

# A FORTIFIED PLEDGE



**Trans Asia Hotels PLC**

**Interim Condensed Financial Statements**

**For the Quarter Ended 30<sup>th</sup> June 2024**

**INCOME STATEMENT AND OTHER COMPREHENSIVE INCOME**

	Three months ended 30th June		Change %
	2024	2023	
Revenue from contracts with customers	852,639	932,755	(9)
Cost of sales	(516,246)	(570,850)	(10)
<b>Gross profit</b>	<b>336,393</b>	<b>361,905</b>	<b>(7)</b>
Other operating income	4,864	1,337	264
Administrative expenses	(273,810)	(221,239)	24
Sales and marketing expenses	(56,394)	(50,683)	11
Other operating expenses	(111,943)	(148,844)	(25)
<b>Loss from operations</b>	<b>(100,890)</b>	<b>(57,524)</b>	<b>75</b>
Finance cost	(35,963)	(55,400)	(35)
Finance income	979	14,526	(93)
Net finance Cost	(34,984)	(40,874)	(14)
<b>Loss before tax</b>	<b>(135,874)</b>	<b>(98,398)</b>	<b>38</b>
Income tax reversal	38,490	27,884	38
<b>Loss for the period</b>	<b>(97,384)</b>	<b>(70,514)</b>	<b>38</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income for the period, net of tax</b>	-	-	-
<b>Total comprehensive expense for the year, net of tax</b>	<b>(97,384)</b>	<b>(70,514)</b>	<b>38</b>
	<b>Rs.</b>	<b>Rs.</b>	
Dividend per share	-	-	
Loss per share	(0.49)	(0.35)	

Note: All values are in Rupees '000s, unless otherwise stated.  
 Figures in brackets indicate deductions.  
 The above figures are not audited.

**STATEMENT OF FINANCIAL POSITION**

As at	30.06.2024 Unaudited	31.03.2024 Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	4,634,613	4,586,082
Right-of-use asset	691,523	694,624
Investment property	3,242,088	3,242,088
Intangible assets	1,531	1,628
Non-current financial assets	12,787	13,367
Other non-current assets	5,927	6,259
<b>Total non-current assets</b>	<b>8,588,469</b>	<b>8,544,048</b>
<b>Current assets</b>		
Inventories	122,051	119,806
Trade and other receivables	424,530	633,336
Other current assets	102,542	113,338
Amounts due from related parties	34,344	38,940
Cash in hand and at bank	48,890	46,263
<b>Total current assets</b>	<b>732,357</b>	<b>951,683</b>
<b>Total assets</b>	<b>9,320,826</b>	<b>9,495,731</b>
<b>EQUITY AND LIABILITIES</b>		
Stated capital	1,112,880	1,112,880
Revenue reserves	3,252,028	3,343,128
Other components of equity	1,900,040	1,906,158
<b>Total equity</b>	<b>6,264,948</b>	<b>6,362,166</b>
<b>Non-current liabilities</b>		
Employees benefits	189,441	188,864
Deferred tax liabilities	733,361	771,851
<b>Total non-current liabilities</b>	<b>922,802</b>	<b>960,715</b>
<b>Current liabilities</b>		
Trade and other payables	571,820	569,386
Other current liabilities	208,036	148,011
Interest bearing loans and borrowings	308,225	454,726
Amounts due to related parties	75,012	104,424
Current tax liability	10,785	25,621
Bank overdrafts	959,198	870,682
<b>Total current liabilities</b>	<b>2,133,076</b>	<b>2,172,850</b>
<b>Total liabilities</b>	<b>3,055,878</b>	<b>3,133,565</b>
<b>Total equity and liabilities</b>	<b>9,320,826</b>	<b>9,495,731</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Net assets per share</b>	31.32	31.81

Note All values are in Rupees '000s, unless otherwise stated.  
 Figures in brackets indicate deductions.  
 The above figures are not audited.

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

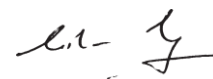


C. L. P. Gunawardane  
 Chief Financial Officer

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;



