

SINGHE
Hospitals
quality healthcare

ANNUAL REPORT 2024/25



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WELCOME TO SINGHE HOSPITALS

11th Annual Report

We are pleased to present the 11th Annual Report of Singhe Hospitals PLC, covering the financial year from 01st April 2024 to 31st March 2025. This report is our key communication tool for shareholders and an essential reference for all stakeholders.

Designed with clarity and transparency in mind, the report offers a comprehensive view of our operational, financial, and strategic performance. It reflects our ongoing commitment to delivering high-quality healthcare services while ensuring long-term value creation for our stakeholders.

At Singhe Hospitals, we believe that healthcare excellence goes hand in hand with responsible governance, environmental stewardship, and social responsibility. This report highlights how we create, sustain, and sometimes impact value across all areas of our operations – clinical, financial, social, environmental, and governance.

Strengthening Trust Through Transparency

Our Annual Report promotes openness and accountability. It includes all material matters discussed at Management Committee meetings, feedback received through stakeholder engagements, and key findings from our risk management processes. Through this, we aim to build confidence, support informed decision-making, and foster enduring relationships with all who rely on us.

Singhe Hospitals PLC operates in a highly regulated environment where legal, healthcare-specific, financial, environmental, and governance standards converge. This Annual Report reflects our strict adherence to all applicable regulatory and professional frameworks that ensure transparency, ethical conduct, and accountability in the healthcare sector.



Value Delivered to Our Stakeholders



Shareholders
Receive a clear view of our long-term strategic direction, risk management approach, and sustainability performance enabling more informed and confident investment decisions.



Employees
Gain a deeper connection to the organization through transparency on our mission, values, and strategic priorities fostering a strong sense of belonging, engagement, and motivation.



Patients and Their Families
Discover our unwavering commitment to ethical healthcare, safety and community wellbeing strengthening trust and deepening loyalty to the Singhe Hospitals brand.



Suppliers and Business Partners
Benefit from clear communication of our long-term goals and commitment to mutual value creation enabling alignment, stronger collaboration and shared success.



Communities
Understand our role in contributing to local development, public health, and environmental care, reinforcing our position as a responsible and compassionate corporate citizen.



Regulators and Public Authorities
Gain assurance that Singhe Hospitals operates with integrity, complies with all relevant regulations, and upholds high standards of governance and accountability.



Regulatory Compliance and Credibility

Singhe Hospitals PLC operates in a highly regulated environment where legal, healthcare-specific, financial, environmental, and governance standards converge. This Annual Report reflects our strict adherence to all applicable regulatory and professional frameworks that ensure transparency, ethical conduct, and accountability in the healthcare sector.

We comply with the following key regulations and guidelines:

Healthcare and Industry Specific Regulations

- **Private Medical Institutions (Registration) Act No. 21 of 2006**
  Governs the registration and operational standards of private hospitals in Sri Lanka.
- **Regulations and Guidelines Issued by the Ministry of Health, Sri Lanka**
  Ensuring compliance with national healthcare protocols, infection control, and patient safety.
- **Sri Lanka Medical Council (SLMC) Guidelines**
  Applicable to all practicing medical professionals within our institution.
- **National Medicines Regulatory Authority (NMRA) Act No. 5 of 2015**
  Governs the regulation and quality assurance of pharmaceuticals and medical devices used by the hospital.
- **Clinical Governance and Patient Safety Standards**
  Internally implemented in alignment with international best practices.

Corporate and Financial Regulations

- Companies Act No. 07 of 2007
- Listing Rules of the Colombo Stock Exchange (CSE)
- Sri Lanka Accounting Standards (SLFRSs and LKASs)
- Sri Lanka Financial Reporting Standards
- Code of Best Practice on Corporate Governance
  (Issued by CA Sri Lanka and the SEC)

Non-Financial Reporting Boundary

The non-financial reporting boundary encompasses all material operational, social, environmental, and governance activities that reflect how Singhe Hospitals PLC creates and sustains value beyond financial performance.

It includes:

- Hospital operations and clinical services
- Stakeholder engagement outcomes (patients, employees, communities, regulators, suppliers)
- Sustainability initiatives (waste management, energy use)
- Governance and ethical practices
- Risk management frameworks
- Strategic objectives and business model impacts
- Performance metrics aligned with GRI, SASB, and SDG frameworks

Financial Reporting Boundary

The financial reporting boundary strictly adheres to legal and accounting standards and reflects the financial performance of Singhe Hospitals PLC for the period from 01st April 2024 to 31st March 2025.

It includes:

- Standalone audited financial statements of Singhe Hospitals PLC
- Financial disclosures prepared in compliance with:
  - Sri Lanka Financial Reporting Standards (SLFRSs and LKASs)
  - Companies Act No. 07 of 2007
  - Colombo Stock Exchange (CSE) listing rules
- Guidelines issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)

Independent Assurances

The audited financial statements of Singhe Hospitals PLC for the financial year ended 31st March 2025 have been reviewed by an independent external auditor, Ms. BRD Silva & Company in compliance with the Sri Lanka Auditing Standards (SLAuSs). The audit provides reasonable assurance that the financial statements are free from material misstatement and comply with all statutory and regulatory requirements relevant to a listed healthcare entity.

Web Disclosures

The sections outlined below are an integral part of this report and are available on the Singhe Hospitals PLC corporate website for enhanced transparency and accessibility:

These disclosures are accessible on our website to provide stakeholders with comprehensive access to our detailed reporting and assurance processes.

Annual Report 2024/25

https://www.singhehospital.com/financial-reports

Colombo Stock Exchange

https://www.cse.lk/pages/company-profile/company-profile.com



The power of a Smile

Whether it's a mother relieved by her child's recovery, a doctor achieving a breakthrough, or an investor recognizing value, every smile tells a story of care, success, and shared humanity. In 2025 and beyond, "Smile" is not just our theme it's our commitment.

Smile – A Symbol of Care, Healing, and Connection

A smile is one of the most powerful human expressions. It cuts across language, culture, and status serving as a silent ambassador of goodwill. At Singhe Hospitals PLC, our 2025 Annual Report theme, "Smile," captures the essence of our purpose: to inspire trust, offer comfort, and deliver joy to every stakeholder-patients, employees, shareholders, Suppliers and the communities we serve.

What Is a Smile?

At a basic level, a smile is the coordinated contraction of 17 facial muscles, primarily the zygomatic major muscles, which pull the corners of the mouth upward. But a smile is far more than muscle movement it is a sophisticated form of nonverbal communication shaped by millions of years of evolution.

There are different types of smiles:

- **Duchenne Smile (genuine):** Involves both the mouth and the eyes, indicating true happiness or affection.
- **Social Smile:** A polite or professional smile, often used in formal interactions.
- **Affiliative Smile:** Used to build trust or show empathy.
- **Reward Smile:** A warm smile given in response to achievement or satisfaction.

At Singhe Hospitals, we see all of these-whether it's a child comforted after treatment, a caregiver showing empathy, or a team member celebrating success.

The Neuroscience Behind a Smile

Smiling is not only an emotional expression but also a neurochemical event involving the brain, nervous system, and hormones:

Brain Activation

When we smile, the amygdala (the emotional processing center) activates and communicates with the motor cortex, prompting facial movement.

Neurotransmitters:

- **Dopamine:** Associated with pleasure and reward. Released when we feel proud, happy, or connected.
- **Serotonin:** Improves mood, reduces stress, and promotes overall well being.
- **Endorphins:** Natural painkillers that reduce anxiety and boost feelings of contentment.
- **Oxytocin:** Released in social bonding; strengthens feelings of trust, empathy, and connection.

What's remarkable is that the brain does not always distinguish between a real and a voluntary smile. Even faking

a smile can trigger this "chemical cocktail," promoting relaxation and stress relief—a phenomenon leveraged in laughter therapy and patient-centered care.

The Human Impact of a Smile

Smiling is the unspoken language of trust and empathy especially powerful in environments of vulnerability, such as hospitals. It is a vital part of emotional intelligence and is often the first step toward building a human connection.

- For Patients: A smile from a caregiver reduces anxiety, improves patient satisfaction, and supports emotional healing.
- For Healthcare Workers: Smiling contributes to positive workplace culture, improves team morale, and reduces burnout.
- For Families: Seeing a loved one smile during recovery provides comfort, reassurance, and hope.

Research shows that people who smile regularly live longer, are perceived as more competent, and tend to have stronger relationships. In this way, smiling is not just a gesture it is a tool for resilience, dignity, and connection.

Smiling at Singhe – Our Daily Promise

At Singhe Hospitals PLC, smiling is embedded in our culture. It reflects the warmth in our care, the trust we build with patients, the respect we offer colleagues, and the gratitude we extend to stakeholders.

From reception to recovery, from diagnostics to discharge, our people lead with compassion and humanity because every patient interaction is an opportunity to heal not only the body but also the spirit.

As we move forward, our mission is simple yet profound: to create more reasons to smile. Through clinical excellence, technological innovation, ethical practices, and inclusive growth, we aim to bring that smile to every face we touch.

Smile—Today, Tomorrow, and Always

Whether it's a mother relieved by her child's recovery, a doctor achieving a breakthrough, or an investor recognizing value, every smile tells a story of care, success, and shared humanity. In 2025 and beyond, "Smile" is not just our theme it's our commitment.

Let us continue to heal, serve, and grow with empathy in our hearts and smiles on our faces.










Vision

To provide safest & Highest quality health care service and be the preferred health care provider in the country

Mission

To be the benchmark in quality healthcare in the country, by transforming the healthcare experience through a culture of good caring and quality service at affordable level

Purpose

To passionately deliver high quality healthcare at a reasonable cost, meeting the evolving needs and demands of the people and contributing to the development of private medical care standards that will reflect upon a healthier future for the general public.

Core Values

Compassion

We care deeply for every patient and their loved ones–offering comfort, empathy and dignity in every interaction.

Excellence

We are committed to delivering the highest standards of clinical care, patient safety and customer service.

Integrity

We act with honesty, fairness and accountability in all our actions and decisions.

Innovation

We embrace state-of-the-art technology and new ideas to improve the accuracy of our clinical practice, ensuring safety and reliable health care delivering convenience to our patients.

Respect

We treat patients, employees and all stakeholders with equality, understanding and we respect cultural sensitivity.

Learning & Development

We believe in continuous development, empowering our staff to grow and adapt in a dynamic time sensitive healthcare environment practice.

Sustainability & Responsibility

We are committed to building a healthier society by promoting ethical medical practices and sustainable healthcare for generations to come.

YEAR IN BRIEF

DELIVERING FINANCIAL VALUE

Our focus on maintaining shareholder value remains steadfast and unwavering through every eventuality.

FINANCIAL RESULTS

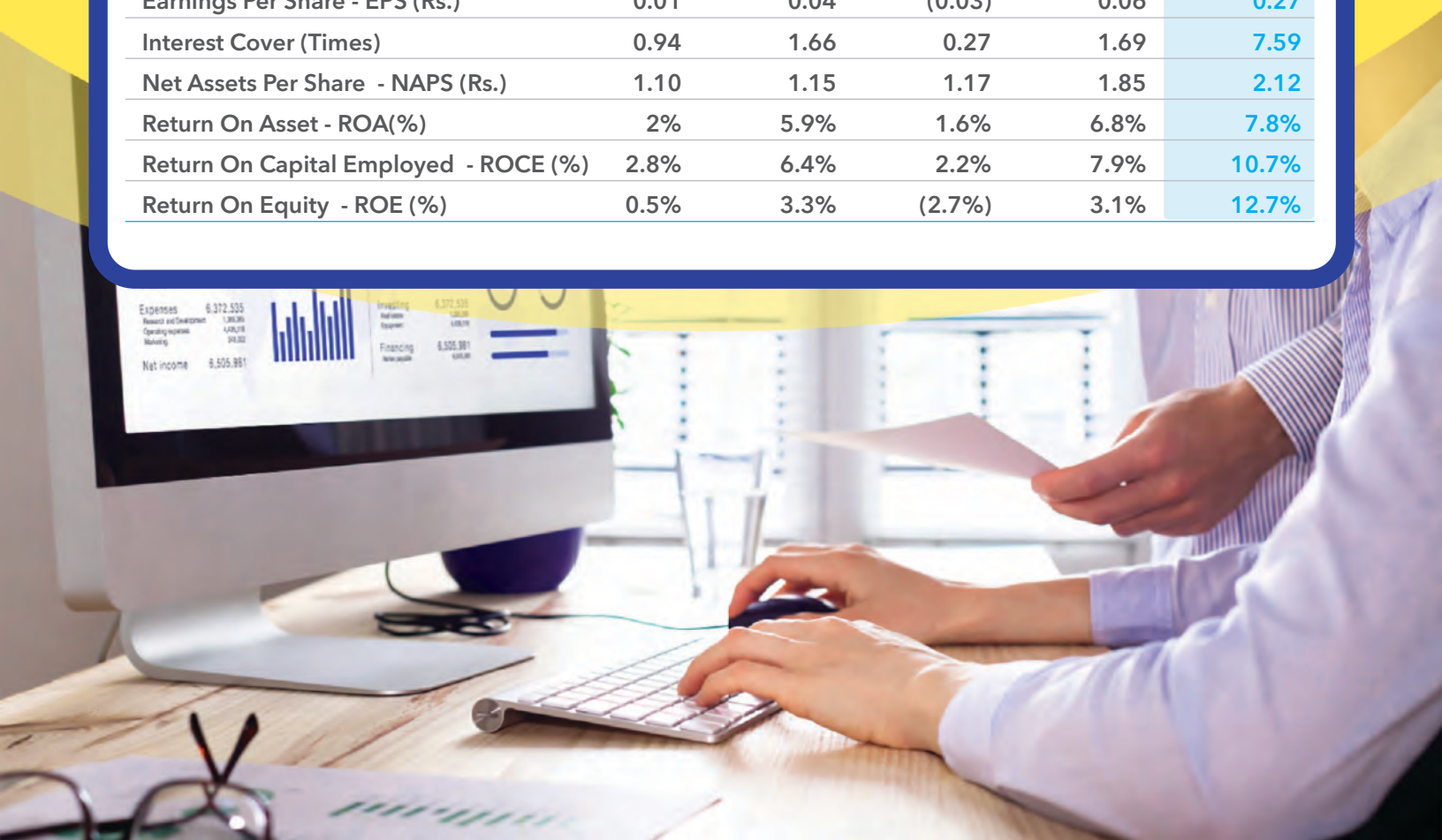
REVENUE	1.5 Bn
OPERATING PROFIT	186 Mn
PROFIT BEFORE TAX	147 Mn
TAX	31 Mn
PROFIT AFTER TAX	116 Mn

RATIO

EARNINGS PER SHARE	Rs. 0.27
NET ASSETS PER SHARE	Rs. 2.12
RETURN ON ASSET	7.8%
RETURN ON CAPITAL EMPLOYED	10.7%
RETURN ON EQUITY	12.7%

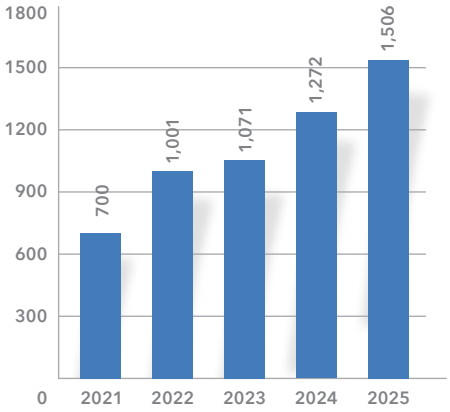
FINANCIAL HIGHLIGHTS

Company	2021	2022	2023	2024	2025
Financial Results					
Turnover (Rs. '000)	700,337	1,001,699	1,071,706	1,272,305	1,506,668
Operating Profit (Rs. '000)	32,600	50,031	80,800	89,897	186,539
Profit Before Tax (Rs. '000)	5,801	14,143	15,947	32,485	146,970
Profit After Tax (Rs. '000)	2,299	16,413	(12,726)	24,628	116,178
Statement of Financial Position					
Fixed Assets - NBV (Rs. Mn)	803	815	791	1,186	1,200
Total Assets (Rs. Mn)	952	951	981	1,350	1,495
Capital Employed (Rs. Mn)	805	778	769	1,012	1,089
Total Equity (Rs. Mn)	476	494	474	799	912
Ratio					
Earnings Per Share - EPS (Rs.)	0.01	0.04	(0.03)	0.06	0.27
Interest Cover (Times)	0.94	1.66	0.27	1.69	7.59
Net Assets Per Share - NAPS (Rs.)	1.10	1.15	1.17	1.85	2.12
Return On Asset - ROA(%)	2%	5.9%	1.6%	6.8%	7.8%
Return On Capital Employed - ROCE (%)	2.8%	6.4%	2.2%	7.9%	10.7%
Return On Equity - ROE (%)	0.5%	3.3%	(2.7%)	3.1%	12.7%

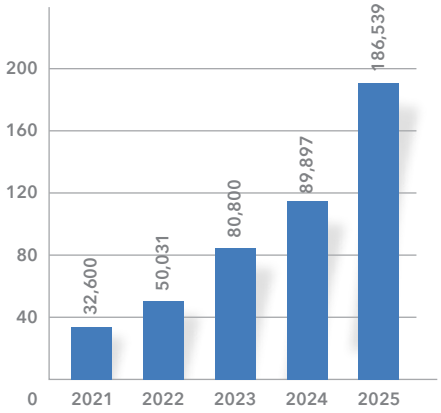


FINANCIAL HIGHLIGHTS

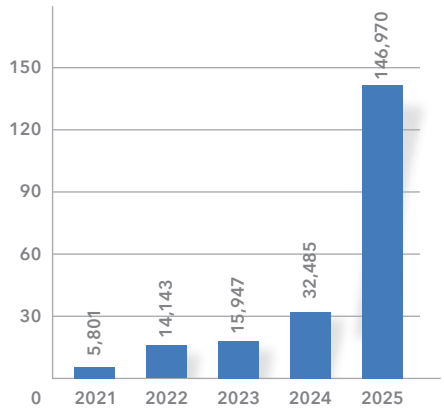
Turnover
(Rs. Mn)



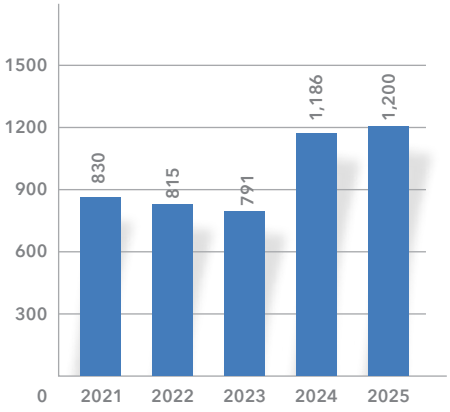
Operating Profit
(Rs. '000)



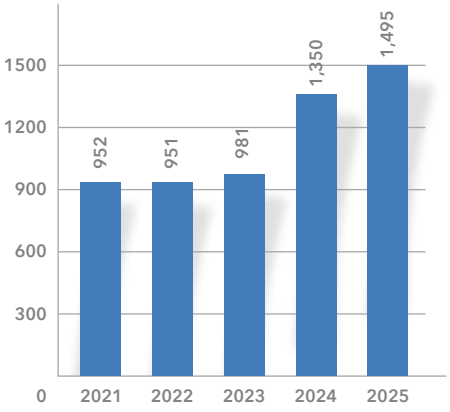
Profit Before Tax (PBT)
(Rs. '000)



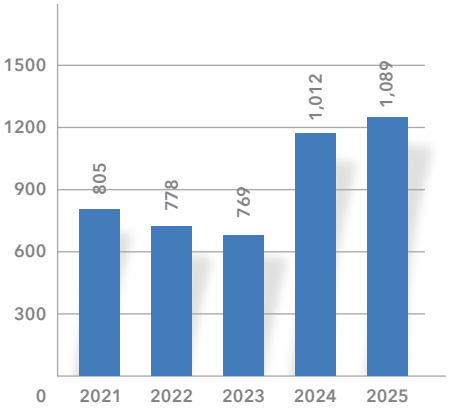
Fixed Assets-NBV
(Rs. Mn)



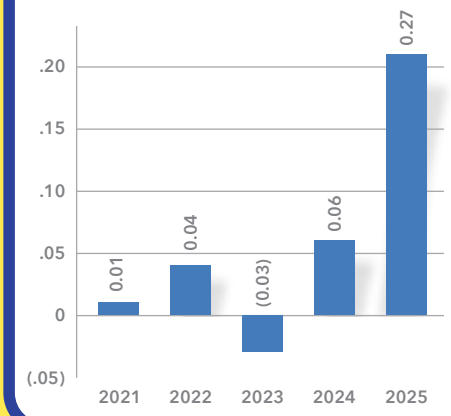
Total Assets
(Rs. Mn)



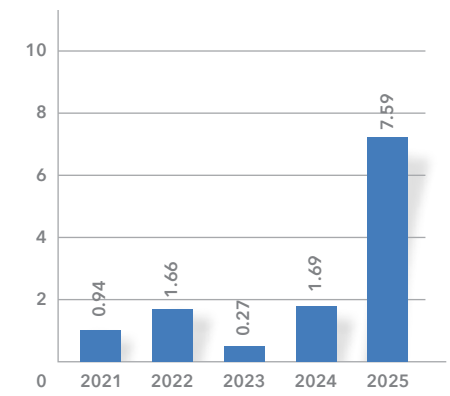
Capital Employed
(Rs. Mn)



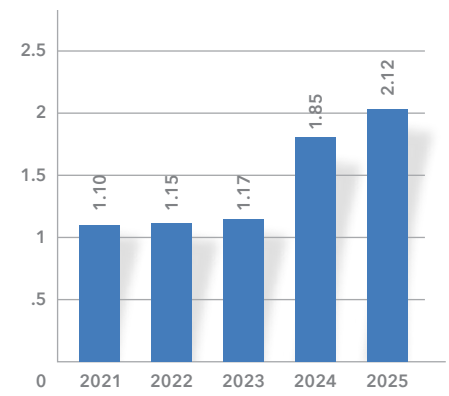
Earnings Per Share - EPS
(Rs.)



