9th September 2025

Ms. Nilupa Perera
Chief Regulatory Officer
Colombo Stock Exchange
Level 4-l West Tower, World Trade Centre
Echelon Square, Colombo 1.

Dear Madam,

Clarification on Newspaper Article
Nawaloka Hospitals PLC ("the Company") refers to the article published in the *Daily Mirror* on 9 September 2025 titled *"Nawaloka Hospitals settles with HNB"*.

At the request of the Colombo Stock Exchange (CSE), the Company wishes to provide the following clarification. The settlement of the loan facility with Hatton National Bank PLC amounting to Rs. 3.35 billion was concluded on 23 May 2025 with new borrowing facilities from Bank of Ceylon and the legal actions initiated by HNB for debt recovery including parate execution have been settled. This transaction has already been disclosed in the Annual Report for the year ended 31 March 2025 and is also reflected in the Interim Financial Statements for the quarter ended 30 June 2025. Accordingly, the above-mentioned newspaper article does not introduce new information to the market but merely reiterates matters already disclosed through the Company's published financial statements.

The Company is of the view that this settlement does not constitute price sensitive information requiring an immediate market announcement at the time of occurrence. The transaction was a refinancing arrangement undertaken in the ordinary course of liability management and did not amount to an extraordinary event such as a merger, disposal, or acquisition. The settlement had no effect on the Company's ownership structure, governance framework, or shareholder rights and therefore did not alter investor entitlements or market fundamentals. In substance, the transaction replaced one borrowing facility with another, leaving the Company's overall asset and liability position substantially unchanged.

The financial impact of the settlement was appropriately disclosed in the Annual Report for the year ended 31 March 2025 and the Interim Financial Statements for the quarter ended 30 June 2025, both of which were duly published and made available to the investing public. As such, the matter was fully addressed within the established statutory reporting cycle.

The Company remains committed to the principles of transparency, fairness, and equal access to information for all stakeholders.

Yours faithfully,
By Order of the Board,

Gunawardana

Charuni Gunawardana
Director
C G Corporate Consultants (Private) Limited
Company Secretaries
For Nawaloka Hospitals PLC

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