K. N. J. Balendra  
 Chairman  
 29th July 2024



J. G. A. Cooray  
 Director

**STATEMENT OF CHANGES IN EQUITY**

	Other Components of Equity				Total Equity
	Stated Capital	Other Capital Reserve	Revaluation Reserve	Revenue Reserve	
<b>As at 1st April 2023</b>	<b>1,112,880</b>	<b>24,768</b>	<b>1,630,972</b>	<b>3,173,606</b>	<b>5,942,226</b>
Loss for the period	-	-	-	(70,514)	(70,514)
<b>Total comprehensive expense</b>	-	-	-	<b>(70,514)</b>	<b>(70,514)</b>
Transferred to revenue reserve	-	-	(6,284)	6,284	-
Share based payments	-	588	-	-	588
<b>As at 30th June 2023</b>	<b>1,112,880</b>	<b>25,356</b>	<b>1,624,688</b>	<b>3,109,376</b>	<b>5,872,300</b>
<b>As at 1st April 2024</b>	<b>1,112,880</b>	<b>26,500</b>	<b>1,879,658</b>	<b>3,343,128</b>	<b>6,362,166</b>
Loss for the period	-	-	-	(97,384)	(97,384)
<b>Total comprehensive expense</b>	-	-	-	<b>(97,384)</b>	<b>(97,384)</b>
Transferred to revenue reserve	-	-	(6,284)	6,284	-
Share based payments	-	166	-	-	166
<b>As at 30th June 2024</b>	<b>1,112,880</b>	<b>26,666</b>	<b>1,873,374</b>	<b>3,252,028</b>	<b>6,264,948</b>

Note : All values are in Rupees '000s, unless otherwise stated.  
 Figures in brackets indicate deductions.  
 The above figures are not audited.

**STATEMENT OF CASH FLOWS**

For the three months ended 31st March

	<b>2024</b>	<b>2023</b>
<b>Cash flows from / (used in) operating activities</b>		
<b>Loss before tax</b>	(135,874)	(98,398)
Adjustments for:		
Finance income	(979)	(853)
Finance expenses	34,494	55,400
Depreciation of property, plant and equipment	54,730	45,782
Loss / (profit) on disposal of property, plant and equipment	3,515	(1,336)
Amortisation of right-of-use assets	3,101	3,101
Amortisation of intangible assets	97	55
Employee benefits provision and related costs	5,568	4,707
Exchange loss / (gain) on interest bearing loans borrowings	1,469	(13,673)
Provision made on slow moving inventory	12	-
Provision made on / (reversal) for impairment of trade receivables	28,825	(5,282)
Share based payment expenses	166	588
Operating profit before working capital changes	(4,876)	(9,909)
Decrease / (Increase) in inventories	(2,257)	4,389
Decrease in trade and other receivables	179,981	42,403
Decrease / (Increase) in amounts due from related parties	4,596	(13,972)
Decrease / (Increase) in other current assets	10,796	(26,792)
Decrease in other non-current assets	912	6,804
Increase / (Decrease) trade and other payables	2,434	(27,564)
(Decrease) in amounts due to related parties	(29,412)	(20,681)
Increase in other current liabilities	60,025	474
Cash from / (used in) operations	222,199	(44,848)
Finance income received	979	853
Finance expenses paid	(34,494)	(55,400)
Tax paid	(14,836)	-
Employee benefits paid/transfers	(4,991)	(8,792)
Net cash from / (used in) operating activities	168,857	(108,187)
<b>Cash flows used in investing activities</b>		
Purchase and construction of property, plant and equipment	(109,747)	(91,269)
Proceeds from sale of Property, plant and equipment	2,972	1,531
Net cash used in investing activities	(106,775)	(89,738)
<b>Cash flows (used in) / from financing activities</b>		
Repayment of long term borrowings	(297,971)	(16,358)
Loan obtained during the year	150,000	261,000
Net cash flow (used in) / from financing activities	(147,971)	244,642
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(85,889)</b>	<b>46,717</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>(824,419)</b>	<b>(862,582)</b>
<b>Cash and cash equivalents at the end</b>	<b>(910,308)</b>	<b>(815,865)</b>
<b>Analysis of cash and cash equivalents</b>		
<b>Favourable balances</b>		
Cash in hand and at bank	48,890	79,117
<b>Unfavourable balances</b>		
Bank overdrafts	(959,198)	(894,982)
<b>Total cash and cash equivalents</b>	<b>(910,308)</b>	<b>(815,865)</b>

Cash and cash equivalents in the statement of financial position comprise cash at banks and in hand and short-term deposits with a maturity of three months or less. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdraft.

Note : All values are in Rupees '000s, unless otherwise stated.

Figures in brackets indicate deductions.

The above figures are not audited.

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS****1 CORPORATE INFORMATION**

Trans Asia Hotels PLC, is a public limited liability Company incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange.

**2 APPROVAL OF FINANCIAL STATEMENTS**

The interim condensed financial statements of the Company for the quarter ended 30th June 2024 were authorised for issue by the Board of Directors on 29th July 2024.

**3 BASIS OF PREPARATION AND CHANGES TO THE COMPANY ACCOUNTING POLICIES****3.1 BASIS OF PREPARATION**

The interim condensed financial statements of the Company have been prepared in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the annual financial statements as at 31st March 2024.