Interest Cover
(Times)



Net Asset Per Share
(Rs.)



OUR BUSINESS

The Company

Singhe Hospitals PLC, incorporated on 1st December 2009 as a Board of Investment (BOI) approved project, commenced its commercial operations in June 2012 with a clear vision to deliver modern, accessible, and affordable healthcare services to the people of the Sabaragamuwa Province and beyond. Established as a fully equipped multi-specialty secondary care private hospital, Singhe Hospitals has emerged as the leading private healthcare institution in the Ratnapura District, offering a broad spectrum of medical services, supported by advanced technology and a team of experienced medical professionals. With a bed capacity of 50 and a panel of over 70 visiting consultants across various specialties, the hospital caters to more than 280,000 patients annually, providing both inpatient and outpatient services. Inpatients receive care under the supervision of visiting consultants and in-house medical officers, ensuring a high standard of clinical governance and continuous medical attention.

The hospital has placed a strong emphasis on delivering patient-centered, compassionate care while maintaining cost-efficiency, clinical excellence, and international service standards. Singhe Hospitals PLC was listed on the Colombo Stock Exchange on 21st April 2015, marking a significant milestone in its growth journey. Following its IPO, the Company embarked on a strategic expansion of its diagnostics arm, which now operates a network of 11 fully functional laboratories located in key cities including Ratnapura, Homagama, Kandy, Negombo, Bandarawela, Embilipitiya, Balangoda, Avissawella, Kahawatta, Karapitiya, and Kalawana. In addition, the Company manages over 60 company-owned sample collection centers and a widespread network of more than 1,000 third-party collection points operated in collaboration with medical practitioners.

This growing presence across the Sabaragamuwa, Western, Central, Uva, and Southern Provinces has strengthened Singhe Hospitals' ability to deliver timely and accurate diagnostic services, significantly enhancing patient outcomes. Entering its 13th year of successful operation, the Company continues to demonstrate strong year-on-year growth and an unwavering commitment to improving healthcare accessibility and quality. Leveraging state-of-the-art medical equipment, skilled professionals, and a culture of continuous innovation, Singhe Hospitals PLC remains focused on setting new benchmarks in Sri Lanka's private healthcare sector while fulfilling its mission to serve the community with integrity, compassion, and excellence.



OUR SERVICES

Cardiac Unit

Singhe Hospital's cardiac unit consists of general diagnostic facilities for cardiac patients. Apart from the state of the art ECHO Scan investigations, we also offer Exercise ECG and Holter Monitoring Facilities, introduced to Ratnapura for the first time in the private sector.





Obstetrics and Gynecology

Our hospital is renowned for its superior maternity care. This is evident in the hospital recording its 3000th childbirth during the 13 years of operations. This was achieved with dedicated and specialized staff as well as the support and guidance of our valued consultants. The hospital also consists of specially designed delivery rooms, superior operating theaters as well as luxury accommodation facilities to the patients.

Ophthalmology

We are also proud to be the first to introduce eye surgery as a Private Hospital in Ratnapura. In addition to cataract surgeries, other eye surgeries are performed at the hospital. These are performed at our state of the art Operating Theaters using cutting edge technology. The success of the Ophthalmology department can be attributed to our dedicated experienced staff and our valued Consultants.





Dental Unit

Our Dental Unit consists of the latest in dental care technology imported from Japan. For the first time in Ratnapura, Singhe Hospitals has introduced a dental chair with a video viewing facility enabling the consultant Dental Surgeons/Doctors to arrive at better diagnoses and treat dental issues.

OUR SERVICES

Surgical Department

Our multiple modular theater complexes are equipped with laminar flow air conditioning system and world renowned Draeger theater equipment's which is second to none compared to any hospital in the country. This has become one of the core strengths in the hospital. Specially trained, dedicated theater staff and our valued Consultants at the hospital have performed many numbers of surgeries and continually add new types of surgeries to the list.





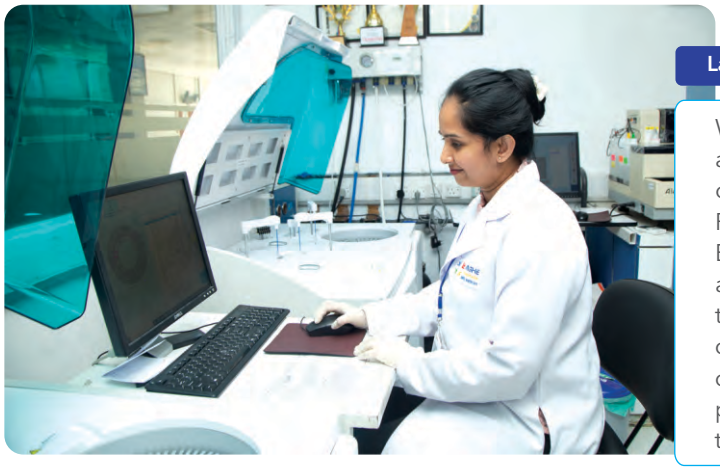
Radiology Unit

This Unit is at the forefront of technology and consists of the best equipment in radiology. Our Siemens CT scanner from Germany, Digital CR X-Ray system from Shimadzu Japan and latest ultrasound equipment from Toshiba Japan is are at the core of the department.

Emergency Care

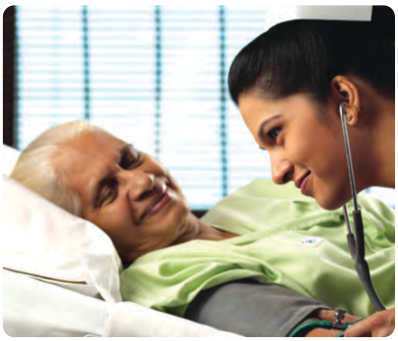
The Emergency Unit consists of an Ambulance unit, Emergency Treatment Unit and the Intensive Care Unit. We are the first to introduce private ICU facilities in Ratnapura. All these units consist of modern equipment and dedicated staff to handle all types of emergencies.





Laboratory Network

With the tremendous success of the main hospital laboratory, as stated at the IPO, expanded its laboratory service and continues to expand. Currently, 11 labs have been opened at Ratnapura, Homagama, Negombo, Bandarawela, Kandy, Embilipitiya, Balangoda, Kahawaththa, Kalawana, Karapitiya and Avissawella. The success of the laboratory network is due to the usage of superior equipment, reagents, other consumables and also the services rendered by highly qualified and experienced staff. We have been able to produce accurate laboratory reports which are requested by the consultants to diagnose health issues correctly.



Home Nursing Service

Home Nursing Service was established to deliver the highest standard of nursing care to patients who are bed ridden or immobile. Personal care, reliability and friendly service to clients, in all age groups who are living in their homes and require a little extra help and support to improve or maintain their health.

Assisting with artificial feeding, changing sterile dressings, Catheter Insertion, monitoring output, Tracheostomy care, Oral suctioning, ileostomy and colostomy, IV cannulation & infusions, Wealth care education and support for rehabilitation are few that the department is primarily focused.

Mobile Sample Collection Service

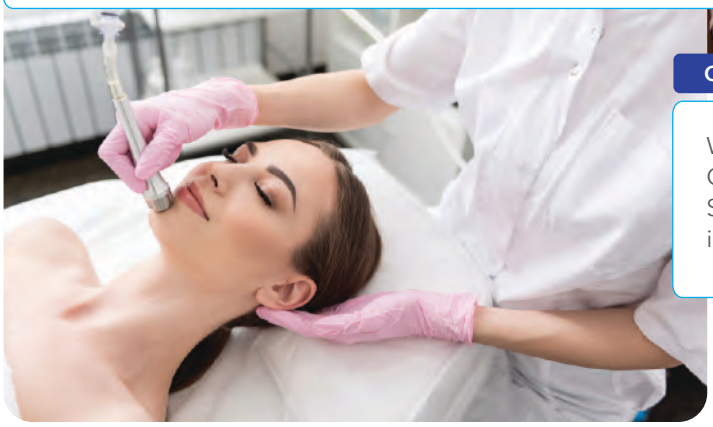
Singhe Hospitals introduced Mobile Laboratory Sample Collection for the first time in Ratnapura in order to facilitate patients who may be unable to visit the hospital to get their blood testings are done as prescribed by doctors.

Patients can now enjoy the comfort of being at home while the testings are carried out.



Cosmetic Clinic

With the rising demand among the public, we established a Cosmetic Clinic to fulfill the demand in and around Sabragamuwa Region. A dedicated Surgeon is being assigned in order to channel and obtain required services.



Pharmacy

Our Inpatient and Outpatient Pharmacies operate 24/7, providing patients with continuous access to medication. All medicines are offered at retail prices and stored under recommended conditions to ensure quality and safety. Our experienced staff are dedicated to delivering excellent service to every customer.



Ambulance Service

Our 24/7 island-wide ambulance service ensures safe and reliable patient transport for hospital transfers and emergencies. Operated under the supervision of qualified doctors and trained medical staff, each ambulance is fully equipped with oxygen, monitoring systems, and essential medical supplies to provide continuous care throughout the journey whether it's a routine transfer or a critical care situation.



LION'S FOOT PRINT







2024-25 REVIEW

OUR LEADERSHIP

537
Well-Trained Staff

3000
New Born Babies

Strong Governance

> **"Among the companies I have founded Royal Ceramics Lanka PLC, Weerasinghe Property Development (Pvt) Ltd., and Weerasinghe Gems (Pvt) Ltd.–Singhe Hospitals PLC holds a place of profound personal significance. It is more than a commercial venture; it is a mission-driven institution that has brought healing, hope, and reassurance to thousands of families during their most difficult times."**

CHAIRMAN'S REVIEW



Dear Stakeholders,

It is my privilege to present to you the Audited Financial Statements, the Auditor's Report, and the Directors' Report for the financial year ended 31st March 2025.

Among the companies I have founded Royal Ceramic Lanka PLC, Weerasinghe Property Development (Pvt) Ltd., and Weerasinghe Gems (Pvt) Ltd. Singhe Hospitals PLC holds a place of profound personal significance. It is more than a commercial venture; it is a mission-driven institution that has brought healing, hope, and reassurance to thousands of families during their most difficult times. Since inception, we have helped bring over 3,000 new lives into the world and provided life-saving care to countless others. This contribution to humanity far exceeds any financial metric and defines the true legacy of Singhe Hospitals.

Prior to 2012, Ratnapura lacked access to private healthcare of acceptable standards. Recognizing this gap, I was driven to establish a modern hospital that could meet the region's healthcare needs. Today, I am proud to say Singhe Hospitals is the leading private healthcare provider in the area, with a growing island-wide presence through our laboratory services. In the past year alone, we served over 280,000 patients, with over 1.4Mn patients treated since inception.

Performance Highlights and Strategy

The year under review was shaped by a challenging macroeconomic and political environment. Nevertheless, Singhe Hospitals demonstrated resilience, innovation, and strategic clarity, delivering another year of sustainable performance. For the fourth consecutive year, we crossed the Rs. 1 billion revenue mark, recording Rs. 1.5 billion in revenue—an 18.4% increase over the previous year—and posted a Profit After Tax of Rs. 116 million.

Our success is a result of unwavering adherence to our values—integrity, transparency, and accountability. These principles guide both our clinical excellence and operational decisions, ensuring that patient care remains at the core of everything we do.

People and Culture

We are proud to employ over 537 well-trained, compassionate professionals who deliver care around the clock. In recognition of their dedication and performance, we introduced a performance-based bonus scheme for the first time in our history an important milestone that reflects both our financial progress and people first philosophy.

Governance and Leadership

Our Board of Directors comprises accomplished professionals who bring diverse perspectives and deep expertise. Their stewardship has been vital in ensuring strong governance and strategic oversight. In compliance with the new listing regulations introduced last year, the Board and Nomination Committee have taken the necessary steps to align Board composition with regulatory expectations well ahead of the deadline.

Stakeholder Engagement

- **Shareholders:** Your trust and patience have been instrumental in our growth journey. With a strengthened financial position, we are working toward creating long-term shareholder value and evaluating opportunities for returns in the near future.
- **Patients:** We remain committed to delivering affordable, high quality healthcare services to all segments of society.
- **Suppliers:** Our long-standing relationships with suppliers are built on mutual respect, transparency, and timely engagement. We review partnerships annually and honor our obligations diligently.
- **Government and Regulators:** As a listed entity, we adhere to all applicable laws and maintain sound corporate governance. All statutory payments and taxes are settled accurately and on time.
- **Communities:** We continue to support the communities we serve through outreach initiatives such as free health camps, awareness programs, and donations.

Looking Ahead

Our focus remains on expanding access, improving service quality, and driving innovation. We are also committed to further strengthening our environmental, social, and governance (ESG) initiatives to build a sustainable and inclusive future.

Appreciation

The past year brought external headwinds from the lingering impact of the global pandemic to rising operational costs and medical supply shortages. Despite these, our General Management Committee demonstrated agility and foresight in navigating complexities. I express my heartfelt gratitude to all our staff, Doctors, Visiting Consultants, and Medical Staff for their extraordinary commitment.

I also extend my sincere thanks to our shareholders, customers, suppliers, bankers, regulatory authorities, and the broader community for your ongoing support. Finally, I commend the Board of Directors and senior management for their steadfast leadership and unwavering commitment to our shared mission.

It is a true honor to lead this organization as we continue our journey of growth, innovation, and service to humanity.

Thank you.



A.M. Weerasinghe
Chairman
Singhe Hospitals PLC



280,000
Average Patients per Year



1.5Bn
Turnover



18.4%
Sales Growth



116Mn
PAT

> **"FY 2024/25 marked a pivotal milestone in our digital evolution. We successfully implemented a comprehensive Enterprise Resource Planning (ERP) system, integrating our operations across 11 main laboratories and all owned branches. This technology investment has significantly improved our operational visibility, resource utilization, and service delivery capabilities–setting a robust foundation for sustainable, technology-driven growth."**

MANAGING DIRECTOR'S REVIEW



985Mn
Gross Profit

New ERP System

Focus on Strategic Outlook

Dear Stakeholders,

It is with great pride and appreciation that I present to you the review of operations for the financial year ended 31st March 2025. A year of transformation, resilience, and meaningful progress for Singhe Hospitals PLC.

Despite a backdrop of economic volatility and sector-wide challenges, we delivered commendable results, enhanced operational efficiency, and took bold steps towards building a scalable and future-ready healthcare institution.

Driving Digital Transformation and Access to Care

FY 2024/25 marked a pivotal milestone in our digital evolution. We successfully implemented a comprehensive Enterprise Resource Planning (ERP) system, integrating our operations across 11 main laboratories and all owned branches. This technology investment has significantly improved our operational visibility, resource utilization, and service delivery capabilities setting a robust foundation for sustainable, technology driven growth.

In December 2024, we expanded our reach with the launch of a dedicated Telemedicine Platform, enabling patients particularly in remote and underserved areas to access medical consultations with greater convenience and continuity.

We are proud to report that during the

year, we recorded the highest-ever monthly and annual turnover in the history of Singhe Hospitals–testament to our increasing relevance and the growing trust placed in us by the community.

Financial and Operational Performance

Our financial results for the year reflect sound strategic execution, efficient cost management, and strong demand for our healthcare services:

- Revenue rose to Rs. 1.5 billion, reflecting a year on year growth of 18.4%, building on the growth momentum of the previous year.
- Gross Profit increased to Rs. 985 million, delivering a gross profit margin of 65%, up from 60% in FY 2023/24. This improvement was driven by improved service mix, strategic supplier negotiations, and disciplined cost control.
- Net Profit reached Rs. 116 million, a substantial increase from Rs. 24.6 million in the previous year. The net profit margin improved to 7.7%, reflecting both top line expansion and tighter financial discipline.
- The Debt-to-Equity Ratio decreased modestly to 19%, down from 27% in FY 2023/24, despite the Company securing debt funding for strategic investments including ERP implementation, laboratory infrastructure upgrades, and telemedicine expansion. These investments are foundational to our long-term growth trajectory and our commitment to delivering excellence in patient care.

Expanding Capacity and Enhancing Reach

Our laboratory services remain a cornerstone of our operations. With demand outpacing current capacity, we are actively progressing plans to expand and modernize laboratory infrastructure, alongside exploring the physical expansion of our hospital facilities to accommodate growing patient volumes.

We served over 280,000 patients during the year and proudly surpassed 1.4Mn patient visits since inception a significant milestone underscoring our role as a trusted healthcare provider in the region.

Our People – The Heart of Our Success

Our team of over 537 skilled professionals remains the driving force behind our progress. During the year, we introduced a performance-based bonus scheme for the first time, recognizing the dedication and contributions of our staff.

We are equally committed to ongoing training and development, investing in upskilling our people to ensure they are empowered to meet evolving healthcare needs and deliver exceptional patient experiences.

ESG, Governance, and Compliance

We remain committed to operating with the highest standards of governance, ethics, and regulatory compliance. Recognizing our responsibility to society and the environment, we are accelerating our Environmental, Social, and Governance (ESG) agenda, aligning with national priorities and stakeholder expectations.

Our efforts will increasingly focus on delivering long-term value through sustainability initiatives that support community health, environmental stewardship, and inclusive economic participation.

Strategic Outlook

As we look ahead to FY 2025/26, our strategic focus will be on:

- Scaling medical and laboratory capacity to meet rising demand
- Enhancing digital service delivery to drive access and efficiency
- Optimizing cost structures to sustain profitability
- Investing in people and technology to strengthen competitiveness

We are confident that these priorities will enable us to remain relevant, resilient, and responsive to the healthcare needs of the communities we serve.

Appreciation

I extend my sincere gratitude to our shareholders, patients, consultants, employees, regulators, bankers, and business partners for your continued trust and support. I also thank the Board of Directors and senior leadership team for their vision, guidance, and commitment.

It is an honor to serve as the Managing Director of Singhe Hospitals PLC and to lead this exceptional institution into its next phase of growth, innovation, and impact.

Thank you.



