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NAWALOKA HOSPITALS PLC

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(PQ 78)

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Date: 21st May 2020.

BY HAND

Copy by Telefax to No. 2448925

Mr. Renuka Wijewardena,
Chief Operating Officer,
Colombo Stock Exchange,
Level 04, West Block,
World Trade Centre,
Colombo - 00100.

Dear Sir,

NAWALOKA HOSPITALS PLC- PQ.78

CORPORATE DISCLOSURE ON THE IMPACT OF COVID 19

With reference to the circulars dated 20th April 2020 (circular number 06-04-2020) and 9th May 2020 (circular number 04-05-2020) we hereby disclose the impact of Covid 19-pandemic on the business/operations of Nawaloka Hospitals PLC.

1. Funding and liquidity

Cash generation of the company has reduced due to low revenue. However, the company has managed its liquidity position by restricting expenditure of capital nature. Further, several cost reduction measures have been introduced. In addition, the company maintains cash reserves which can be used whenever the need arises. The company is not predicting any inability to meet their financial obligations.

2. Customers

We have experienced low revenue at the moment. However, the company believes that the drop will be a short term trend as healthcare is an essential requirement.

3. Impact on Assets

There is no requirement to create any provision for company assets.

4. Impact on internal operations

The company is not impacted due to travel restrictions in the country since hospitals are categorized as essential services. The Staff reach the hospital without any restrictions. Hence all procedures and controls are well maintained. However, the curfew, travel restrictions and lack of public transport for customers have created an obstacle when reaching out for hospital services. The Hospital did not get any foreign patients due to international travel restrictions.



5. Business Continuity

The hospital does not predict any material issues in business continuity.

6. Supply chain management

The hospital did not face any issues relating to supply chain management since hospital service, is an essential service.

7. Company responses for Covid 19

The company has experienced low revenue due to reduction on customer counts. However, the company predicts a change of such trend once the curfew situation is over and public movement improves. Hence, we predict this issue as a short-term challenge to the hospital as healthcare is an essential need for the public. The Company has improved its screenings to ensure isolation of any Covid 19 suspect patients. A separate arrival counter was implemented for patients who have symptoms such as fever, cold etc; to ensure extra attention is paid for them during the treatment. Disinfection procedures have been further enhanced in the hospital. All staff are well trained to maintain the safety levels whilst at work. Quality assurance teams and infection control teams oversee the entire quality operation.

Thanking you,

Yours faithfully,

for Nawaloka Hospitals PLC



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Harshith Dharmadasa
Deputy Chairman