

26th January 2024

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
04-01 West Block
Echelon Square
World Trade Center
Colombo 1

Dear Sir,

QUALIFIED OPINION AND EMPHASIS OF MATTER ON GOING CONCERN IN THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023 – NAWALOKA HOSPITALS PLC

We wish to make the following announcement in terms of Rule 7.5 (d)(ii) of the Listing Rules of the Colombo Stock Exchange.

- a) The Audited Financial Statements for the year ended in 31st March 2023 have been submitted to the CSE on 23rd January 2024.
- b) As per Rule 7.5 (d)(ii)(A)(4), the shares of the Company will further remain on the Watch List with an added narration within five (5) Market days from 23rd January 2024 for the reason that the Audited Financial Statements for the year ended 31st March 2023 contain a qualified opinion and an Emphasis of Matters on going concern.
- c) The remedial actions, which are proposed to be taken by the Company to resolve the matters giving rise to the qualified opinion and Emphasis of Matters will be informed via another market announcement.
- d) In terms of Rule 7.5 (d) (ii) (A) (5) (d) of the Listing Rules of the CSE, the Company further informs that,
 - i. In the event of any deviation from the proposed remedial action, the extent of the deviation shall be communicated to the investors by way of a subsequent announcement to the Market via the Exchange within one (01) Market Day from the date of obtaining the approval of the Board of Directors of the Entity for such deviation;
 - ii. In the event the matters giving rise to the qualified audit opinion and the emphasis of matter on going concern are not resolved within a period of fifteen (15) months from the date of transferring the Securities of the Entity to the Watch List, the trading of Securities of the Listed Entity shall be suspended. In the event the trading suspension continues for a period in excess of twelve (12) months, the securities of the Entity shall be delisted by the Board of Directors of the CSE in terms of Rule 11.3 (a) of the Listing Rules.
 - iii. In the event the matters giving rise to the qualified audit opinion and the emphasis of matter on going concern are resolved and such fact is independently verified by an auditor during the period the Securities of the Entity are on the Watch List, it shall be announced to the Market via the CSE forthwith.



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**Director
CHARUNI GUNAWARDANA
ATTORNEY – AT – LAW
LLB (Hons.), LLM, FCIS, MBA**

By Order of the Board of Nawaloka Hospitals PLC

A handwritten signature in black ink, appearing to read 'Charuni Gunawardana', with a horizontal line under the name.

Charuni Gunawardana

Director

C G Corporate Consultants (Private) Limited

Secretaries for NAWALOKA HOSPITALS PLC