Navinda Weerasinghe
Managing Director
Singhe Hospitals PLC



65%
Gross Profit Ratio



7.7%
Net Profit Ratio



19%
Debt to Equity Ratio

BOARD OF DIRECTORS



SINGHE HOSPITALS PLC

BOARD OF DIRECTORS

Singhe Hospitals PLC



Mr. A. M. Weerasinghe
Chairman / CEO

Mr. Navinda Weerasinghe
Managing Director

Mr. Lakshika Weerasinghe
Director

BOARD OF DIRECTORS

Singhe Hospitals PLC



Mr. U.B.H. Jayalath Kithsiri
Non Independent
Non Executive Director

Mr. H.M.A.B. Weerasekara
Non Independent
Non Executive Director

Mr. A.M.A. Cader
Non Independent
Non Executive Director

BOARD OF DIRECTORS

Singhe Hospitals PLC



Mr. Chaaminda Kumarasiri
Independent Non-Executive Director

Dr. Aruna Jayakody
Independent Non-Executive Director

Mr. Piyumal Weerasinghe
Non-Independent Non-Executive Director

Dr. P.D.S.Obeysekara
Independent Non-Executive Director

BOARD OF DIRECTORS

Singhe Hospitals PLC

Mr. A. M. Weerasinghe
Chairman / CEO

Founder of Royal Ceramics Lanka PLC in 1990. A Gem Merchant by profession. Mr.Weerasinghe has been in the business field for more than 40 years involved in Real Estate, Construction, Transportation and Hospital Industries, and has been a Landed Proprietor. Presently he is the Deputy Chairman of Royal Ceramics Lanka PLC. In addition to the above, he is the Chairman of Weerasinghe Property Development (Pvt) Ltd., Weerasinghe Gems (Pvt) Ltd, Lanka Tiles PLC and Lanka Walltiles PLC. He also serves as a Director of Swisstek (Ceylon) PLC and Swisstek Aluminum Limited.

Mr. Navinda Weerasinghe
Managing Director

Mr. Navinda Weerasinghe holds a BBA in Business Management from Northwood University, Florida, USA, and a Postgraduate Diploma in Management from the University of Leicester, UK. With over 18 years of experience in the electrical manufacturing, plantation, property development, and healthcare services, he has played a pivotal role in business development and leadership. As the Managing Director of Singhe Hospitals PLC since its inception, Mr. Navinda has been instrumental in shaping the company's growth and success. He also serves as a Director of Weerasinghe Property Development (Pvt) Ltd, Weerasinghe Gems (Pvt) Ltd, and Singhe Medical Suppliers (Pvt) Ltd. His strategic vision and leadership have been key in bringing Singhe Hospitals to its current position as a leading healthcare provider.

Mr. Lakshika Weerasinghe
Director

Mr. Lakshika Weerasinghe holds a Bachelor's Degree in Business Administration from the United States Of America and is a Chartered Marketer Certified by the Chartered Institute of Marketing (CIM-UK). He previously worked as a FINRA-certified Investment Advisor/Stock Broker at NSM Securities, Inc., USA. With over 12 years of experience in sales and marketing within the healthcare industry, he currently serves as the Marketing Director of Singhe Hospitals PLC. In addition, he is a Director of Weerasinghe Property Development (Pvt) Ltd, Weerasinghe Gems Lanka (Pvt) Ltd, and Singhe Medical Suppliers (Pvt) Ltd. Under his leadership, the company has successfully transformed its marketing and sales strategy, contributing significantly to its growth from its initial stage to its current level.

Mr. U.B.H. Jayalath Kithsiri
Non-Independant Non-Executive Director

Mr. Kithsiri is a member of the Institute of Chartered Accountants of Sri Lanka and began his career at KPMG Colombo. He has over 29 years of experience as a finance professional, including extensive audit experience in the manufacturing and service sectors. After transitioning from the audit sector, he has served as the Head of Finance in manufacturing companies for over two decades, including a multinational corporation and a listed entity. His most recent role was as General Manager – Finance & Administration at a leading FMCG company in Sri Lanka. Mr. Kithsiri has been a Non-Executive Director of Singhe Hospitals PLC since its inception. As Chairman of the Audit Committee until December 31, 2024, he played a vital role in strengthening internal controls and implementing effective cost management strategies. He is also a member of the Nominations and Governance Committee and continues to serve on the Audit Committee of Singhe Hospitals PLC.

Mr. H.M.A.B. Weerasekara
Non-Independant Non-Executive Director

Mr. Weerasekara was appointed as a Director of Singhe Hospitals PLC on 27th May 2015. He retired from the Bank of Ceylon as the Additional General Manager, bringing over 38 years of experience in both local and international banking sectors. He holds a Bachelor's Degree in Economics (Special) and a Bachelor of Philosophy in Industrial Management from the University of Ceylon, obtained in 1972 and 1974, respectively. Additionally, he possesses a Diploma in Banking from the Institute of Bankers Sri Lanka. Mr. Weerasekara served as a Director of Merchant Credit of Sri Lanka for six years (2006–2012), during which he chaired both the Risk Committee and the Audit Committee. He was also the Chairman of the Investment Committee of Bank of Ceylon for six years and served as an Observing Director at Ceylon Petroleum Corporation. Currently, he serves as a Non-Executive Director at Singhe Hospitals PLC.

Mr. A.M.A. Cader
Non-Independant Non-Executive Director

Mr. Cader is a Fellow Chartered Management Accountant (London) and a Global Management Accountant (CGMA, London). He holds a Master's in Business Studies (Colombo), a Master of Science in IT (SLIIT), a Postgraduate Diploma in Economics (Colombo), and a Diploma from the Chartered Institute of Marketing (London). With 25 years of experience (1990–2015) in Corporate Advisory, Capital Markets, and Fund Management, he held key roles at the Merchant Bank of Sri Lanka and Finance

BOARD OF DIRECTORS

Singhe Hospitals PLC

PLC. Currently, he is a specialist in Business, Financial, and Corporate Restructuring Trained by United Nations Industrial Development Organization (UNIDO) in 1997. Presently Practicing Business Advisor with 50 Years of experience

Mr. Chaaminda Kumarasiri

Independent Non-Executive Director

Mr. Kumarasiri is an award-winning professional with a proven track record, holding senior leadership positions in both local companies and multinational corporations. He is a Senior Chartered Accountant, Management Consultant, Keynote Speaker, Business Advisor, Corporate Trainer, and Financial Wellness Coach. He possesses a diverse range of professional and academic qualifications, along with numerous awards and medallions. He serves on the boards of several leading organizations and holds honorary positions in prestigious institutions and professional bodies. Mr. Kumarasiri is a Fellow Member of The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka), The Association of Chartered Certified Accountants (ACCA-UK), The Association of Accounting Technicians of Sri Lanka (AAT Sri Lanka) and The Institute of Certified Management Accountants of Sri Lanka (CMA Sri Lanka). He obtained a BSc in Accountancy (Special) with First-Class Honors from the University of Sri Jayewardenepura and holds an MBA in Finance from the University of Colombo. Currently, he serves as the Chairman of the Audit Committee of the company. In addition, he also serves on the boards of several other companies.

Mr. Piyumal Weerasinghe

Non-Independent Non-Executive Director

Mr. Piyumal Weerasinghe received his Bachelor of Science (B.Sc. Hons) degree in Business Management (General) from Brunel University London, UK. He holds a master's degree in Business Administration from Anglia Ruskin University Cambridge, Sri Lanka. He also serves as a Director in Weerasinghe Property Development (Pvt) Ltd and Weerasinghe Gems Lanka (Pvt) Ltd. Furthermore, Mr. Piyumal Weerasinghe has served as the Third Secretary to the Embassy of Sri Lanka in Washington, D.C., USA.

Dr. Aruna Jayakody

Independent Non-Executive Director

Dr. Aruna Jayakody is an Independent Non-executive Director appointed in December 2023. Dr. Aruna was the founder CEO of Lanka Hospitals Diagnostics (LHD) and Melsta Laboratories. He served as a director of Joseph Frazer Hospital and Melsta Hospital. He also served as CEO of the Medihelp Hospital chain. Dr. Aruna holds a Diploma in Pharmacy, Bachelor of Pharmacy, Master of Business Administration, Certified Management Accountant (Australia), Doctor of Philosophy and graduate certificate in Health Economics.
Dr. Aruna also served as a board member of the Industrial Technology Institute (ITI) under the Ministry of Industries.

Dr. P.D.S.Obeysekara

Independent Non-Executive Director

Dr. P. D. S. Obeysekara was appointed as an Independent Non-Executive Director of Singhe Hospitals PLC on 30th December 2024. He is a Consultant Obstetrician and Gynecologist with over 36 years of experience serving as a consultant in various government hospitals.
He obtained his MBBS degree from the Faculty of Medicine, University of Peradeniya, and his Master of Surgery (MS) degree from the Postgraduate Institute of Medicine, University of Colombo. With his extensive technical expertise and an outstanding track record in the medical field, Dr. Obeysekara is expected to bring significant value to the company.

SENIOR MANAGEMENT TEAM

Singhe Hospitals PLC



Mr. Bathiya Angammana
General Manager

Mr. Asanka De Silva
Finance Manager

Mr. Chinthaka Kodithuwakku
Human Resources Manager

SENIOR MANAGEMENT TEAM

Singhe Hospitals PLC



Mr. Kanishka Nuwanpriya
Assistant Manager Laboratory Operations

Mr. M. Wijedasa
Chief Nursing Officer

Mr. Chanaka Narasinghe
Business Development Manager

Mr. Pradeep Kumara
Accountant

SENIOR MANAGEMENT TEAM

Singhe Hospitals PLC

Mr. Bathiya Angammana
General Manager

Mr. Angammana is an accomplished corporate professional with over 20 years of experience in senior management roles. He holds a Postgraduate qualification in Marketing and an MBA from Anglia Ruskin University, UK. Specializing in Brand Management from SLIM (Sri Lanka Institute of Marketing), he has worked with global brands such as BAHCO, part of Snap-On USA. His leadership expertise extends to senior management positions at Solex Group of Companies and Ceylon Steel Corporation (Lanwa). With a strong background in marketing, brand strategy, and corporate management, Mr. Angammana has played a pivotal role in driving business growth and brand positioning in competitive industries.

Mr. Asanka De Silva
Finance Manager

Mr. Asanka De Silva is a distinguished finance professional with over 21 years of experience in Treasury Management, Management Accounting, Financial Accounting & Reporting, Auditing, and Taxation. He is a member of the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and a member of the Institute of Chartered Management Accountants of Sri Lanka (CMA). He also holds a BSc in Accounting (Special) from the University of Sri Jayewardenepura. Throughout his career, Mr. De Silva has held key leadership positions at Hunter & Company PLC, Kahawatte Plantations PLC, and Ceylon Hospitals PLC, gaining extensive expertise across private healthcare, trading, and plantation industries.

Mr. Chinthaka Kodithuwakku
Human Resources Manager

Mr. Kodithuwakku is a seasoned Human Resources professional with over 16 years of industry experience. He holds a Bachelor of Business Administration (BBA) in Human Resource Management (Special) from the University of Ruhuna and has completed the Intermediate Level of the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka), a strong foundation in both HR management and finance, he brings a well-rounded perspective to talent management, organizational development, and strategic HR planning. His expertise has contributed to enhancing workforce efficiency and fostering a productive corporate culture.

Mr. Kanishka Nuwanpriya
Assistant Manager Laboratory Operations

Mr. Kanishka Nuwanpriya is a seasoned professional with 19 years of experience in laboratory operations. He joined Singhe Hospitals in 2017 and has since played a key role in enhancing laboratory efficiency and quality standards. He has successfully completed a Diploma in Molecular Biology from the Asian Institute of Business and Science (AIBS) and a Certificate Course in Lean Yellow Belt from the Institute of Leadership and Management (ILM).

Mr. Chanaka Narasinghe
Business Development Manager

Mr. Chanaka has over 11 years of experience in sales and marketing. He began his career at Coca-Cola Beverages Sri Lanka Limited and joined Singhe Hospitals in 2019. He holds a Master's degree in Business Administration from the University of Kelaniya and a Bachelor's degree in Marketing Management from the University of Sri Jayawardenepura. Additionally, he is a past finalist of the Association of Accounting Technicians of Sri Lanka (AAT Sri Lanka) and has completed the Intermediate level of the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka).With expertise in both finance and marketing, Mr. Chanaka brings a well-rounded perspective to the company, playing a key role in its growth and success.

Mr. M. Wijedasa
Chief Nursing Officer

Mr. Wijedasa has over 43 years of experience in the field of nursing, having served in leading hospitals, private hospitals, and Sri Lanka Army hospitals. He completed a three-year Nursing course & Administration Course N.T.S., NHSL -Colombo. During his 27-year tenure in the Sri Lanka Army, he held the rank of Captain and served in various military hospitals, including those in battlefield environments. He had Rana Sura Padakkama (RSP) in east and north war fields. Upon retiring as a Captain, he transitioned to the private healthcare sector, where he held senior nursing management positions for 17 years in leading private hospitals in Sri Lanka. Mr. Wijedasa joined Singhe Hospitals in 2019 and continues to serve the company with his vast experience and expertise in nursing administration.

SENIOR MANAGEMENT TEAM

Singhe Hospitals PLC

Mr. Pradeep Kumara

Accountant

Mr. Pradeep Kumara is an Associate Member of the Association of Accounting Technicians of Sri Lanka (AATSL) and a finalist of the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka). With over 11 years of experience in the finance field, he has worked with leading companies in Sri Lanka. Mr. Kumara joined Singhe Hospitals in 2020 and continues to contribute his expertise in finance and administration to the company.



CAPITAL REPORTS

Management Approach to Alignment with Strategy

Capital	Company	Diversification	Differentiation Strategy	Collaboration Strategy
 Financial Capital	At Singhe Hospitals PLC, financial capital is a vital enabler of our long-term growth and sustainability. It underpins our strategic initiatives and allows us to invest in infrastructure, technology, and service excellence	Our diversification strategy, which includes expanding into complementary healthcare services and investments in modern medical technology, requires sustained financial commitment. These investments are expected to deliver significant financial returns over the medium to long term	The differentiation strategy focuses on enhancing our brand through targeted marketing, digital engagement, and superior patient experiences. The financial capital required for this is determined based on the finalized marketing roadmap. This strategy is expected to generate short-term value by increasing patient volumes and improving service uptake.	The collaboration strategy, which includes partnerships with medical professionals, academic institutions, and technology providers, primarily leverages relationship and intellectual capital. Financial capital requirements vary based on the scope and structure of each collaboration. This strategy is designed to create value across the short, medium, and long term through knowledge sharing, innovation, and service expansion.
 Manufactured Capital	At Singhe Hospitals PLC, manufactured capital refers to the physical infrastructure, medical equipment, and supporting facilities that enable the delivery of high-quality healthcare services. It is a critical asset base that supports operational excellence and patient care.	Our diversification strategy relies heavily on strengthening manufactured capital through investments in specialized units, diagnostic centers, and modern medical equipment. These investments enable us to expand into complementary service areas and enhance treatment capabilities, with returns expected in the medium to long term.	The differentiation strategy emphasizes quality, cost-efficiency, and service delivery. Manufactured capital plays a central role here, as advanced medical technologies and well-maintained facilities are essential to deliver superior patient outcomes at competitive pricing. These enhancements are expected to yield short- to medium-term benefits by improving patient satisfaction and clinical performance.	In terms of collaboration, manufactured capital becomes significant when aligning with regulatory bodies, healthcare partners, and medical suppliers. Compliance with health, safety, and quality standards often necessitates upgrades to our infrastructure. Moreover, maintaining a safe, welcoming environment for patients, visitors, and staff contributes to strengthening institutional trust. This approach supports value creation in the short term and enhances our reputation over the long term.
 Human Capital	At Singhe Hospitals PLC, human capital—comprising our medical professionals, clinical staff, and support teams—is central to delivering compassionate, high-quality care. As we pursue strategic growth, investing in skilled personnel is essential to sustain operational effectiveness and patient trust.	Our diversification strategy increases the need for specialized human capital to support new service lines and healthcare ventures. Attracting and retaining expert talent may require trade-offs with financial capital. However, these investments are expected to add significant value to the organization across the short, medium, and long term.	The differentiation strategy demands a balance of experienced practitioners and fresh talent to drive innovation in clinical practices, patient care protocols, and service delivery. This blend enhances the patient experience and improves outcomes, generating financial and reputational value in the short and medium term.	The collaboration strategy depends heavily on human capital, as the success of partnerships with medical experts, training institutions, and technology providers is driven by the capabilities and engagement of the people involved. These collaborative efforts create value through shared knowledge, innovation, and continuous improvement across all time horizons.

CAPITAL REPORTS

Management Approach to Alignment with Strategy

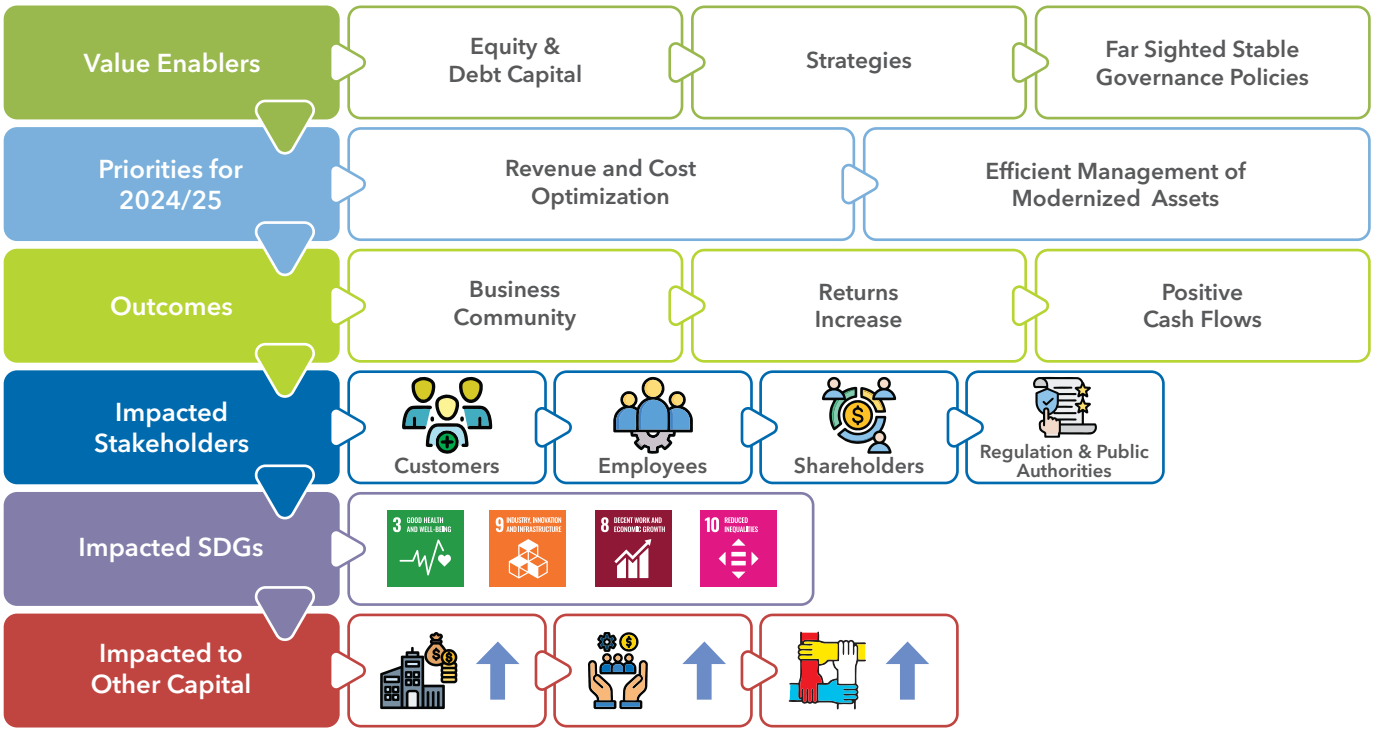
Capital	Company	Diversification	Differentiation Strategy	Collaboration Strategy
 Social & Relationship	At Singhe Hospitals PLC, social and relationship capital encompasses the trust, reputation, and networks we have built with patients, medical professionals, regulatory authorities, and the broader community. It plays a crucial role in sustaining our service delivery and stakeholder engagement.	The diversification strategy leverages relationship capital to establish strategic partnerships and alliances that support the launch of new healthcare ventures and services. These relationships contribute to short-term success through faster market entry and resource sharing, while long-term collaborations drive sustained organizational value.	The differentiation strategy has limited dependency on social and relationship capital, as the key drivers of differentiation—such as clinical innovation, infrastructure, and service quality—are primarily supported by other forms of capital. As such, the impact of this capital on differentiation is not considered material.	The collaboration strategy strongly depends on robust social and relationship capital. Trust-based relationships with healthcare partners, academic institutions, and technology providers are essential to ensure effective joint initiatives. These collaborations enhance service quality, drive innovation, and deliver value across the short, medium, and long term.
 Intellectual Capital	At Singhe Hospitals PLC, intellectual capital includes the collective knowledge, clinical expertise, institutional processes, and proprietary systems that support service excellence and innovation. It is a key enabler of our strategic objectives across all time horizons.	The diversification strategy requires strengthened intellectual capital to realize synergies across new and existing service lines. By leveraging medical knowledge, operational expertise, and innovative care models, the hospital aims to achieve greater economies of scale and improved financial performance over the medium to long term.	The differentiation strategy is driven by the intellectual capital embedded in our people and processes. The skills, experience, and innovation mindset of our workforce are essential in executing this strategy effectively. These capabilities enhance both human and financial capital, delivering value in the short and medium term through improved clinical outcomes and patient satisfaction.	Intellectual capital is central to the collaboration strategy. When entering into partnerships—whether with research bodies, academic institutions, or technology providers—shared knowledge and innovation are key value drivers. This form of capital, supported by financial, social & relationship, and human capital, enables long-term value creation through continuous improvement, service expansion, and enhanced healthcare delivery.
 Natural Capital	At Singhe Hospitals PLC, natural capital—comprising the environmental resources we use directly or indirectly, such as water, energy, and land—plays a supportive but not central role in our business model. Responsible stewardship of these resources remains important to our sustainability goals.	While natural capital is not a primary driver of our diversification strategy, its relevance may vary depending on the nature of the expansion. For example, should diversification include wellness or rehabilitation services that require natural settings, land and water resources may become more material. However, in our core healthcare services, reliance on natural capital is relatively low.	Within the differentiation strategy, natural capital does not serve as a key differentiator. Nevertheless, efficient and sustainable resource use—such as water conservation and energy-efficient infrastructure—can enhance patient and stakeholder perception, indirectly supporting our brand and operational efficiency.	Under the collaboration strategy, natural capital may occasionally be leveraged, such as through land use for joint ventures or community health initiatives. However, there are currently no active plans to utilize natural capital in this way

FINANCIAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025



At Singhe Hospitals PLC, financial capital comprises the monetary resources that are strategically deployed to drive growth, sustain operations, and deliver long-term value to shareholders. These resources include equity, retained earnings, and external funding sources.



FINANCIAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

- The effective and efficient management of financial capital is essential to our ability to create and preserve value. We continuously monitor and manage financial risks, focusing on liquidity, solvency, and cost efficiency to ensure resilience in a dynamic healthcare environment.
- A key focus during the year was to safeguard our financial strength by securing the necessary funding to support uninterrupted operations and to maintain healthy liquidity levels amidst macroeconomic challenges. This included proactive measures to manage working capital, optimize capital allocation, and support capital investment projects.
- This section presents a comprehensive analysis of our financial capital, integrating both qualitative insights and quantitative metrics. It outlines how we manage financial risks, assess capital efficiency, and ensure alignment with strategic objectives.

A summary of our key financial highlights is provided below to illustrate our performance and capital strength over the reporting period.

Stated Capital
Rs.375Mn
2023/24 Rs.375Mn

General Reserves and Retained Earnings
Rs.537Mn
2023/24 Rs.423Mn

Borrowings
Rs.198Mn
2023/24 Rs.235Mn

ROCE
10.7%
2023/24 7.9%

Ended The Year with a Net Cash Position
Rs.70Mn
2023/24 Rs.30Mn

Earnings Before Int, Tax, Depreciation and Amortization
Rs.273Mn
2023/24 Rs.163Mn

Identification and Mitigation of Risks – Financial Capital

Effective risk management is essential to ensure the sustainability of Singhe Hospitals PLC's financial capital. The following table outlines key risks associated with financial capital and the strategies adopted to mitigate them:

Risks	Mitigation Strategy
Fluctuations in Interest Rates	• Continuous monitoring and follow-up on receivables and inventory to reduce reliance on working capital funding. • Business units are encouraged to prioritize cash-based transactions, resorting to credit sales only when necessary. • Maintain a prudent mix of fixed and floating rate borrowings to manage exposure to interest rate volatility.
Sustaining a Surplus Liquidity Position	• Strengthen cash collection processes and improve inventory turnover to free up cash. • Negotiate favorable credit terms with suppliers to improve working capital efficiency.
Non-Availability of Funds for Growth and Expansion	• Secure long-term credit lines aligned with investment horizons to ensure the availability of funds for growth. • Carefully assess the temporary impact of investments on cash flows before approval of capital expenditure.
Changes in Taxes and Tariffs	• Implement strategic responses such as revising pricing structures, improving cost efficiency, and maintaining transparent communication with customers to manage the impact.

FINANCIAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Company's Financial Results – Nurturing Financial Capital

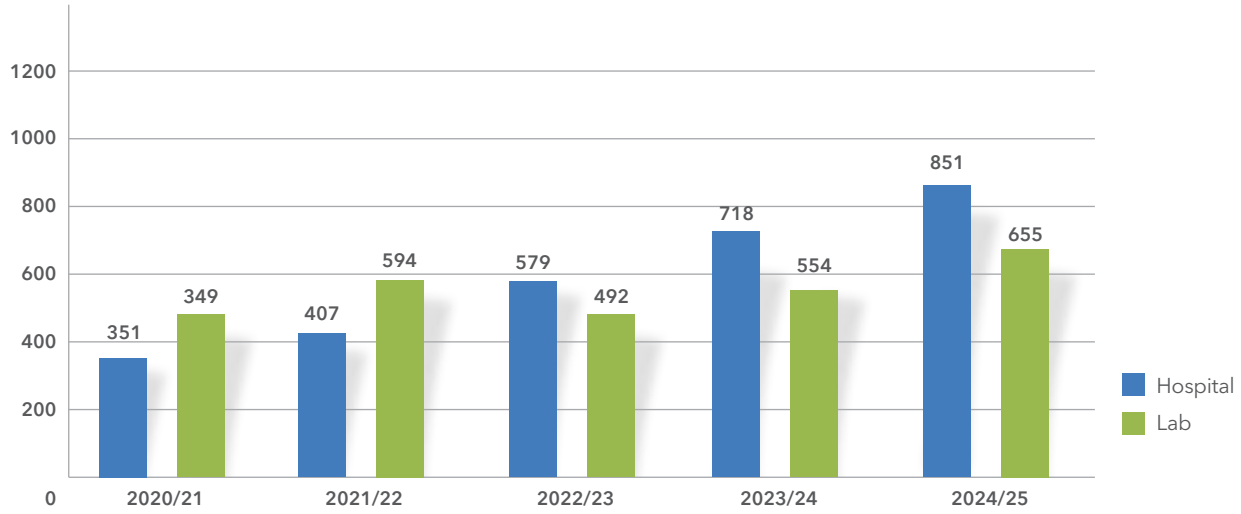
Singhe Hospitals PLC demonstrated strong financial resilience during the year under review, recording a net profit before tax across its diversified portfolio of services. This performance was achieved despite operational limitations imposed on one of the Company's key revenue generating segments.

The ability to maintain profitability under such circumstances underscores the robustness of our business model, the adaptability of our leadership, and the effectiveness of our cost management and revenue optimization strategies. It reflects our commitment to nurturing financial capital while navigating external challenges and continuing to deliver sustainable value to stakeholders.

Revenue

During the year, the company recorded a net revenue of Rs. 1,506 million (2023/24: Rs. 1,272 million), generated through two business segments. Revenue generated by each business segment including equity accounted investees is shown in the graph below.

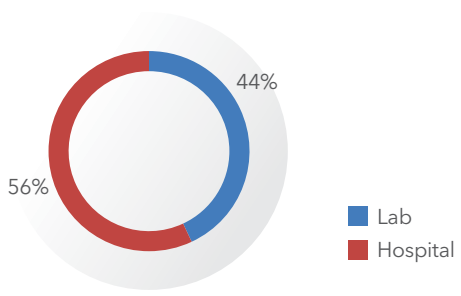
Segment wise Revenue Rs. 'Mn



01. The Laboratory segments collectively contributed Rs. 655 million (2023/24: Rs. 554 million) representing more than 44% of the company revenue.
02. Turnover increase of both segments contributed to an overall increase of 18.4% (2023/24: 18.7%) Company turnover for the year.



Segment Wise Contribution to Total Turnover



FINANCIAL CAPITAL

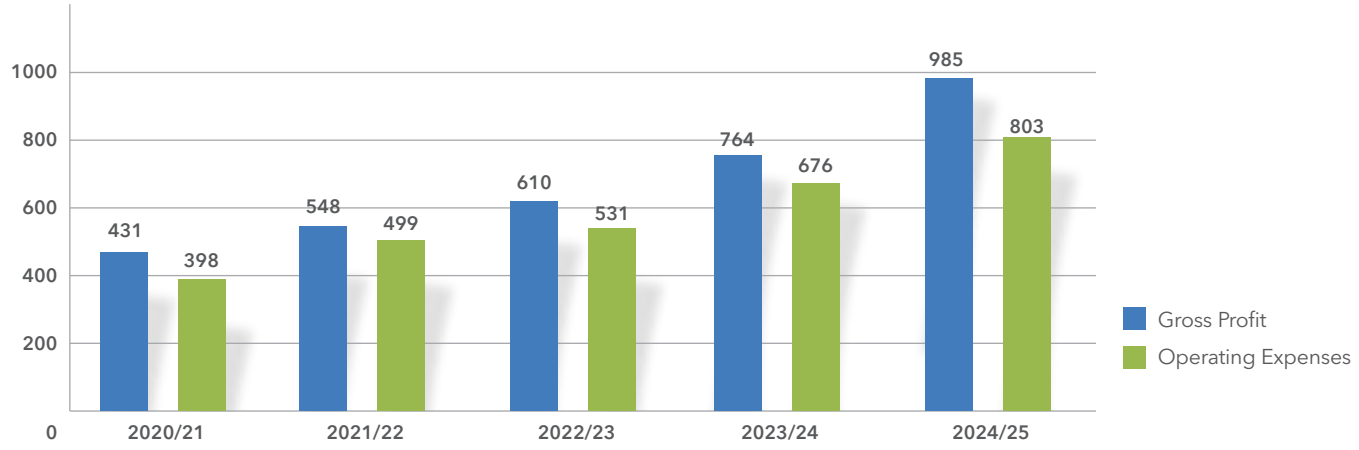
Singhe Hospitals PLC Year Ended 31st March 2025

Gross Profit & Operating Expenses

The company's gross profit margin increased from 60% to 65% during the year (In Rs. 2024/25: 985 million, 2023/24: 764). The higher margins during the year were due to the accommodation of negotiation with lab consumable suppliers and the increase of selling prices, the efforts were heavily focused on securing requisite gross profit margins. The company incurred Rs. 803 million as operating expenses (2024/25: Rs. 676 million) representing 81% of the total gross profit of the company for the year under review. the company's gross profit and operating expenses over the last five years are given below.

The Management continuously strives to identify ways of reducing operating expenses in order to lessen the pressure on the gross profit margins. Strategies pursued include optimizing cost structures, enhancing productivity, and curtailing discretionary spending. To mitigate cost escalations in the medium and long term, the Company will embark on a technological advancement path. This initiative not only promises operational efficiency but also enhances the overall customer experience. But the management emphasis to maintain the quality without effecting to the quality.

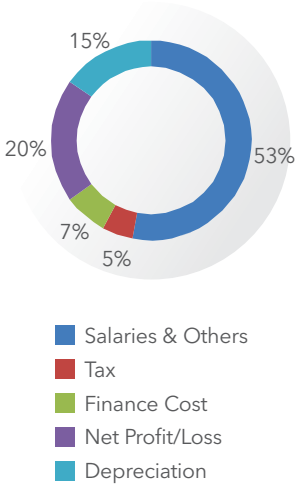
Gross Profit vs Operating Expenses Rs. 'Mn



Value Added Statement

Value Added	Year Ended 31st March 2025		Year Ended 31st March 2024	
	Amount Mn	%	Amount Mn	%
Turnover	1,507		1,272	
Cost of Materials and Services	(932)		(859)	
Other Income	4		2	
	579		415	
Distribution of Value Added to Employees				
Salaries and Others	306	53%	268	65%
To Government				
Tax	31	5%	8	2%
To Capital Providers				
Finance Cost	40	7%	41	10%
Net Profit/(Loss) Attributable to Ordinary Share Holders	116	20%	25	6%
To Expansion and Growth				
Depreciation	86	15%	73	18%
	579	100%	415	100%

Value Added in Percentage



FINANCIAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Finance Expenses

During the financial year, The Company recorded a significant reduction in finance expenses, which decreased by 53% to Rs. 22 million (2023/24: Rs. 47 million). This notable improvement reflects the Company's proactive financial management and favorable market conditions.

A major contributing factor to the decline was the 52.6% reduction in interest expenses on short term and long term borrowings, which fell to Rs. 22.3 million from Rs. 47 million in the previous year. The Company successfully renegotiated terms with banking partners, securing more competitive rates for both existing and new borrowings.

Additionally, macroeconomic developments supported this outcome. The Monetary Policy of the Central Bank of Sri Lanka led to a decline in the Average Weighted Prime Lending Rate (AWPLR), which dropped from 10.38% at the beginning of the year to 8.39% by year-end.

As a result of these improvements, the company interest cover rose significantly to 7.59 times, compared to 1.69 times in 2023/24 reflecting enhanced financial stability and a stronger capacity to meet debt obligations.

Taxation

At Singhe Hospitals PLC, we recognize that paying taxes is not only a legal obligation but also a vital contribution to the economic and social development of Sri Lanka. We are fully committed to adhering to all applicable tax laws and regulations, ensuring transparency and accountability in all our tax related matters.

For the year under review, the Company's income tax expense amounted to Rs. 30.7 million, compared to Rs. 7.8 million in 2023/24. This increase was influenced by the higher profitability recorded during the year. The effective tax rate, inclusive of deferred tax impacts, reduced to 21%, from 24% in the previous year.

A detailed reconciliation between accounting profit and taxable income is provided in Note 07 to the Financial Statements, while a summarized computation of deferred tax is available in Note 20.

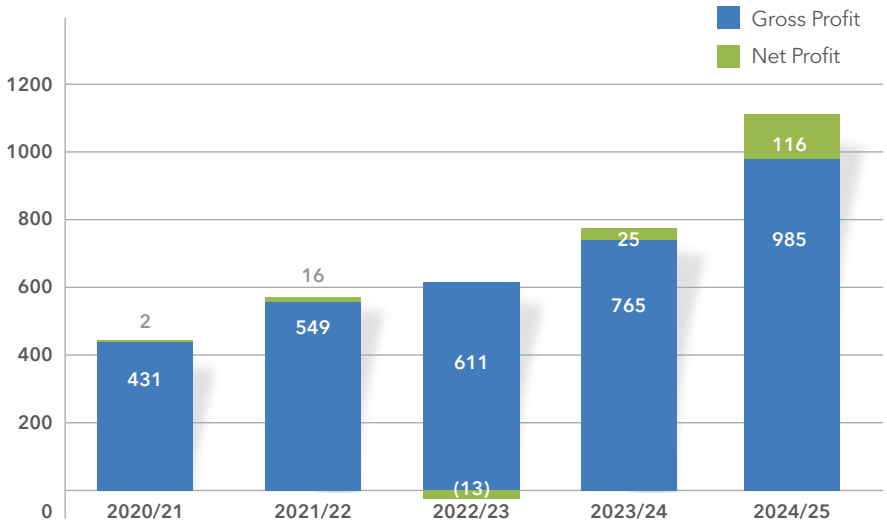
Profitability

Singhe Hospitals PLC achieved a substantial improvement in profitability during the financial year. Profit before tax surged to Rs. 146.9 million, marking a 352% increase from Rs. 32.4 million in 2024/25. Profit after tax also rose significantly, by 372%, reaching Rs. 116 million compared to Rs. 24 million in the previous year.

This impressive performance reflects the effectiveness of our strategic initiatives, improved cost management, and increased service volumes.

The trend of the Company's Gross Profit Margin and Net Profit Margin over the past five years is illustrated below.

Gross Profit vs Net Profit Rs. 'Mn



Financial Cost
53% ↓

Interest Cover
7.59% ↑

Effective Tax Rate
21% ↑

Total Tax Paid YE 2024/25
20.5Mn

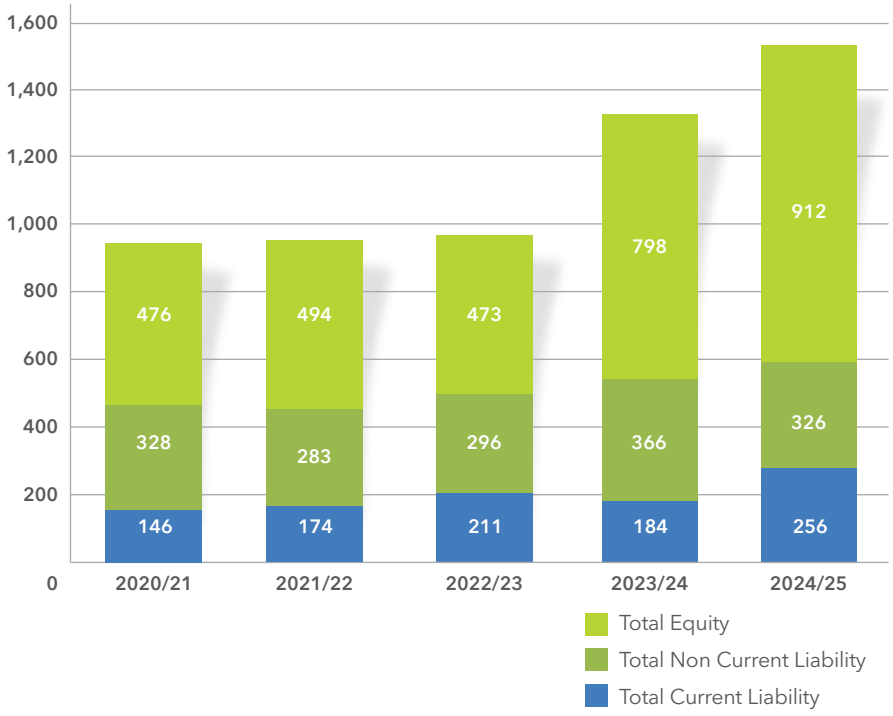
FINANCIAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

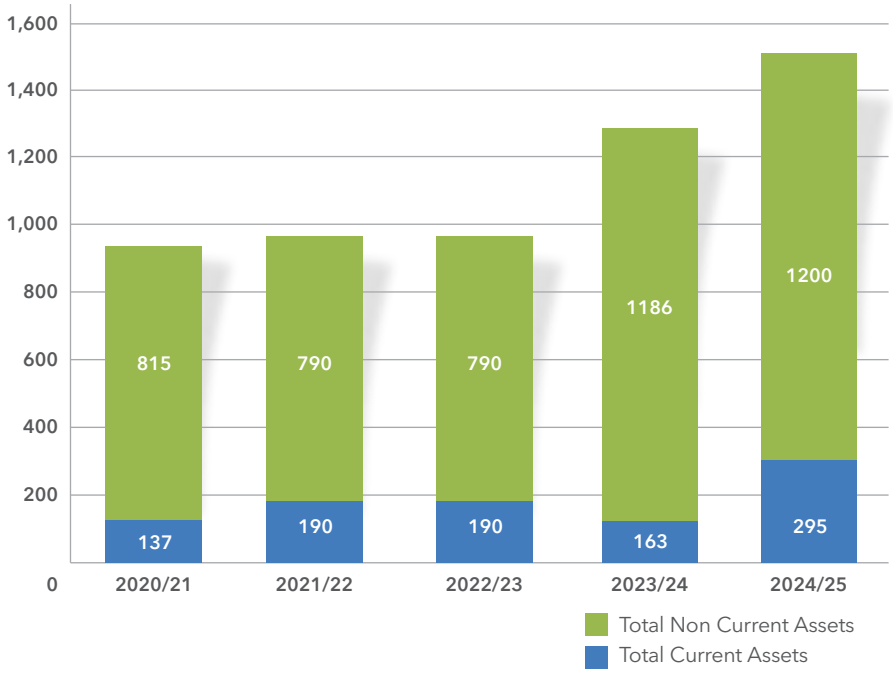
Company's Financial Position

The company was able to maintain a desirable financial position with a total asset base of Rs. 1,495 million and total liabilities amounting to Rs. 582 million as at 31st March 2025. (Rs. 1,350 million total assets and Rs. 551 total liabilities as at 31st March 2024) The summary of the company's financial position is illustrated below.