The presentation and classification of the financial statements of the previous period have been amended, where relevant, for better presentation and to be comparable with those of the current period.

The interim condensed financial statements are presented in Sri Lankan Rupees and all values are rounded to the nearest thousand except when otherwise indicated.

**3.2 NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE COMPANY.**

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31st March 2024. Except for the adoption of new standards effective as of 1st April 2024. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

**4 OPERATING SEGMENTS**

For management purposes the Company is organised into operating segments based on their products and services and has two reportable operating segments as follows:

**Leisure**

The principal activity of the Company which is hoteliering remained unchanged. The Company owns Cinnamon Lakeside Hotel, a five star hotel situated in Colombo.

**Property**

The Company also derives rental income from the Investment Property adjoining the hotel.

Note : All values are in Rupees '000s, unless otherwise stated.

For the three months ended 30th June 2024

	Hotel	Investment Property	Total
Revenue from contracts with customers Services transferred over time	837,494	15,145	852,639
Other operating income	4,864	-	4,864
Expenses	(955,248)	(3,145)	(958,393)
Net finance Cost	(34,984)	-	(34,984)
Profit before taxation	(147,874)	12,000	(135,874)
Segment assets	6,078,738	3,242,088	9,320,826
Segment liabilities	3,055,878	-	3,055,878

**5 TAX REVERSAL**

For the three months ended 30th June 2024

	2024 Rs. 000's	2023 Rs. 000's
<b>Income statement</b>		
Deferred tax reversal	(38,490)	(27,884)
	<b>(38,490)</b>	<b>(27,884)</b>

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (CONT'D)****6 RELATED PARTY TRANSACTIONS****Transactions with related companies**

The Company's immediate Parent is Asian Hotels and Properties PLC and Ultimate Parent is John Keells Holdings PLC.

For the three months ended 30th June

	<b>2024</b>	<b>2023</b>
	<b>Rs. 000's</b>	<b>Rs. 000's</b>
<u>Ultimate Parent John Keells Holdings PLC</u>		
Rendering of Services	2,338	1,907
Receiving of Services	(20,166)	(14,049)
Rent Received	7,713	7,960
<u>Parent Asian Hotels and Properties PLC</u>		
Rendering of services	-	5,858
Receiving of services	(2,459)	(3,026)
<b>Transactions with Companies under common control of John Keells Holdings PLC</b>		
Purchase of Goods	(6,885)	(9,124)
Rendering of services	20,604	23,223
Receiving of services	(74,753)	(61,339)
Rent Received	7,431	6,118
<b>Equity accounted investees</b>		
Rendering of services	2,431	2,027
<b>Compensation of key management personnel</b>		
Short term employee benefits	2,448	2,595
<b>Key management personnel</b>		
Rendering services	164	155

**7 SHARE INFORMATION****7.1 Public shareholdings**

Percentage of shares held by the public and the number of public shareholders is as given below:

As at	<b>30.06.2024</b>	<b>31.03.2024</b>
Public share holding (%)	7.76%	7.72%
Public share holders	1,535	1,528
Non-Compliant under option 1 - Float adjusted market capitalization (LKR Bn)	0.61	0.66

The Company continues to be non-compliant with the Minimum Public Holding Requirements specified in Rule 7.13.1 (b) - Option 1 of the CSE Listing Rules and was transferred to the Second Board on 27 August 2021. The Shareholders of the Company have been apprised of such non-compliance at the Annual General Meeting of the Company, with reasons provided for such non-compliance, due to the float adjusted market capitalization not meeting the required threshold owing to anomalies brought about by the macro-economic conditions of the Country. The Company continues to aggressively pursue its business strategies to capitalize on available opportunities with a view of maximizing stakeholder value creation, while monitoring the situation towards ensuring compliance with the required Public Holding threshold.

**7.2 Directors' shareholdings**

The number of shares held by the Board of Directors are as follows:

As at	<b>30.06.2024</b>	<b>31.03.2024</b>
Mr.K. N. J. Balendra- Chairman	Nil	Nil
Mr. J. G. A. Cooray	1,200	1,200
Mr. N. L. Gooneratne	366,054	450,833
Mr. M. R. Svensson	Nil	Nil
Mr. C. L. P. Gunawardane	Nil	Nil
Mr. S. Rajendra	Nil	Nil
Mr. H. A. J. de. S. Wijeyratne	Nil	Nil
Ms. S.A. Atukorale	Nil	Nil

