2016

T.J. Ondaatjie
Director



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Tangerine Beach Hotels PLC STATEMENT OF CHANGES IN EQUITY As At 30th September 2016

	Stated Capital	Revaluation Reserve	Revaluation Reserve of Associate Company	Accumulated Profits	Total Equity
	Rs.'000'	Rs.'000'	Rs.'000'	Rs.'000'	Rs.'000'
Balance as at 1st April 2015	244,800	1,308,464	197,259	859,159	2,609,682
Net Profit/(Loss) for the Period	-	-	-	(3,075)	(3,075)
Other Comprehensive Income	-	528	183	-	711
Total Comprehensive Income	-	528	183	(3,075)	(2,364)
Ordinary Dividends-2014/2015	-	-	-	(10,000)	(10,000)
Balance as at 30th September 2015	244,800	1,308,992	197,442	846,084	2,597,318
Balance as at 1st April 2016	244,800	1,505,774	293,381	963,058	3,007,013
Net Profit / (Loss) for the Period	-	-	-	(30,823)	(30,823)
Other Comprehensive Income	-	1,458	272	-	1,730
Total Comprehensive Income	-	1,458	272	(30,823)	(29,093)
Effect on Revaluation Surplus of Derecognised Property, Plant & Equipment	-	(664)	(120)	784	-
Ordinary Dividends-2015/2016	-	-	-	(10,000)	(10,000)
Balance as at 30 th September 2016	244,800	1,506,568	293,533	923,019	2,967,920

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Tangerine Beach Hotels PLC

CASH FLOW STATEMENT

For The Six months Ended 30th September 2016

	Company	
	30.09.2016 Rs.'000'	30.09.2015 Rs.'000'
Cash Flows from / (Used in) Operating Activities		
Net Profit / (Loss) before Income Tax Expense	(23,854)	248
Adjustments for:		
Depreciation on Property, Plant and Equipment	30,718	26,180
Allowance for Inventory	1,420	1,442
Amortization of Intangible assets	265	265
Interest Income	(6,970)	(5,473)
Interest Expenses	272	405
(Profit)/Loss on Disposal of Property, Plant & Equipment	(3,350)	(2,946)
De-recognition of Property, Plant and equipment	1,252	-
Share of Associate's (Profit) / Loss	6,056	(5,205)
Operating Profit / (Loss) before Working Capital Changes	5,809	14,916
Changes in working capital		
Receivable and Prepayments	48,546	48,412
Inventories	(1,732)	(2,499)
Payables	(8,809)	10,824
Post employment benefit plans	3,000	3,000
Cash Generated from Operations	46,814	74,653
Finance Costs Paid	(272)	(405)
Retirement Benefit Costs Paid	(7,705)	(1,530)
Income Tax Paid	(9,659)	(622)
Net Cash Flows From/(used in) Operating Activities	29,178	72,096
Cash Flows from / (Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(42,254)	(82,890)
Disposal of Property, Plant & Equipment	5,087	3,018
Investment in Fixed Deposit	(50,757)	-
Interest Received	6,970	5,473
Dividend Received	10,226	6,391
Net Cash Flows (Used in) Investing Activities	(70,728)	(68,008)
Cash Flows from / (Used in) Financing Activities		
Repayment of Interest bearing Loans & borrowings	(2,151)	(2,151)
Dividend Paid on Ordinary Shares	(10,000)	(10,000)
Net Cash Flows from / (Used in) Financing Activities	(12,151)	(12,151)
Net increase/(Decrease) in Cash and Cash Equivalents	(53,701)	(8,063)
Effects of exchange rate changes on Cash & Cash Equivalents	(1,338)	1,208
Cash and Cash Equivalents at the beginning of the period (Note A)	233,294	211,479
Cash and Cash Equivalents at the end of the period	178,255	204,624
Note A		
CASH AND CASH EQUIVALENTS		
Components of Cash and Cash Equivalents		
Cash & Bank Balances	57,030	64,669
Short Term Deposit	131,375	146,818
Bank Overdrafts	(10,150)	(6,863)
	178,255	204,624


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M.I. Shahabdeen

Group Financial Controller


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Nov. 11, 2016


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Notes

1 Corporate Information

Tangerine Beach Hotel PLC is a public limited liability company incorporated and domiciled in Sri Lanka listed on the Colombo Stock Exchange. The Interim Financial Statements of the Company for the six months ended 30th September 2016 were authorized for issue by Board of Directors on 11th November 2016.

2 Basis of Preparation

The Interim financial statements of the Company have been prepared on the basis of the same accounting policies and methods of computation applied for the year ended 31st March 2016 are in compliance with the Sri Lanka Accounting Standard 34 -Interim Financial Reporting.