Total Liability & Equity Rs. Mn



Total Assets Rs. Mn



"In large-scale operations, unnecessary and hidden costs can often go unnoticed, ultimately affecting overall financial performance. We place strong emphasis on thorough analysis using calculations, ratio analysis, and trend evaluations to identify and manage these costs effectively. Our approach is centered on cost management, not cost cutting. We are firmly committed to ensuring that any cost saving measures have no adverse impact on the quality of service. Quality remains paramount. To institutionalize this effort, a dedicated sub-committee has been established to oversee cost management activities and report directly to the Board of Directors. The Board reviews the progress of this initiative on a monthly basis. This structured and disciplined approach is already delivering measurable benefits and positively contributing to the bottom line."



Mr. U B H Jayalath Kithsiri
Non Independent Non Executive Director

FINANCIAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Efficient Management of Monetized Assets

The efficient and prudent management of monetized assets including property, plant and equipment, inventory, receivables, and cash and cash equivalents is critical to optimizing profitability, liquidity, and overall value creation.

As shown in the graph, the company's non current assets increased marginally by 1.1% to Rs. 1,200 million as at 31st March 2025. This increase was primarily driven by the additions of fixed asset during the 2024/25 financial year.

The company also experienced a notable 81% increase in total current assets, reaching Rs. 295 million, largely due to higher and cash and cash equivalents. Current liabilities declined by Rs. 71 million or 39% from the previous year end position, highlighting a more disciplined approach to asset utilization.

Overall, the Company's total asset base grew by 11% year over year, compared to a 38% increase recorded in the 2023/24 financial year also marks a positive turnaround in asset stability and efficiency.

The Board, together with the management team, places strong emphasis on maintaining adequate levels of liquidity. The company's dedicated treasury function plays a central role in securing financial resources and ensuring their effective deployment across operations.

Liquidity Management and Working Capital

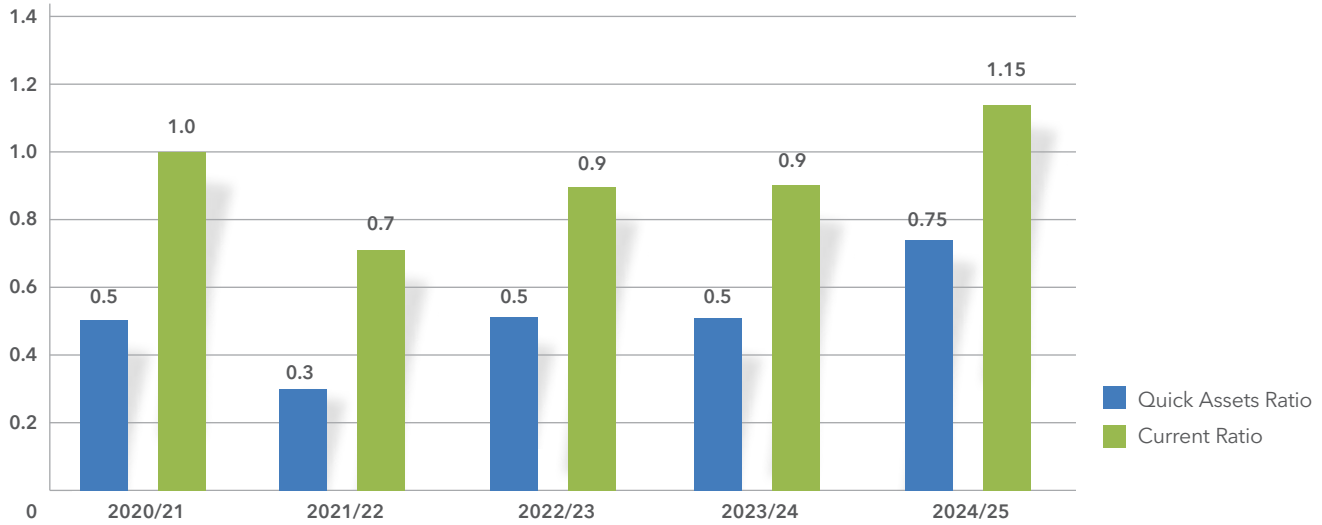
Effective liquidity management forms the backbone of a strong financial position for Singhe Hospitals PLC. We proactively manage liquidity risk by aligning the maturity profiles of our borrowings, receivables, cash flows, and forecasts ensuring the Company's ability to meet financial obligations as they arise.

Investments in property, plant, and equipment, along with other strategic also increased capital expenditures, are typically financed through medium to long term funding arrangements. This approach allows us to preserve short-term liquidity while investing for future growth.

To strengthen our liquidity position, we maintain access to a diversified pool of funding sources. These include a substantial level of undrawn committed bank facilities and cash reserves, which provide flexibility to address both immediate funding needs and short to medium-term operational requirements.

Maintaining sound liquidity indicators is central to our financial strategy. As shown in below graph, the company current ratio was maintained at 1.15 times, while the quick ratio stood at 0.75 times as at the end of the financial year 2024/25. These levels reflect our commitment to maintaining a robust liquidity profile, capable of supporting operational resilience and strategic agility.

Current Ratio and Quick Ratio (Times)



FINANCIAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Cash Flow

The Company treasury plays a pivotal role in overseeing and implementing effective cash flow management strategies. Through continuous monitoring and analysis of financial operations, the treasury ensures optimal allocation and utilization of funds. This disciplined and strategic approach supports liquidity optimization, reduces financial risks, and enhances the Company's overall financial resilience.

As at 31st March 2025, the Company's cash and cash equivalents stood at Rs. 70 million (FY 2023/24: Rs. 30 million), comprising cash in hand, bank balances.

- Net cash used in operating activities amounted to Rs. 232 million, primarily driven by an increase in trade and other payables (FY 2023/24: Rs. 121 million outflow).
- Net cash used in investing activities was Rs. 151 million, reflecting capital investments undertaken during the year (FY 2023/24: Rs. 53 million outflow).
- Net cash generated from financing activities amounted to Rs. 40 million, largely due to an increase in short term borrowings (FY 2023/24: Rs. 46 million inflow).

These movements reflect the Company's continued investments in growth while ensuring access to adequate funding through prudent financing arrangements.

Capital Structure and Leverage

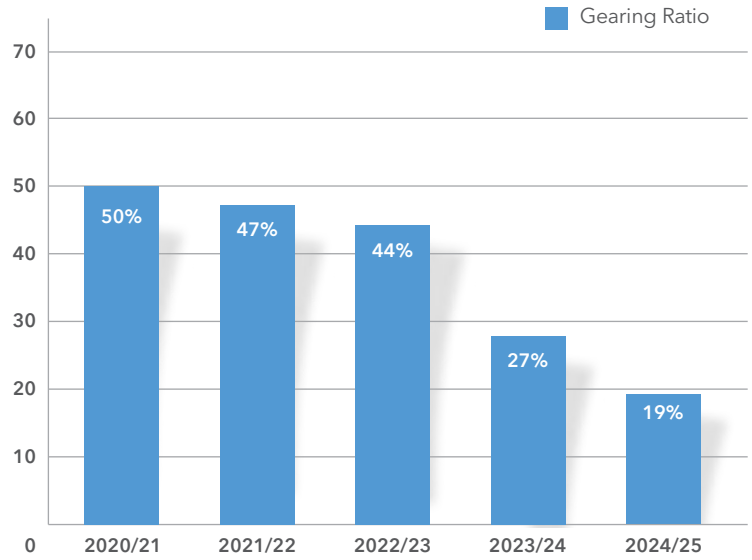
As at 31st March 2025, the Company's capital structure comprised:

- Equity: Rs. 912 million
- Debt: Rs. 177 million

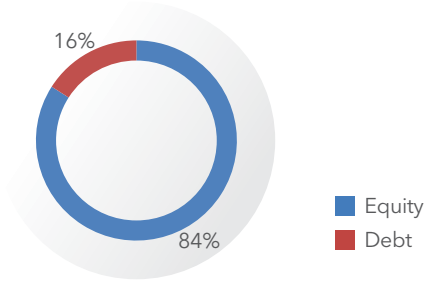
This composition led to an increase in the gearing ratio to 19%, up from 27% as at 31st March 2025 (FY 2023/24: Equity Rs.798 million; Debt Rs. 214 million).

The increase in leverage reflects the Company's strategic funding of capital investments and working capital needs through debt financing. While the gearing ratio has risen, the Company remains committed to maintaining a balanced and sustainable capital structure ensuring access to cost-effective capital to fund future expansions and strategic acquisitions.

Gearing Ratio (D/E)



Gearing D/(E+D)



Maintaining a healthy gearing ratio is vital for the company. Borrowing is essential for business growth and expansion, but it also comes with a cost. The Board always pays close attention to maintaining an appropriate balance between debt and equity.

Mr. H.M.A.B. Weerasekara
Non Independent Non-Executive Director



MANUFACTURED CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025



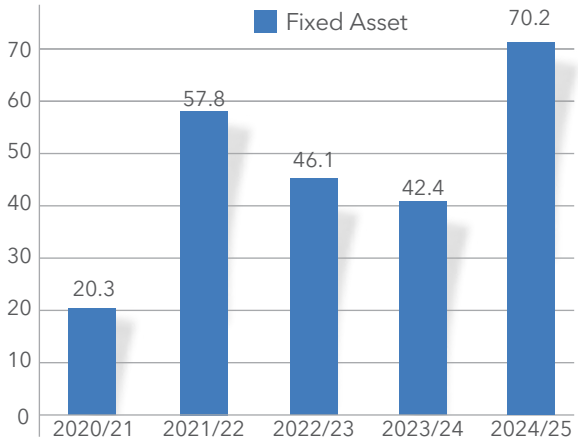
Singhe Hospitals is committed to enhancing its manufactured capital to ensure greater patient convenience and improved clinical outcomes while expanding access to quality healthcare for all communities.

Value Enablers	Land and Building	Medical Equipment Facilities	Laboratory Network	
Priorities for 2024/25	Continuous Maintenance	Infrastructure Development	Capacity Building & Upgrades	
Outcomes	Accessibility and Convenience	Quality, Safety and Accuracy	Patience Satisfaction	
Impacted Stakeholders	Customers	Employees	Suppliers & Business Partners	Community
Impacted SDGs	3 GOOD HEALTH AND WELL-BEING	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES
Impacted to Other Capital	↓	↑	↑	

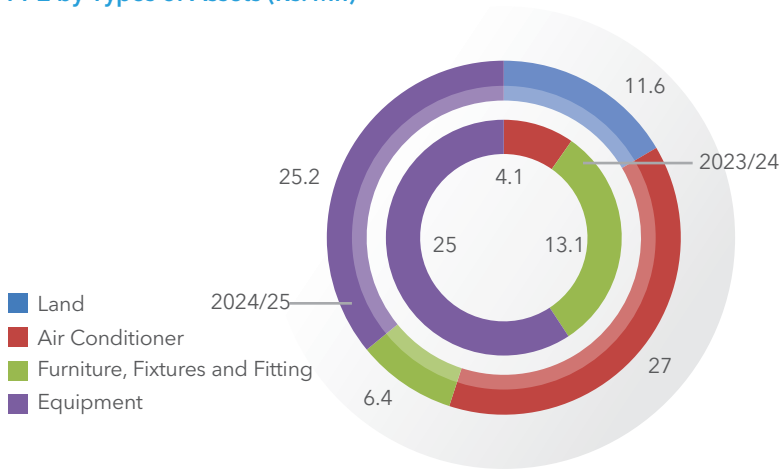
MANUFACTURED CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Fixed Assets Addition Rs.Mn



PPE by Types of Assets (Rs. Mn)



Our manufactured capital includes property, plant, and equipment including rented and leased premises across the island. At the heart of this is our state of the art hospital located in Ratnapura, which enables us to deliver high quality healthcare services, promote customer centricity, and foster employee friendly working environments.

Singhe Hospitals began operations in June 2012, offering private hospital services along with diagnostic laboratories and related healthcare services. Today, it stands as the leading private hospital in the Ratnapura District, equipped with modern medical facilities and infrastructure.

The hospital currently operates with a capacity of 50 inpatient beds, covering a wide range of medical specialties available throughout the day. Patients are admitted for indoor treatment under the care of visiting consultants, with continuous supervision by in-house medical officers to ensure high standards of care.

Infrastructure Development

Over the years, Singhe Hospitals has consistently invested in infrastructure, medical technology, and operational facilities to support the evolving needs of our patients and stakeholders. From our modest beginnings, we have grown into a fully-fledged tertiary Labs, serving diverse communities across Sri Lanka.

Despite significant constraints caused by the recent economic crisis including the rising cost of materials and medical equipment Singhe Hospitals remained focused on enhancing its infrastructure. A series of development initiatives were implemented at our main hospital in Ratnapura and across our expanding network of diagnostic laboratories throughout the island.

Category	Services	
Hospital	Hospital Services	• 24 Hour OPD Service • Multi Specialist Consultants • 24 Hour Radiology Facility • 24 Hour Pharmacy • Intensive Care Unit • 24 Hour Laboratory • Dental Unit • 24 Hour Ambulance Service • Wards/Rooms at Affordable Prices • Ultrasound Scanning • Emergency Treatment Unit • Patient Parking Facility • Home Nursing • Cosmetic Clinic • Cafeteria
Main Lab	ECG, Health Packages, Laboratory Services, Mobile/Home Visit	
Medical Center	ECG, Health Packages, Laboratory Services,	
Owen Center	ECG, Health Packages, Laboratory Services, Mobile/Home Visit	
Third Party Center	Laboratory Services	



50
Beds



125
Car Park Capacity



1
Ambulance

MANUFACTURED CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Laboratory Network Expansion

While broader expansion plans were delayed due to economic conditions, Singhe Hospitals successfully launched three new sample collecting centers during the year. In addition, several existing facilities were upgraded and relocated to improve diagnostic capabilities and accessibility.

Significant upgrades were made to laboratories in Kandy, Homagama, Balangoda, and Bandarawela, where new state-of-the-art equipment was installed to offer an expanded range of diagnostic services. Furthermore, the Avissawella branch was relocated to a more strategic and visible location, enhancing patient convenience and operational efficiency.

At present, Singhe Hospitals operates diagnostic laboratories in the following locations:

Laboratory	Address
Ratnapura (Main)	No. 362, Colombo Road, Ratnapura.
Homagama	No. 24/1, Infront of Hospital, Malapalla, Homagama.
Kandy	Infront of Hospital, Kappettipola Road, Kandy.
Negombo	No 118/A, Infront of Hospital, Colombo Road, Negambo.
Bandarawela	No: 37, Walimada Road, Seous Channeling Center, Bandarawela.
Embilipitiya	No: 16, New Town, Infront of Hospital, Embilipitiya.
Balangoda	No.137, Bansrathwaththe Road, Balangoda.
Avissawella	No: 15, Infront of Hospital, Avissawella.
Kahawatta	No.112/A, Infront of Hospital, Main Road, Kahawaththa.
Karapitiya	No. 32, Maitipe 1st Ln, Galle
Kalawana	Hospital Road, Manana, Kalawana.

We continue to explore new opportunities to expand our laboratory footprint across Sri Lanka, with a view to increasing accessibility, reducing patient travel time, and delivering quality diagnostics to underserved areas.

Through sustained investment in our physical and technological infrastructure, Singhe Hospitals is committed to delivering excellence in healthcare while contributing positively to local communities through job creation, capacity building, and enhanced access to quality care.

Capacity Building and Equipment Upgrades

Singhe Hospitals remains committed to continuously enhancing its healthcare delivery by upgrading medical equipment and facilities in line with international best practices. Regular assessments are conducted to ensure that all systems and technologies meet the highest standards of quality and remain aligned with the latest global advancements in medical care.

Continuous Maintenance & Upgrades

The hospital continuously assesses its existing equipment and facilities to ensure they remain on par with the highest quality standards, while ensuring the organisation remains aligned with globally acclaimed modern developments in healthcare.

Investing in State-of-the-Art Equipment

The economic challenges that followed the recent currency devaluation led to a significant increase in the cost of procuring medical equipment. Despite these constraints, Singhe Hospitals prioritized clinical excellence and continued its investments in advanced medical technologies throughout the year.

In line with our commitment to achieving superior patient outcomes, the hospital acquired several new, cutting-edge diagnostic and treatment equipment during the financial year 2024/25. These investments are aimed at enhancing diagnostic precision, treatment accuracy, and overall patient care efficiency.

Key Additions in 2024/25 Include:

These additions are expected to significantly improve the hospital's ability to provide timely and accurate diagnostics, support medical staff in delivering optimal treatment, and contribute to an overall improvement in patient experience and outcomes.

Assets	Addition During The Year (Rs. Mn)
Land	11.6
Air Conditioners	27.0
Furniture, Fixture & Fittings	6.4
Equipment	25.2
Total	70.2







MANUFACTURED CAPITAL

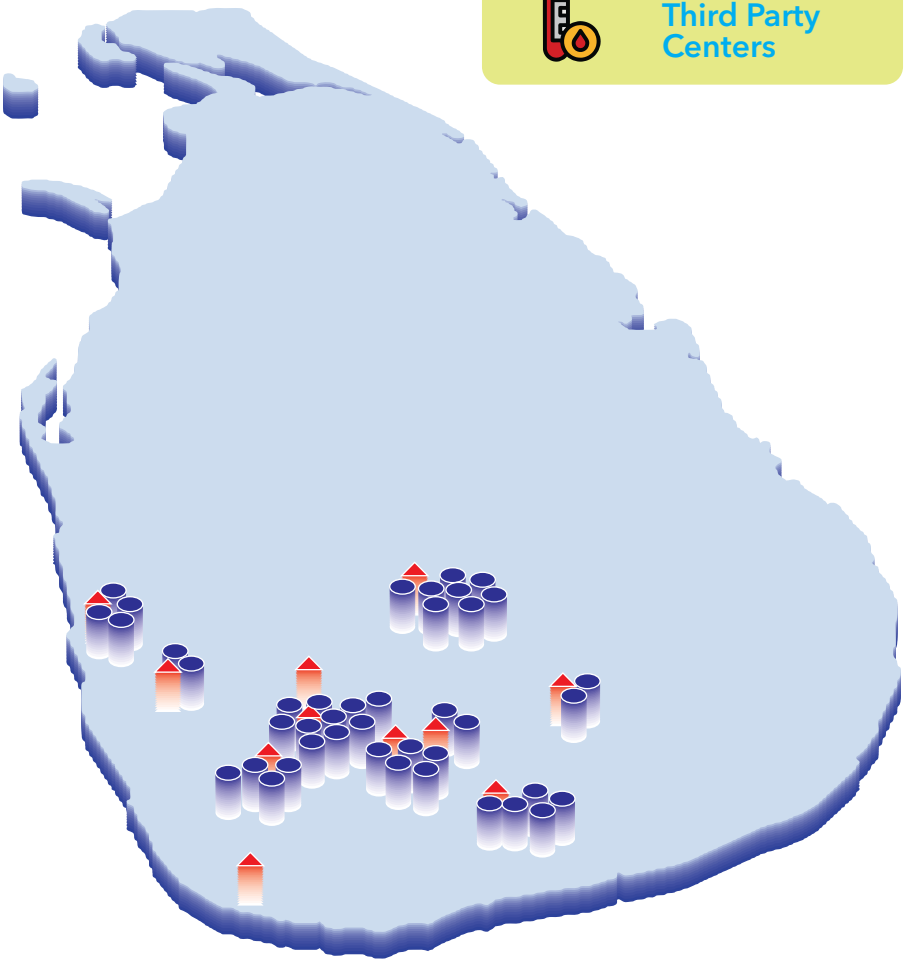
Branch Network

Singhe Hospitals laboratory service comprise of 11 laboratories located at Ratnapura, Homagama, Kandy, Negombo, Bandarawela, Kahawatta, Embilipitiya, Balangoda, Awissawella, Kalawana, Karapitiya and with over 60 sample collection centers located strategically for the convenience of our valued customers.