**7.3 Twenty one largest shareholders**

Twenty one largest shareholders of the Company is given below

As at	Number of shares			
	30.06.2024		31.03.2024	
	Number of Shares	%	Number of Shares	%
1 John Keells Holdings PLC	97,284,256	48.64%	97,284,256	48.64%
2 Asian Hotels And Properties PLC	86,823,028	43.41%	86,823,028	43.41%
3 Bank of Ceylon A/C Ceybank Unit Trust	5,305,879	2.65%	5,305,879	2.65%
4 Employees Provident Fund	4,296,200	2.15%	4,296,200	2.15%
5 Mr. A. N. G. Wijeyekoon	572,960	0.29%	572,960	0.29%
6 Employees Trust Fund Board	571,941	0.29%	571,941	0.29%
7 Bank of Ceylon A/C Ceybank Century Growth Fund	563,367	0.28%	563,367	0.28%
8 Bank of Ceylon No.1 Account	477,200	0.24%	477,200	0.24%
9 Mr. N. L. Gooneratne	366,054	0.18%	450,833	0.23%
10 Prof. M.K.D.N.L.Alwis	365,279	0.18%	365,279	0.18%
11 Ellawala Exports (Pvt) Ltd	358,400	0.18%	358,400	0.18%
12 Prof. D. N. L. Alwis	234,828	0.12%	234,828	0.12%
13 Mr. D. Gonsalkorale	161,200	0.08%	161,200	0.08%
14 Keells Consultants (Pvt) Ltd	145,944	0.07%	145,944	0.07%
15 Trading Partners Private Limited	100,000	0.05%	100,000	0.05%
16 Miss. A. M. Ondaatjie	83,400	0.04%	83,400	0.04%
17 Mr. G. G. Ondaatjie	83,400	0.04%	83,400	0.04%
18 Mr. T. J. Ondaatjie	83,399	0.04%	83,399	0.04%
19 Mrs. V. A. Seneviratne	75,000	0.04%	75,000	0.04%
20 Mrs. B. J. E. Severin	72,800	0.04%	72,800	0.04%
21 Mr. R. D. Ranathunga	50,112	0.03%	50,112	0.03%

**7.4 Stated capital**

Stated capital is represented by number of shares in issue as given below:

As at	30.06.2024	31.03.2024
Ordinary shares	200,000,000	200,000,000

**7.5 Net assets per share**

Net assets per share have been calculated, for all periods, based on the number of shares in issue as at 30th June 2024.

**7.6 Market price per share**

For the quarter ended 30th June

	2024 Rs.	2023 Rs.
Highest	46.40	46.00
Lowest	38.10	40.00
Closing	39.00	40.70

**8 CONTINGENCIES, CAPITAL AND OTHER COMMITMENTS**

There has been no significant change in the nature of the contingencies and other commitments which were disclosed in the annual report for the year ended 31st March 2024.

**9 EVENTS AFTER THE REPORTING PERIOD**

There have been no events subsequent to the date of the financial position, which require disclosure in the interim condensed financial statements.



# Corporate Information

## **Name of the Company**

Trans Asia Hotels PLC

## **Legal Form**

A Public Limited Liability Company incorporated in Sri Lanka on 17th July, 1981 and quoted on the Colombo Stock Exchange.

## **Company Registration Number**

PQ 5

## **Registered Office**

No. 115, Sir Chittampalam A. Gardiner Mawatha, Colombo 2.  
Tel: 2491000  
Fax: 2449184  
E-mail: [lakeside@cinnamonhotels.com](mailto:lakeside@cinnamonhotels.com)  
Website: <http://www.cinnamonhoels.com/cinnamonlakeside.htm>

## **Board of Directors**

Mr.K. N. J. Balendra- Chairman  
Mr. J. G. A. Cooray  
Mr. N. L. Gooneratne  
Mr. M. Svensson  
Mr. S. Rajendra  
Mr. C. L. P. Gunawardane  
Mr. H. A. J. de. S. Wijeyratne  
Ms. S. A. Atukorale

## **Audit Committee**

Mr. H. A. J. D. S. Wijeyeratne (Chairman)  
Mr. S. Rajendra  
Ms. S. A. Atukorale

## **Company Secretaries and Registrars**

Keells Consultants (Private) Limited  
117 Sir Chittampalam A Gardiner Mawatha  
Colombo 02

## **Auditors**

Messrs. KPMG  
Chartered Accountants  
32A, Sir Mohamed Macan Markar Mawatha,  
Colombo 03

## **Bankers**

Citibank NA  
Deutsche Bank AG  
Sampath Bank PLC  
The Hongkong and Shanghai Banking Corporation Ltd  
Nations Trust Bank PLC  
People's Bank PLC  
Commercial Bank of Ceylon PLC  
Hatton National Bank PLC

## **Company Related Information Requirements**

Shareholders can contact Keells Consultants (Private) Limited on 011-2306245 for any Company related information requirements.

*Cinnamon*  
LAKESIDE  
Colombo