	30.09.2016	30.09.2015
3 Market price during the quarter - Highest (Rs.)	73.10	90.00
- Lowest (Rs.)	60.40	70.00
- Last Traded (Rs.)	63.60	76.00

4 There are no material events subsequent to the quarter ended 30.09.2016 that need disclosure.

5 There were no material changes in the composition of the assets and liabilities of the company during the quarter under review.

6 There are no significant contingencies as at 30.09.2016, except the following:

Three Customers filed cases against the Company in the District Court of Colombo claiming a sum of Rs. 45 million for injuries caused to the plaintiffs as a result of an accident occurred while traveling in a vehicle provided by the company. The company appealed against the award of compensation of Rs28mn to the Supreme Court and appeal dismissed. Accordingly provision has been made in these financial statements for the compensation award of Rs 28Mn. Case bearing Appeal numbers WP/HCCA/COL/124/2014CA, WP/HCCA/COL/125/2014CA, WP/HCCA/ COL/126 /2014 CA for legal interest on the award of compensation an Appeal made to the Civil Appellate Court by the Petitioners in the aforesaid cases on the grounds that legal interest should accrue to the Original Judgment delivered in the District Court awarding them cumulatively Rs. 28,000,000/- has been granted in their favor to be calculated from the inception of the said cases from the year 1999 at the applicable rates.

The terms of settlement mutually entered into and filed in Supreme Courts to settle all matters in relation to all said cases on the basis that the company pay to the plaintiffs concerned and aggregate sum of Rs 61,000,000 as a full and final settlement of all their claims and demands. The said payment was made on 31st March 2016 and as stated in the terms of settlement the company has made claim against Sri Lanka Insurance Corporation Ltd.

7 The Company carried out refurbishment of the " Supper Club" and " 4th Floor 14 no's Bath Rooms" during the period. In order to de-recognize the carrying amount of the items of property plant & equipment that were subject to refurbishment, the management used the Quantity Surveyor's valuation as the cost of the replaced items. Accordingly an amount of Rs.1,251,849/- was de-recognized and included in profit and loss in accordance with LKAS 16. In such de-recognized amounts, the revaluation surplus amounting to Rs.663,894/- included under revaluation reserve was transferred to retained earnings in accordance with LKAS 16.



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- 8 There is no liability to Management Fees or any other similar expenditure
- 9 Six months of the period under review relates to the off season of the tourism industry.
- 10 Stated Capital is represented by shares in issue as given below:

As at	30th September 2016	30th September 2015
Number of Ordinary Shares	20,000,000	20,000,000

11



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M.J. Shamsudeen
Group Financial Controller


A.M. Ondaatje
Joint Managing Director
Nov 11, 2016


T.J. Ondaatje
Director



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TANGERINE BEACH HOTELS PLC

DIRECTORS' SHAREHOLDINGS AS AT 30TH SEPTEMBER 2016

	No. of Shares held	
Mr. G L A Ondaatjie	2,025,700	10.13%
Ms. A M Ondaatjie	164,842	0.82%
Mr. G G Ondaatjie	132,888	0.66%
Mr. T J Ondaatjie	177,080	0.89%
Mr. N H V Perera	191,724	0.96%
Mrs. C A Ondaatjie	259,854	1.30%
Mrs. S D de Silva	150,530	0.75%
Mr. L H Jayasinghe	-	0.00%
Mr. P S R Casie Chitty	-	0.00%

PUBLIC HOLDING PERCENTAGE AS AT 30/09/2016

35.58%

NUMBER OF PUBLIC SHAREHOLDERS

1,353

20 Largest Shareholders

Nilaveli Beach Hotels (Pvt) Limited	5,336,738	26.68%
Mercantile Investments and Finance PLC	3,899,644	19.50%
Mr. G L A Ondaatjie	2,025,700	10.13%
Employees Provident Fund	1,629,471	8.15%
N Vaitilingam & Co. Ltd	1,173,064	5.87%
Tangerine Tours (Pvt) Ltd	405,478	2.03%
N G H Cooray	315,056	1.58%
Blue Oceanic Beach Hotels (Pvt) Ltd	295,172	1.48%
Mr. N J H M Cooray	276,242	1.38%
Jet Travels Ltd	267,032	1.34%
Mrs. C A Ondaatjie	259,854	1.30%
Mr. M Keerthiratne	255,898	1.28%
Ceylon Galvanising Industries Ltd	234,000	1.17%
Mr. N H V Perera	191,724	0.96%
Mr. T J Ondaatjie	177,080	0.89%
Ms. A M Ondaatjie	164,842	0.82%
Mrs. K M N Perera	152,756	0.76%
Mrs. S D de Silva	150,530	0.75%
Mr. G G Ondaatjie	132,888	0.66%
Mr. B Surendra	119,284	0.60%