11
Laboratories

60+
Own Collecting Centers

1000+
Third Party Centers



▲ Labs
● Collecting Center

▲ **Singhe Ratnapura Laboratory**
- Singhe Urban Center
- Singhe Eheliyagoda Center
- Singhe Kuruwita Center
- Singhe Galabada Center
- Singhe Palawela Center
- Singhe Nivithigala Center
- Singhe Kotamulla Center
- Singhe Hangamuwa Center
- Singhe Gileemale Center
- Singhe Rathganga Center

▲ **Singhe Homagama Laboratory**
- Singhe Homagama Town Center
- Singhe Pannipitiya Center

▲ **Singhe Negombo Laboratory**
- Singhe Thalahena Center

▲ **Singhe Kandy Laboratory**
- Singhe Theldeniya Center
- Singhe Hanguranketha Center
- Singhe Werellagama Center
- Singhe Thalathuoya Center
- Singhe Mathale Center
- Singhe Rikillagaskada Center
- Singhe Muruthalawa Center
- Singhe Katugasthota Center

▲ **Singhe Bandarawela Laboratory**
- Singhe Diyathalawa Center
- Singhe Ideal Nursing Home Center

▲ **Singhe Balangoda Laboratory**
- Singhe Oluganthota Center
- Singhe Weligepola Center

▲ **Singhe Kahawatta Laboratory**
- Singhe Pelmadulla Center
- Singhe Godakawela Center
- Singhe Manandola Center
- Singhe Pallebedda Center
- Singhe Rakwana Center

▲ **Singhe Embilipitiya Laboratory**
- Singhe Embilipitiya Town Center
- Singhe Padalangala Center
- Singhe Middeniya Center
- Singhe Sooriyawewa Center
- Singhe Angunakolapelessa Center

▲ **Singhe Avissawella Laboratory**

▲ **Singhe Kalawana Laboratory**
- Singhe Delwala Center
- Singhe Ayagama Center
- Singhe Pothupitiya Center
- Singhe Lathpandura Center

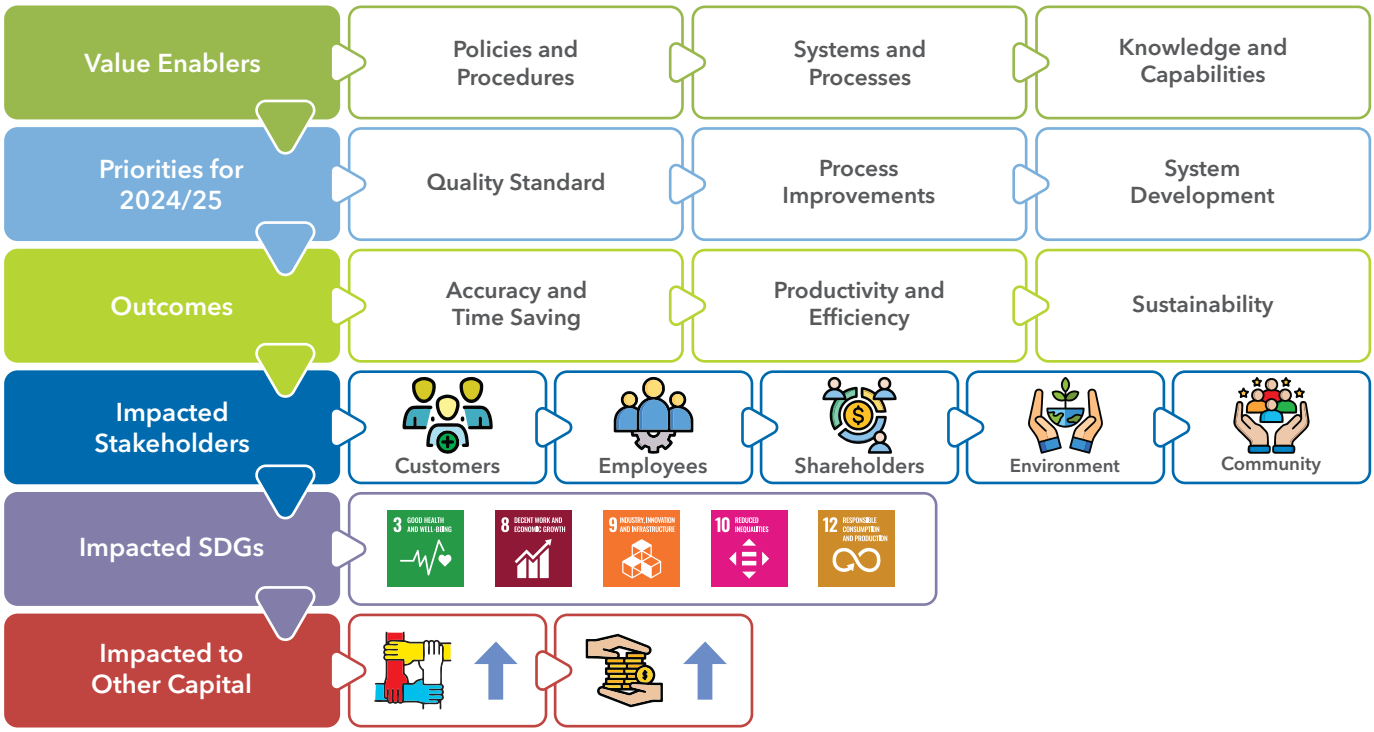
▲ **Singhe Karapitiya Laboratory**
- Singhe Deniyaya Center
- Singhe Pitigala Center

INTELLECTUAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025



At Singhe Hospitals, the expansion and enhancement of intellectual capital is integral towards improving efficiency and productivity while contributing to the hospital achieving a competitive advantage among its peers.



INTELLECTUAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Commitment to Quality and Clinical Excellence

Upholding the Right Standards

Singhe Hospitals has consistently maintained a strong commitment to delivering high quality healthcare services. Reflecting this dedication, our diagnostic laboratory network achieved alignment with the latest ISO 15189:2022 standards during the year. This internationally recognized accreditation ensures our laboratories continue to meet stringent global benchmarks in medical testing competency, reliability, and quality management.

ISO ACCREDITED

ISO 15189
ML 035-01
SINGHE HOSPITALS - RATNAPURA

ISO CERTIFIED LABORATORY - KANDY

Ensuring the Right Oversight

Quality at Singhe Hospitals is not an isolated initiative it is embedded into the very fabric of our operations. Leadership plays a pivotal role in this commitment, with direction and oversight provided by the Chairman and Board of Directors, cascading through the Management team and staff.

During the year, quality governance was further strengthened. The main laboratory in Ratnapura enhanced its internal quality assurance structure by appointing dedicated personnel to oversee quality processes and compliance. Internal audits were systematically conducted across all satellite laboratories, helping to identify improvement areas, implement corrective actions, and ensure ongoing adherence to best practices.

Implementing the Right Processes

During the reporting period, several critical initiatives were implemented to enhance service delivery:

- Updated clinical documentation protocols
- Introduction of new Theater Booking modules
- Streamlining of clinical and managerial workflows
- Restructuring of clinical committees to strengthen clinical governance and input

Furthermore, patient satisfaction continues to be a central pillar of our quality framework. It is measured through a structured annual monitoring plan that incorporates patient satisfaction surveys, feedback mechanisms, and a responsive complaint management process.

Key Technology-Driven Initiatives in 2024/25

1.Application Development and Modernization

Enterprise Resource Planning (ERP) system

We successfully deployed a robust Enterprise Resource Planning (ERP) system, unifying operations across 11 main laboratories and all owned branches. This end-to-end integration has enhanced data consistency, improved system interoperability, and provided real-time visibility into operational workflows. The implementation marks a key milestone in our digital transformation journey, strengthening the hospital's IT backbone and enabling scalable, technology driven growth.

Transition to PaaS A Leap Toward Agility and Scalability

In 2024/25, we completed a significant transition from fragmented, legacy systems to unified, cloud-based Platform as a Service (PaaS) applications. This strategic modernization has streamlined our core systems to two centralized platforms, with over 80% of applications now cloud-hosted. The shift has enhanced data accessibility, ensured higher system uptime, reinforced cybersecurity, and positioned Singhe Hospitals for scalable, future ready operations.

In-House Innovation Custom Solutions for Evolving Needs

To address unique operational gaps and maintain innovation momentum, we established a dedicated in-house Application Development Team. Equipped with expertise in AI and Machine Learning, we have developed custom built applications tailored to the hospital's operational and clinical needs. This initiative exemplifies our commitment to building agile, responsive systems that evolve alongside our strategic priorities.

2. IT Infrastructure Transformation

Cloud Migration – Building a Leaner, Smarter Foundation

In line with our application modernization efforts, 80% of our on-premises infrastructure was decommissioned in 2024, marking a substantial shift to cloud-first operations. This move has significantly reduced physical dependencies, improved scalability, and minimized IT overhead establishing a lean, responsive, and robust digital environment.

AI-Driven Connectivity Redefining Network Performance

We implemented an advanced, AI-powered wireless mesh network across our back-office operations. This intelligent infrastructure dynamically manages connectivity and performance, improving device mobility, reducing cabling complexity, and ensuring seamless, scalable digital operations throughout the facility.

INTELLECTUAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

3. Information Security and Compliance

Advanced Cybersecurity Proactive Protection for a Digital Era

In response to the increasing complexity of cybersecurity threats, we deployed an Extended Detection and Response (XDR) solution across all endpoints. This proactive framework strengthens real-time threat detection, incident response, and system integrity ensuring our digital assets and patient data are safeguarded against internal and external threats.

Compliance Reinforced Adapting to Emerging Risks and Regulations

Acknowledging the growing compliance demands of AI and data centric operations, we launched a comprehensive review of IT governance policies. Updates were made to align with modern best practices and ensure full compliance with the Personal Data Protection Act (PDPA). Supplier contracts are being revised to reflect these standards, reinforcing our commitment to ethical, accountable, and lawful data management.

4. Workforce Transformation – Cultivating a Digital First Culture

Fostering a Culture of Digital Adoption

Digital empowerment at Singhe Hospitals extends beyond the IT department. A hospital-wide digital-first mindset is being nurtured across all teams and job functions. For example, the digitization of the theater booking system previously a manual process was achieved in collaboration with our in-house development team, delivering a seamless scheduling platform now widely adopted by clinical and administrative staff.

AI Enablement Equipping Teams for the Future

To further enhance productivity, we introduced AI-based tools and platforms such as Large Language Models (LLMs) into daily operations. Targeted training and awareness sessions were conducted to promote AI literacy, enabling staff to harness these tools for administrative tasks, decision-making, and service delivery. This initiative represents a key step toward building a digitally fluent, future ready workforce.

"Technology is playing a pivotal role in shaping the future of business, and at Singhe Hospitals PLC, we are fully committed to embracing it to enhance both our operations and the quality of patient care. We are making strategic investments in advanced hardware and modern software solutions to ensure our systems are efficient, well-integrated, and prepared for the future. Our aim is to seamlessly embed the latest technological innovations into every facet of our operations from administration and diagnostics to patient services. By doing so, we are positioned to deliver healthcare that is high-quality, reliable, and timely, reinforcing our status as a leading private healthcare provider in the region. We firmly believe that digital transformation is vital for achieving sustainable growth, operational efficiency, and clinical excellence. Through this journey, we are not only enhancing our internal systems but also significantly improving the overall patient experience—offering greater accuracy, accessibility, and compassionate care."

Mr. Navinda Weerasinghe
Managing Director



Key Risks, Impacts, and Mitigation Strategies – Singhe Hospitals PLC

Risks	Mitigation Strategy	Mitigation Actions
Cybersecurity Risks and Data Loss	The growing reliance on digital systems in hospital operations exposes the organization to potential cyber-attacks and data breaches, which could compromise patient confidentiality and disrupt critical services.	• Conduct regular reviews and upgrades of IT security infrastructure. • Implement user awareness programs to help identify phishing and other cyber threats. • Enforce strict access controls and backup protocols.
Reputational Damage	The reputation of Singhe Hospitals, built on years of trust and community service, is vital to stakeholder confidence. Any negative incident could undermine public trust, resulting in a loss of patients and partnerships.	• Strengthen brand governance policies and ensure alignment across all communication channels.
Loss of Tacit Knowledge	The accumulated clinical, operational, and institutional knowledge is a core strength of Singhe Hospitals. Its loss could hinder efficiency, decision-making, and continuity of care.	• Institutionalize regular knowledge-sharing sessions across departments. • Digitize workflows and develop centralized knowledge repositories. • Encourage mentorship programs to transfer critical knowledge.

INTELLECTUAL CAPITAL

Awards & Accreditations

Looking Ahead

As we continue our transformation journey, our focus remains on leveraging digital innovation as a strategic enabler. From intelligent infrastructure to empowered teams, each initiative reinforces our mission to deliver exceptional healthcare experiences, create long-term value, and adapt proactively in a fast-evolving industry landscape.



1 2 3 4

19.4Mn
Intangible Asset

2%
IT Operation Cost as % of Sales

1. Sabaragamuwa Province Best Entrepreneur of the Year 2018, Extra Large Category - Service Sector - Silver Award
2. Sabaragamuwa Province Best Entrepreneur of the Year 2019, Gold Award
3. Sabaragamuwa Province Best Entrepreneur of the Year 2020, Extra Large Category - Service Sector - Gold Award
4. Sabaragamuwa Province Best Entrepreneur of the Year 2022, Extra Large Category - Service Sector - Gold Award

"The market is always volatile. To maintain stability, continuous innovation and fresh ideas are essential. At the Board level, we actively promote innovation, as we believe it is vital for the long-term sustainability of the company"



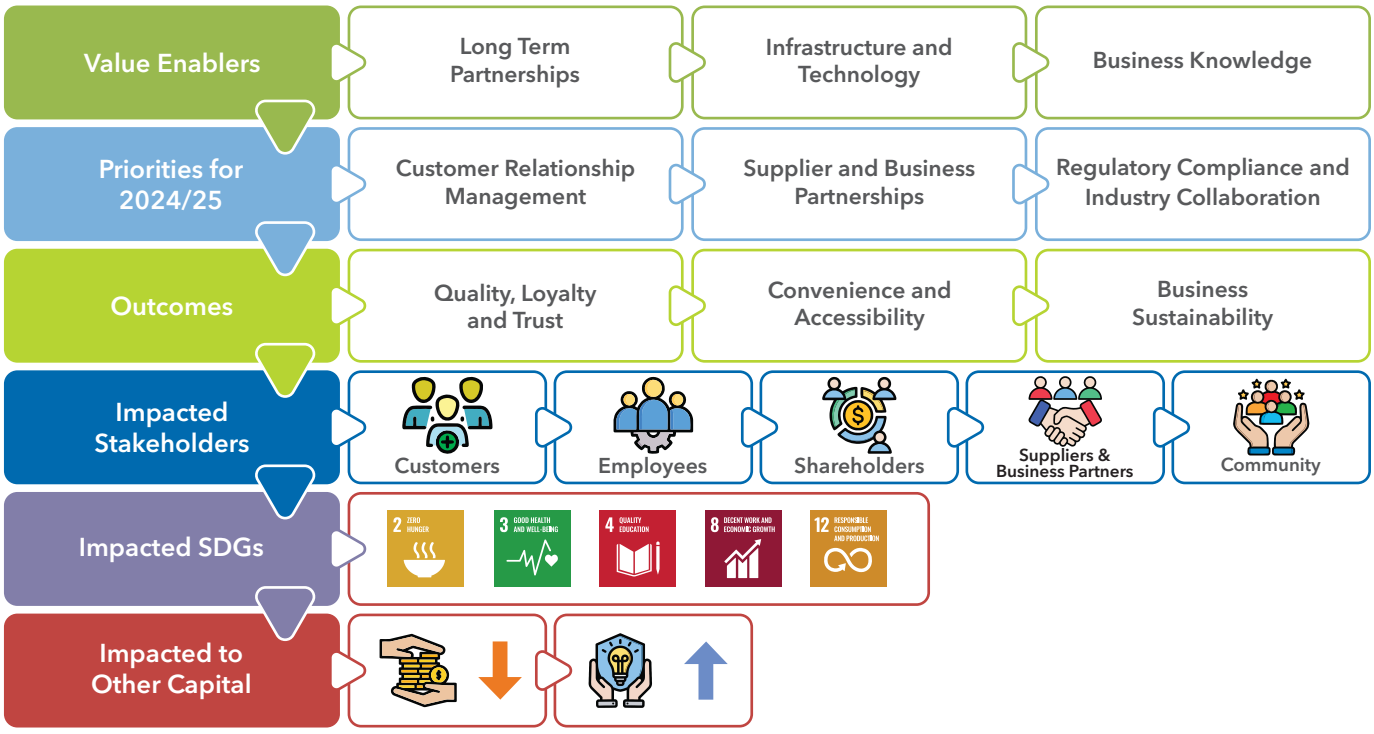
Dr. Aruna Jayakodi
Independent Non-Executive Director

SOCIAL & RELATIONSHIP CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025



At Singhe Hospitals, social and relationship capital reflects the vital connections we maintain with our patients, healthcare professionals, suppliers, regulators, and the broader community. These relationships are grounded in trust, care, and transparency, forming the foundation of our commitment to delivering compassionate, high-quality healthcare services to all stakeholders.



SOCIAL & RELATIONSHIP CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Contribution to Value Creation and Strategic Direction

As a leading private healthcare provider, building strong, sustainable relationships with our stakeholders is integral to achieving long-term success and operational excellence. We foster meaningful patient relationships through a patient-first approach and continuous improvement of our clinical and support services. Our partnerships with medical suppliers and pharmaceutical companies ensure a reliable and ethical supply chain, while our engagement with regulatory bodies upholds compliance and quality standards.



Through these collaborative efforts, Singhe Hospitals strengthens its reputation, enhances service delivery, and supports its strategic vision of being the most trusted healthcare partner in the region.

Customer Relationship Management

At Singhe Hospitals PLC, we place the utmost importance on patient well-being and satisfaction, embedding a patient-centric approach at every stage of our operations. Our focus is on delivering compassionate care supported by advanced medical technologies and multidisciplinary expertise, all aimed at enhancing individual health outcomes and uplifting the broader healthcare landscape in Sri Lanka.

Unmatched Expertise and Specialised Care

As a progressive healthcare institution, Singhe Hospitals is committed to clinical excellence. We have earned recognition for high standards of care in key specialties such as general surgery, obstetrics and gynecology, and internal medicine, and continue to expand our capabilities. Through strategic investments in medical training and talent acquisition, we continue to build a robust base of medical expertise to meet the evolving needs of our patients.

Advanced Infrastructure and Medical Technology

Our medical services are backed by state-of-the-art facilities and leading-edge equipment, enabling precision diagnostics, minimally invasive procedures, and improved patient recovery. We are continuously upgrading our hospital infrastructure, laboratories, and patient rooms to deliver care that matches international benchmarks. These improvements enhance not only clinical outcomes but also the comfort and experience of our patients and their families.

Comprehensive, Patient-focused Healthcare

Singhe Hospitals offers a holistic healthcare experience that prioritises continuity of care and long-term wellness.

Risks	Impact to Business	Mitigation Actions
Loss of Key Medical Suppliers	Dependence on select suppliers for pharmaceuticals, medical devices, and other critical inputs can disrupt service delivery and impact patient care.	Maintain strong, mutually beneficial relationships with suppliers through transparent agreements and regular engagement. Diversify the supplier base, especially for essential and specialized items, to reduce dependency on any single supplier.
Loss of Loyal Patients	Our loyal patient base is integral to sustaining long-term performance. Losing patient trust can lead to reputational damage and reduced earnings.	Enhance the patient experience through continuous investment in customer relationship management, digital health platforms, and personalized care. Empower staff through training in empathy-driven service delivery.
Negative Societal Impact	Any perceived or actual negative impact on the community could harm our reputation and affect our ability to operate sustainably.	Strengthen community engagement initiatives, actively listen to public concerns, and respond transparently. Prioritize social sustainability in our long-term strategic agenda, with a focus on public health, wellness education, and inclusive access to healthcare services.

SOCIAL & RELATIONSHIP CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Our services include comprehensive aftercare, rehabilitation, and wellness programs that focus on improving quality of life beyond discharge. Planned enhancements such as a dedicated Wellness Center for geriatric and preventive care reflect our commitment to addressing the full spectrum of healthcare needs.

Accessibility and Digital Transformation

We have embraced digital innovation to drive efficiency, accuracy, and convenience throughout the patient journey. Additionally, we are upgrading our Laboratory Information System (LIS) and integrating Customer Relationship Management (CRM) to facilitate coordinated care.

A Commitment to Quality at Singhe Hospitals

At Singhe Hospitals PLC, our enduring commitment to quality care is embedded in every process, decision, and interaction. Despite macroeconomic challenges such as the ongoing economic crisis and disruptions to medical supply chains, we have consistently maintained high standards in service delivery. This has been achieved through strategic procurement, prudent financial management, investment in telemedicine, and effective staff retention initiatives.

To uphold and improve our quality benchmarks, we conduct regular audits and reviews. These assessments drive continuous improvements in patient safety, service delivery, and clinical outcomes. Even in the face of constraints, our team has ensured uninterrupted access to critical medicines and services, reinforcing our reputation for reliability and excellence.

Patient Feedback and Experience Management

Patient satisfaction remains central to our operations. We engage in daily ward rounds to gather real time insights from inpatients, ensuring their needs are met and concerns addressed promptly. Our structured annual monitoring plan includes comprehensive patient surveys and a robust feedback mechanism.

Survey results and feedback drive targeted improvements, including staff training, process revisions, and service enhancements. Regular leadership meetings further support responsive decision-making and quality improvements.

Empathy and Care

At Singhe Hospitals, our commitment extends beyond clinical excellence. We foster a culture of empathy and compassion, ensuring that every patient is treated with dignity, kindness, and personalised attention. This approach has earned us high levels of satisfaction and trust from our patients, as reflected in consistent, positive testimonials across departments.

Supplier and Business Partnerships

Singhe Hospitals collaborates with a diverse network of suppliers and business partners who share our commitment to excellence in healthcare delivery. These long-term partnerships are built on mutual respect and shared value creation. We maintain ongoing communication with our partners to ensure quality, reliability, and alignment with our service standards.

Our collaborative approach strengthens operational efficiency, reduces costs, supports local economic activity, and enhances the overall patient experience. These partnerships are instrumental in sustaining our high-quality, affordable, and accessible healthcare model.

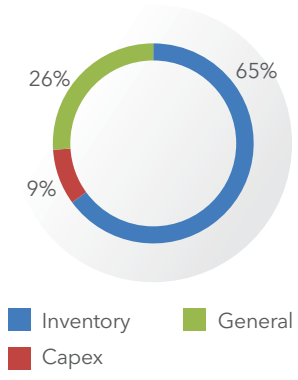
Supplier Composition at Singhe Hospitals

Singhe Hospitals PLC partners with a wide spectrum of trusted professionals and organizations to ensure the seamless delivery of world-class healthcare.

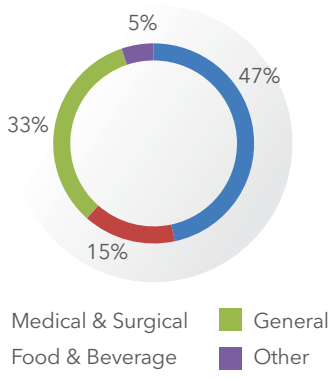
Supplier Category	Count of suppliers	% (as a percentage)
Medical & Surgical	233	47%
Food & Beverage	75	15%
General	166	33%
Laboratory	26	05%

Total Expenditure	Value (Rs. Mn)	%
Inventory	506	65%
Capex	70	9%
General	202	26%

Supplier Expenditure



Supplier by Category



SOCIAL & RELATIONSHIP CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Our supplier network includes accredited healthcare consultants, reputable local and international pharmaceutical companies, and manufacturers of high-quality medical equipment.

These well-established relationships ensure continuous access to essential medical supplies, specialist knowledge, and the latest healthcare technologies. This strong supplier base empowers Singhe Hospitals to consistently deliver safe, effective, and patient-centered care, reinforcing our reputation as a trusted provider of excellence in healthcare.

Supplier Engagement

The hospital conducts all supplier relationships with transparency and accountability and relies on a well structured system that maintains a balance between grievance management, quality, and cost effectiveness. Singhe Hospitals makes a concerted effort to cultivate solid business relationships that promote accountability and sustainability along the whole supply chain. As a result, a contract requiring compliance with local laws and regulations is a must for all onboarded vendors. Directors, management, and employees must also maintain a standard of integrity that is specified in a code of ethics and business conduct. In line with the hospital's commitment to transparency and equality, any complaints or difficulties experienced by suppliers, particularly those pertaining to the procurement process, can be brought up with the relevant Company departments. While an organised feedback system has been established to guarantee that partner and customer expectations are fulfilled, a Supplier Round Table additionally serves as a forum for discussion. A whistleblower

policy further supports the reporting of any grievances or concerns in a safe and secure manner. Suppliers also have the opportunity to communicate with upper management directly to address and successfully resolve any problems. In order to be remain cognizant about any changes in the market, Singhe Hospital also holds frequent meetings with pharmaceutical vendors. The hospital's staff members attend training sessions conducted by the relevant supplier to acquire the correct procedures and practices for using surgical and medical equipment

Supplier Assessment

Singhe Hospital keeps two to three vendors in the system to minimize procurement risk, ensure continuous availability of resources and services, and maintain unrivaled standards of care. During the process, the hospital needs to obtain at least three quotes from vendors to facilitate equal opportunity and improve decision making. In order to ensure optimal outcomes for both patients and cares, the quality assurance process encompasses all end users

The Risk and Compliance team conducts quarterly audits and annual stock reconciliation to ensure that standards and ethical practices are maintained. These actions are further reinforced by regular audits conducted by the hospital's dedicated Quality Assurance team to ensure all suppliers are aligned with stringent quality standards.

Regulatory Compliance and Industry Collaboration

With an unwavering commitment to ethical conduct and accountability, Singhe Hospitals PLC operates in full compliance with all applicable healthcare laws, regulations, and standards. As a respected healthcare institution in Sri Lanka, our adherence to regulatory frameworks strengthens the trust placed in us by both patients and oversight bodies, while also reinforcing our long-term sustainability and operational excellence.

We maintain an open and constructive dialogue with regulatory authorities, ensuring our policies, practices, and services remain in alignment with national healthcare objectives. This proactive engagement not only secures our license to operate but also enhances our ability to deliver safe, high-quality healthcare solutions to the communities we serve.

In addition, Singhe Hospitals places high value on industry collaboration. Our membership and active participation in leading professional and industry associations allow us to stay informed of policy developments, healthcare innovations, and industry best practices. By contributing our insights and experience, we support the evolution of Sri Lanka's healthcare landscape and strengthen the broader industry ecosystem.

Our professionals serve on various boards, councils, and working groups, contributing their knowledge to promote continuous improvement in healthcare standards.

Singhe Hospitals maintains affiliations with a number of prestigious institutions and associations, including but not limited to:

1. **Ministry of Health – Sri Lanka**
2. **Private Health Services Regulatory Council (PHSRC)**
3. **Sri Lanka Medical Council (SLMC)**
4. **Central Environmental Authority (CEA)**
5. **Sri Lanka Chamber of the Pharmaceutical Industry (SLCPI)**
6. **Sri Lanka Medical Association (SLMA)**
7. **The Ceylon Chamber of Commerce**
8. **Association of Private Hospitals and Nursing Homes (APHNH)**
9. **Employers' Federation of Ceylon (EFC)**
10. **The Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)**

These partnerships underscore our commitment to upholding industry standards, fostering knowledge sharing, and driving collective value for both the healthcare sector and the wider community.

SOCIAL & RELATIONSHIP CAPITAL

Community Engagement

In alignment with Singhe Hospitals PLC's overarching mission to improve the health and well-being of the communities we serve, we are committed to creating a positive and lasting impact on the lives of the people we engage with. As a responsible corporate entity, we recognize our duty to contribute to the betterment of society at large. By integrating our community into our value creation process, we aim to enhance our brand equity, provide employment and business opportunities, improve the quality of the environment, and enrich the lives of those we interact with.

These initiatives showcase our commitment to social sustainability and highlight our ongoing efforts to drive meaningful change in the communities we serve.

Donation Uniform for Rathganga Dhamma School

As part of Singhe Hospitals PLC's ongoing Social Welfare Programme, the annual prize and certificate distribution ceremony for the students of Rathganga, Punchi Dambadiva, and Sri Chandraloka Dhamma Schools was successfully held once again this year. This long-standing initiative reflects our continued commitment to community development and educational support. In addition to the student awards, uniforms and clothing were also distributed to the dedicated teachers, acknowledging their invaluable contribution to nurturing the younger generation.





Free Medical Camp in Avissawella

As part of the Singhe Hospitals PLC Social Care Programme, a free medical camp was successfully conducted on 13th March 2025 at the Suwadana Medical Center, Avissawella. This initiative aimed to provide accessible healthcare services to underserved communities, reflecting our commitment to improving public health and well-being.

World Children's Day Celebration 2024

In celebration of World Children's Day 2024, Singhe Hospitals PLC organized a series of drawing, singing, and dancing competitions for children. The prize and certificate distribution ceremony for the winners was held on 15th October 2024 at the Singhe Hospital premises, with the participation of the hospital's management. This event aimed to encourage creativity and talent among children, while highlighting the hospital's commitment to community engagement and child development.





Free Medical Camp in Thannahenawatte, Kuruwita

Under the Singhe Hospitals PLC Social Welfare Programme, a free medical camp was successfully conducted on 18th February 2025 in Thannahenawatte, Kuruwita. This initiative provided essential healthcare services and reflects our ongoing commitment to the well-being of estate workers and rural communities.

> ***"Singhe Hospitals has demonstrated remarkable progress within a relatively short period, driven by the unwavering commitment and collective effort of its dedicated team. This unified approach has been central to our success and growth. I am confident that, with continued focus and resilience, Singhe Hospitals is well positioned for a strong and promising future in Sri Lanka's healthcare landscape"***
>
> ***Mr. Piyumal Weerasinghe***
> *Non-Independent Non-Executive Director*



SOCIAL & RELATIONSHIP CAPITAL

Community Engagement

Free Medical Camp in Mathugama
As part of the Singhe Hospital Social Welfare Program, a free medical clinic was successfully conducted on 23rd January 2025 at Sri Jayabodhi Temple, Athulathmudaligama, Mathugama.





Free Medical Camp in Yakdehiwatte
A free medical clinic organized by the Singhe Hospitals for the residents of Yakdehiwatte was successfully held on 18th January 2025 under the Singhe Hospital Social Welfare initiative.

Free Medical Camp in – Hydramani Institute, Kuruwita

In commemoration of World Diabetes Day (14th November), a free health clinic and awareness program focusing on diabetes and other non-communicable diseases was conducted on 12th November 2024 at the Hydramani Institute premises in Kuruwita, targeting the employees of the institution. The awareness session was led by, Lecturer and Specialist in Physical Medicine.





Free Medical Camp in Uda Karawita, Uda Wathupitiya

A free medical clinic organized under the Singhe Hospital Social Welfare Program was successfully held on 12th October 2024 at Sri Wimaladarshanaramaya Temple, Uda Karawita, Uda Wathupitiya.

Blood Donation Programme – September 2024

The blood donation programme organized by the Singhe Hospitals PLC was successfully held on 23rd September 2024 at the Singhe Hospital premises. This recurring initiative reflects our ongoing dedication to saving lives and supporting the National Blood Transfusion Service through active community involvement.



Explore more photos and videos on our corporate website just scan the QR code to dive deeper

SOCIAL & RELATIONSHIP CAPITAL

Community Engagement



Free Medical Camp in Kuruwita, Wathuaya

On 14th September 2024, the Singhe Hospital Social Care team extended its support to the medical clinic organized by the Dimuthu Welfare Association at Kuruwita, Wathuaya.

Free Medical Camp in Pahala Bopitiya

Continuing its ongoing efforts, the Singhe Hospital Social Welfare Program was successfully conducted on 19th July 2024 at Sri Ratnaramaya Temple, Pahala Bopitiya, Pelmadulla.





Free Medical Campin in Marapana

A free medical clinic under the Singhe Hospital Social Care Program was successfully held on 25th June 2024 at Maha Gala Junction, Dodamgaswelpala, Marapana.

Donation to Ratnapura Teaching Hospital

To mark World Cancer Day on 4th February 2025, Singhe Hospitals PLC donated essential medical supplies to the Cancer Ward of the Ratnapura Teaching Hospital. This gesture reflects our continued commitment to supporting cancer care and strengthening the public healthcare system in our region.





Donation Community- Donation of Playground Lighting Equipment

As part of the Singhe Hospitals PLC Social Care Programme, a donation of lighting equipment for the playgrounds used by children of the Godakawela, Ranwala, UdaRanwala, and Navodaya Sports Clubs was made on 7th February 2025. This initiative aims to promote sports and physical well-being among youth by supporting safe and accessible recreational environments in local communities.

"Our primary task is healing people. This leads to the well-being of individuals, and through our efforts, life expectancy will increase. This mission goes beyond business."

Dr. P.D.S. Obeysekara
Independent Non Executive Director

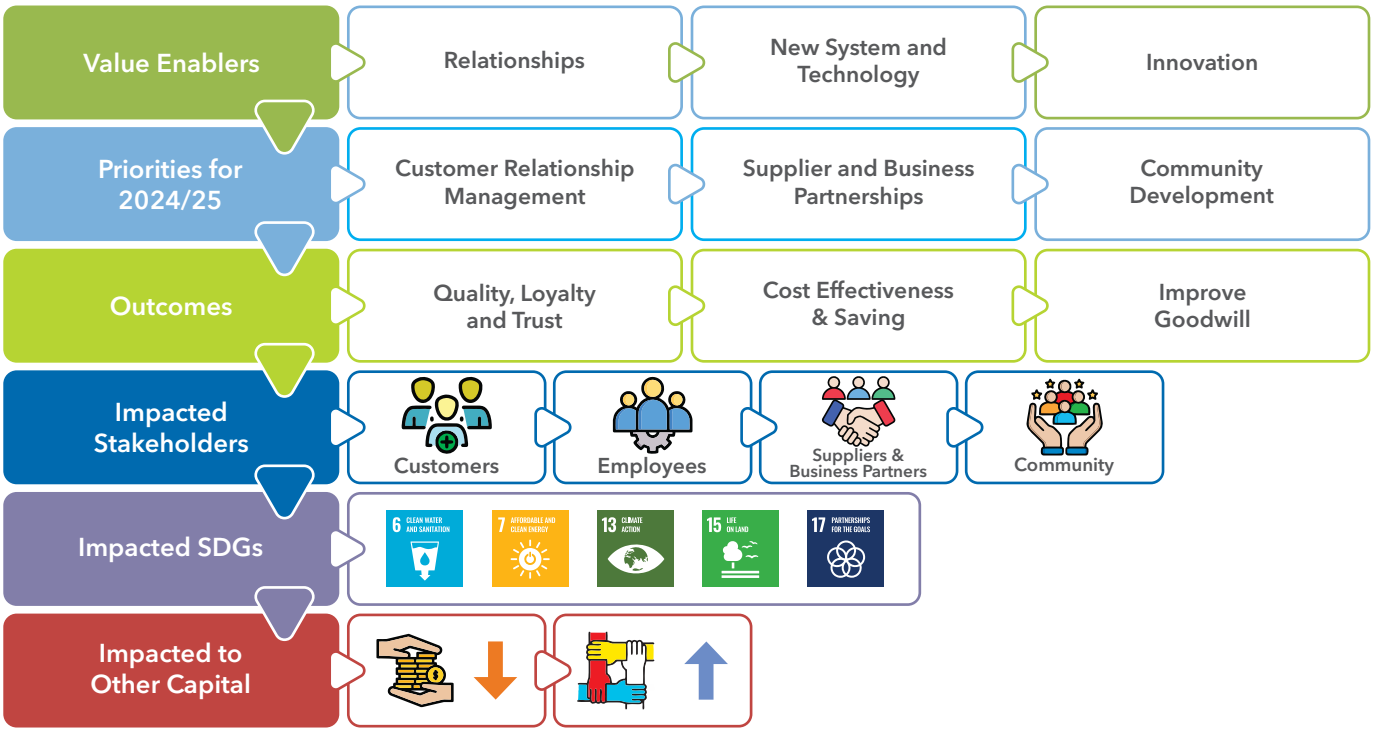


NATURAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025



At Singhe Hospitals PLC, we recognize that managing natural capital—comprising both renewable and non-renewable resources—is a vital component of our day-to-day operations and long-term sustainability. Operating in a country like Sri Lanka, which faces medium to high water stress, we understand the critical need to manage our environmental footprint responsibly, especially in how we utilize water and energy.



NATURAL CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Environmental Responsibility in Healthcare Operations

At Singhe Hospitals PLC, our commitment to sustainability is embedded in every aspect of our operations. We are guided by principles of environmental stewardship and responsible healthcare delivery, striving to minimize our ecological impact while providing high quality medical services.

Given the nature of healthcare, our operations involve the handling of both hazardous and non-hazardous materials. As a result, we have established strict protocols to ensure the safe, compliant, and environmentally responsible disposal of all waste generated within our facilities.

Waste Management Practices

All waste at Singhe Hospitals is meticulously segregated at the source, using a colour coded system to clearly differentiate between types of waste–such as infectious, general, food, and electronic waste. This system is designed to reduce the risk of cross-contamination and ensure safe handling throughout the disposal process.

- Infectious and medical waste is handled with utmost care and collected by CEA approved third-party contractors, such as GFC Waste Management, for incineration at certified facilities, including Keliyapura, Hambantota.
- General waste is collected by local municipal authorities in accordance with national waste management guidelines.



- Food waste is disposed of by the Municipal Council under local health and sanitation ordinances.

All waste is temporarily stored in designated collection zones within the hospital premises to ensure safety, compliance, and environmental protection.

Resource Management

In addition to waste management, Singhe Hospitals PLC is focused on the efficient use of core natural resources namely energy, water, and paper. We have implemented robust policies and control systems to ensure these resources are managed sustainably, with an emphasis on conservation, operational efficiency, and full compliance with environmental regulations.

Our goal is to lead by example in the healthcare sector by integrating sustainability into our daily practices and ultimately contributing to a healthier environment for all Sri Lankans

Consumption and Resource Efficiency

At Singhe Hospitals PLC, we recognize the importance of managing consumption in a way that ensures operational efficiency while minimizing our impact on the planet. During the year under review, the healthcare sector as with many others faced significant challenges stemming from rising costs of fuel, electricity, and essential commodities such as paper.

To address these challenges, we undertook a series of proactive measures aimed at reducing the consumption of key natural resources including energy, fuel, and paper. These efforts not only led to notable cost efficiencies but also contributed meaningfully to our broader sustainability goals.

Energy Usage

The hospital's primary energy source is the National Grid, and as energy prices rose, we focused on improving energy efficiency throughout our facilities.

Per Sales Rs.1Mn



Electricity Comsumption

694KWph



Water Consumption

10.7m³

Paper Consumption

In response to increasing paper costs and environmental concerns, digitalization continued to play a pivotal role. Enhanced use of digital health records, electronic communication, and cloud-based systems significantly reduced our dependence on paper.

Fuel Savings

With fluctuating fuel prices impacting logistics and transport operations, steps were taken to optimize vehicle usage, minimize unnecessary travel, and encourage digital meetings and consultations where applicable. These initiatives helped cut down on fossil fuel consumption and emissions.

Key Sustainability Enablers

Several strategic mechanisms were implemented to support responsible consumption, including:

- Adoption of hospital wide energy efficiency protocols
- Expansion of digital systems to reduce paper use
- Minimization of fuel usage through smart logistics
- Continuous awareness building among staff on responsible resource usage

These initiatives reflect our continued commitment to sustainability, cost efficiency, and the responsible use of natural capital.

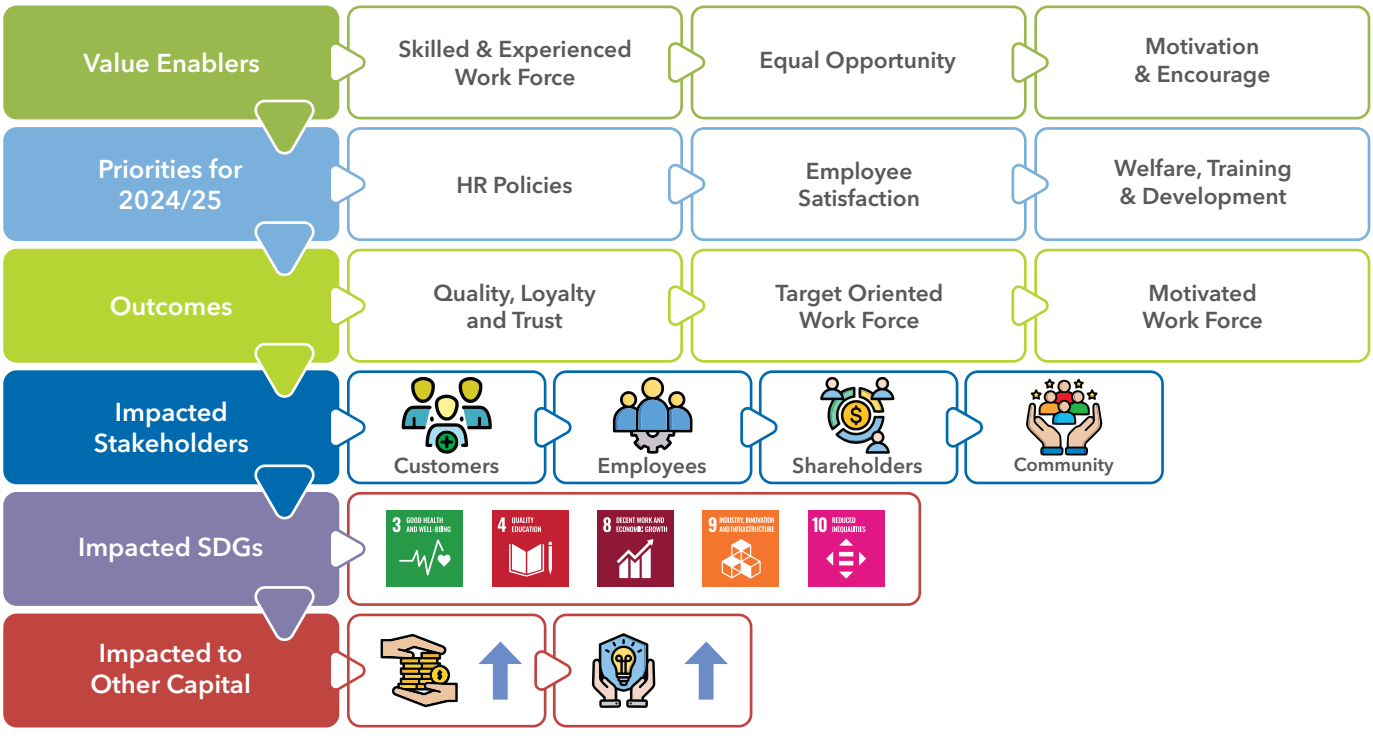
HUMAN CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025



Our highly skilled and committed workforce transforms our purpose into value by delivering innovative solutions that set us apart. Their expertise and dedication foster a culture of excellence, ensuring long-term stability.

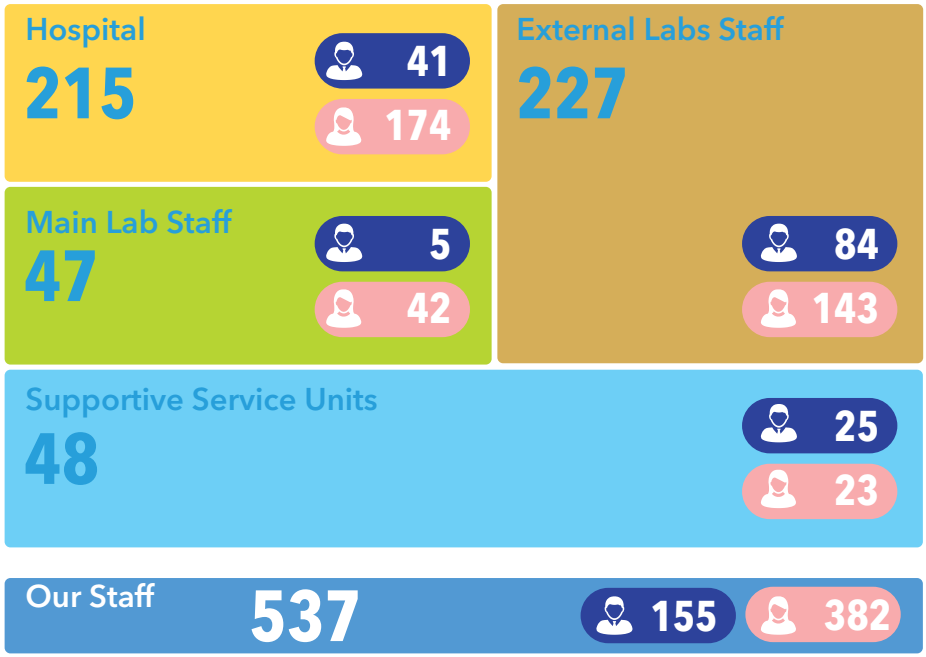
Recognizing the critical role of human capital, we prioritize recruitment, development, and well-being, empowering our diverse team to achieve strategic objectives. A culture of empathy and patient-centricity enhances the overall level of care, elevating the healthcare experience for all.



HUMAN CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Employees by Segment



Employees by Category

Employees Category	Numbers of Employees	Male	Female
Executive Directors	02	02	-
Senior Managers	07	07	-
Middle Managers	14	11	03
Executives	27	15	12
Non Executives	462	114	348
Casual & Trainees	25	06	19
Total	**537**	**155**	**382**

Female Participation by Designation Category

Employees Category	Numbers of Employees	Male	Female
Phlebotomist	134	1	133
Pharmacist	4	2	2
MLT	49	10	39
Nurses	59	7	52
Accountants	4	4	-
HR	3	3	-
IT	3	3	-
Allied & Patient Support Services	119	51	68
Technical & Other Support Staff	162	74	88
Total	**537**	**155**	**382**

Diversity and Equal Opportunity

The human capital of the hospital comprises a diverse team of professionals with a variety of skills and responsibilities, including medical officers, nurses, medical support workers, administrative personnel, and knowledgeable visiting consultants. Singhe does not discriminate on the basis of gender, race, sexual orientation, ethnicity, religion, or disability, owing to its commitment to support diversity and equal opportunity in the workplace. Every employee is valued and acknowledged for their contribution to the expansion and success of the company, in accordance with the hospital's culture. The figures below demonstrate the organisation's commitment towards fostering a more inclusive culture.

How Human Capital Contributes to Our Value-Creation Goals and Strategic Direction

Our people are the driving force behind our success. A highly motivated and engaged workforce can drive the organization towards fulfilling its strategic aspirations, and we are committed to ensuring a positive and collaborative work environment that offers an enriching employment experience to our team. We empower our tribe members to unleash their full potential to provide innovative solutions to our customers, delivering our brand promise and thus differentiating ourselves from the competition.



Equal Opportunity



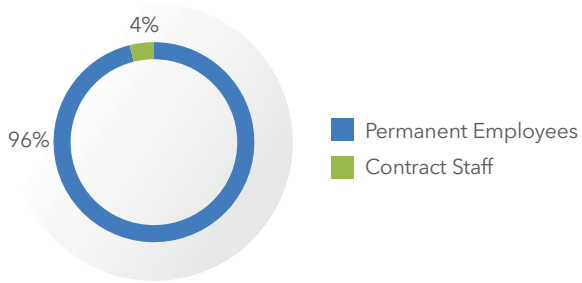
Female Workforce
71%

HUMAN CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Employees by Type of Employment

Type of Employees	Numbers of Employees	Percentage
Permanent Employees	516	96%
Casual Staff	21	4%
Total	**537**	**100%**



Talent Management

The Company's talent management strategy covers the complete employee life cycle from recruitment to resignation. It focuses on attracting top-tier talent, providing them with opportunities for growth, and retaining the best talent within the Company, supported by our employee value proposition. We believe our tribe members are the catalysts in driving our value creation journey; we are committed to creating a promising workplace for them.



Recruiting the Right Skills

The foundation of Singhe Hospital's hiring strategy is matching the ideal candidate with the right skills to the right job. Within the organization, all positions and duties are categorised based on pre-established job descriptions, competencies, and qualifications. Before hiring, every applicant must pass a rigorous screening process because of the critical importance of maintaining accuracy, reliability, and safety within the healthcare sector. Prior to joining the team, all employees are evaluated by the "Credentialing and Privileging Committee", to ensure patients are treated by highly qualified, verified, and knowledgeable personnel.

Singhe Hospitals employs both internal and external recruitment methods to procure the right balance of skills and talents. The hospital first strives to promote from within, selecting candidates based on qualifications and experience. If positions cannot be filled from the existing workforce, recruitment is carried out through external avenues including newspaper ads and social media platforms. While allowing a significant portion of the recruitment process to be carried out digitally, an end-to-end recruitment portal supports ease of accessibility, enabling both the general public and current workers to apply to new roles or vacancies within the organisation. New hires are paired with a co-worker/mentor for six months as part of the buddy system, which supports the process of onboarding. This procedure facilitates their complete integration into the workplace and helps new hires to become acquainted with the organisation's culture, policies, and procedures.

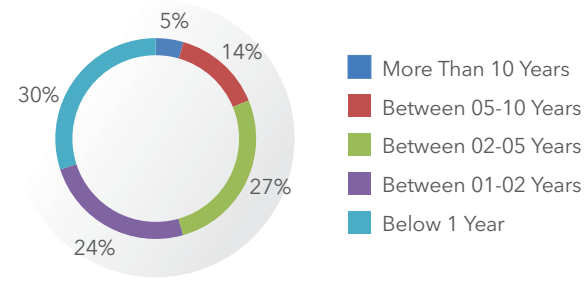
Despite the challenges faced during the year, the hospital maintained a workforce retention rate of 59%, with an employee turnover of 41%. A total of 288 new employees were recruited during the review period. The hospital focused on striking a balance between youthful energy and professional expertise—achieved by hiring and training young talent while retaining experienced professionals through a strong employee value proposition and targeted motivation strategies. Committed to becoming the healthcare industry's employer of choice, the hospital continues to enhance its work environment to attract, engage, and retain a dedicated workforce.

HR Governance

Singhe Hospitals PLC's comprehensive HR policies, which are designed in compliance with both local and international regulatory frameworks,

Employees by Service Period

Employees Category	Numbers of Employees
More than 10 Years	24
Between 05-10 Years	77
Between 02-05 Years	144
Between 01-02 Years	131
Below 01 Year	161
Total	**537**

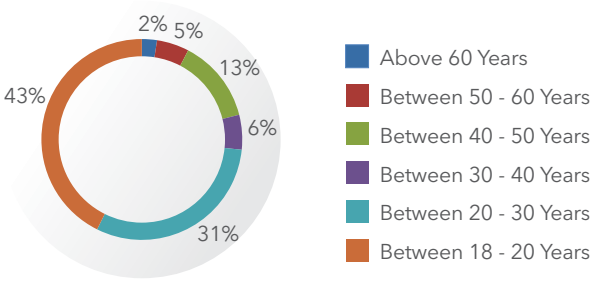


HUMAN CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Employees by Age

Employees Category	Numbers of Employees
Above 60 Years	13
Between 50 - 60 Years	28
Between 40 - 50 Years	72
Between 30 - 40 Years	30
Between 20 - 30 Years	165
Between 18- 20 Years	229
Total	**537**



address all key focus areas of our HR strategy. These policies govern our ethical culture and ensure the delivery of our employee value proposition. In addition to complying with the national regulations on human resource management, the company has the following policies in place to ensure a secure and respectful working culture:

HR Policies of Singhe Hospitals PLC

- HR Policy
- Harassment, Bullying & Retaliation Policy
- Whistle Blowing Policy
- Code of Business Ethics
- Parental Leave Policy
- Workforce Diversity Policy
- Gender Diversity Policy
- Boardroom Diversity Policy

Despite Ratnapura serving as the primary location of the hospital, employees are hired from across all major districts, mainly owing to the island-wide laboratory network, which recruits staff from the neighboring communities. The workforce primarily comprises female staff, amounting to 71% of the entire workforce, while male staff represent the remaining 29%.

Compensation, Benefits, and Recognition

Singhe firmly believes that a fair and equitable remuneration policy is key to attracting and retaining the best talent. We are committed to offering a competitive compensation and benefit package to our tribe members through periodic, industry-specific benchmarking. Our performance-based culture minimizes subjectivity and ensures the efforts of employees are adequately rewarded whilst maintaining both internal and external parity. The Company also recognizes and appreciates the outstanding commitments of its employees.

- 36 Tribe members promoted during the year (2023/24: 153)
- 65 Vacancies internally filled (2023/24: 50)
- Total Payments to Employees: LKR 351 Mn

Permanent Employees by District

Employees Category	Number of Employees
Ratnapura	347
Monaragala	27
Colombo	36
Gampaha	16
Badulla	21
Kaluthara	7
Galle	13
Hambanthota	7
Anuradhapura	9
Kandy	39
Kegalle	11
Matara	4
Total	**537**



HUMAN CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

Employee Voice

Singhe is committed to maintaining an inclusive workplace, allowing employees to offer suggestions, raise concerns, and provide feedback to the Management. This includes Employee Councils held monthly, feedback surveys, and HR clinics designed to make employees' voices heard and to provide resolutions to concerns.

Training and Development

Continuous training and development are required to strengthen the skills and capabilities of our tribe members. Through the yearly training needs analysis, gaps are identified, and proactive measures are taken to equip staff with the necessary skills. Our training programs include skill, knowledge, and attitude development sessions, leadership development, and customer experience enhancement. We adopt a blended approach of the classroom training, online programs, bite size training, and gamified learning.

Employee Well-Being and Safety

Recognizing the high-risk environment of the healthcare industry, Singhe has implemented strict health and safety policies. Regular fire safety training, mock drills, and designated fire wardens ensure emergency preparedness. Workplace safety policies are continuously evaluated and improved in collaboration with the Quality Assurance Division.

Outlook and Way Forward

Going forward, the company will invest in retaining skilled employees by creating the right work environment and offering competitive remuneration and benefits. The focus remains on fostering an equitable, diverse workforce while investing in performance management and upskilling initiatives to position Singhe as an employer of choice in the healthcare industry.

Gender Wise Training Participation (Hours)

Year	Male	Female	Total
2023/24	19,966	49,530	69,496
2024/25	22,320	59,592	81,912

Employee Training

Total Investment on Training

Rs.3.1Mn

2023/24 Rs. 1Mn

Average Training Cost

Rs.5,867

2023/24 Rs. 1,787

Average Training Hours per Employee (Gender wise)

144

156

2023/24 132 130

Special Events & Activities Calendar

Month	
April	Singhe Awards Night
May	Singhe Aurudu
July	Poson Dansela
September	Blood Donation Programme
November	Department Wise Staff Trip
February	Singhe Cricket Match

"We are in the service industry, and service is inseparably connected with our staff. If we take care of our staff with sincerity and care, they will in turn take care of our patients and customers with the same dedication. That is the heart of quality service"



Mr. Lakshika Weerasinghe
Director



HUMAN CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

My Journey of Growth and Empowerment

Nadeeka Priyadarshani
Senior Executive - Business Development



I am Nadeeka Priyadarshani, and my journey with Singhe Hospitals PLC began on the 1st of February 2015. At just 22 years old, I joined the organisation as a Trainee OPD Assistant under the Nurses Training School (NTS) program. I was young, ambitious, and eager to learn. That first step marked the beginning of a remarkable journey that has shaped both my career and my life.

After completing my training, I was entrusted with the role of OPD Assistant. I embraced the responsibilities with dedication and served in that capacity for two years. In January 2017, I was given the opportunity to step into a new role as a Training Marketing Officer. From there, I progressed steadily first as a Marketing Assistant, then as a Marketing Executive, and today, I proudly hold the position of Senior Marketing Executive at the age of 35.

I consider it a great honor to have achieved this level purely through hard work, performance, and the unwavering trust the organisation placed in me. The journey has not always been easy, but it has been deeply rewarding. Every challenge I faced became an opportunity to grow, and every milestone reached brought me one step closer to the person I aspired to be.

Thanks to the support and encouragement I received from Singhe Hospitals PLC, I was able to accomplish some of my most cherished personal goals. I built my own home a lifelong dream. On March 2025, I purchased my first car. These achievements go far beyond material success. They are symbols of empowerment, independence, and the strength I have discovered within myself, nurtured by this incredible organisation.

The work culture at Singhe Hospitals has always been one of support, recognition, and open communication. Senior managers are approachable, and performance is genuinely appreciated. Innovation and adaptability are encouraged, and we are given the freedom to contribute ideas, take initiative, and grow. It is a culture that inspires excellence through healthy competition and collaboration, and it has been a driving force behind my development.

Throughout my career, I have been blessed with a strong support system. The guidance and motivation of the senior management have been instrumental in my success. My operations team has stood by me through every step, and my colleagues in the Marketing Department have been constant sources of encouragement and teamwork. I am sincerely grateful to each of them for believing in me.

Everything I am today my skills, my confidence, and my achievements I owe to Singhe Hospitals PLC. This organisation gave me the foundation to build a meaningful career, the freedom to dream big, and the support to turn those dreams into reality. I will always remain deeply thankful for the trust, opportunities, and empowerment I have received on this extraordinary journey.



HUMAN CAPITAL

Singhe Hospitals PLC Year Ended 31st March 2025

"Singhe Wasantha Udanaya 2025"
The Singhe Wasantha Udanaya 2025, organized by the Singhe Hospital Welfare Association, was successfully held on 1st May 2025. The event was a great success and featured a variety of traditional New Year games, bringing joy and enthusiasm to all participants.





Women's Day Celebration 2025
A look back at the memorable Women's Day celebrations held at Singhe Hospital and Laboratories in honor of International Women's Day on 8th March 2025. The event celebrated the strength, contributions and achievements of the women in our organization.

Singhe Premier League 2025
The Singhe Premier League 2025 was proudly organized by the Singhe Hospitals Welfare Association, promoting teamwork, sportsmanship, and camaraderie among staff through an exciting series of cricket matches.





Pirith Ceremony and Alms Giving
To mark the beginning of the New Year 2025, an all-night Pirith Ceremony followed by an alms offering the next morning was held at the Singhe Hospital premises on 1st January 2025. The religious observances were conducted to invoke blessings for the management, medical and non-medical staff, and all patients of Singhe Hospital.

Christmas Carols at Singhe Hospitals PLC
The festive spirit came alive at Singhe Hospitals PLC with a heart warming Christmas Carols program, bringing joy and celebration to staff, patients, and visitors alike. The event featured traditional carols, vibrant performances, and festive decorations, spreading the message of peace, love, and togetherness.





Singhe Award Night 2024/2025
The Singhe Award Night 2024/2025 was held on 26th April 2025 at the Silvaray Grand Hotel, Lellopitiya, Ratnapura. The event recognized and rewarded high-performing staff members and outstanding teams with certificates and awards for their exceptional contributions. It was a joyous and memorable evening, with all staff members celebrating the achievements together in high spirits.

"We have the best team – motivated, visionary, target-oriented, and self-driven. Over the past few years, we have demonstrated the true power of team spirit. Looking ahead, we remain fully committed to achieving the company's objectives."

Mr. Bathiya Angammana
General Manager



HUMAN CAPITAL

Management Team



Mr. Navinda Weerasinghe
Managing Director



Mr. Lakshika Weerasinghe
Director



Mr. Bathiya Angammana
General Manager



Mr. Asanka De Silva
Finance Manager





Mr. Chinthaka Kodithuwakku
Human Resources Manager



Mr. M. Wijedasa
Chief Nursing Officer



Mr. Pradeep Kumara
Accountant



Mr. Chanaka Narasinghe
Business Development Manager



Mr. Kanishka Nuwanpriya
Assistant Manager Laboratory Operations



Mr. Nirosh Jayamaha
Manager OPD & Front Office

SINGHE
Hospitals
quality healthcare





Face
Every Problem
with a
Smile
and a
Positive
Attitude

It may not change
your problem,
but It Can Change
The Way You Go Through It.

CORPORATE GOVERNANCE
Corporate Governance Statement

The Board of Directors holds the highest accountability for overseeing the strategic direction, internal regulations, financial disclosures, risk mitigation, and day-to-day activities of the Singhe Hospitals PLC. Effective corporate governance frameworks, guidelines, mechanisms, and consistent updates aid the Board in fulfilling these responsibilities, all the while establishing a robust business model that generates lasting benefits for stakeholders. These frameworks are continuously adapted to meet external shifts in legal, regulatory, and self-imposed standards, as well as internal demands, to guarantee their relevance in an ever-changing business environment.

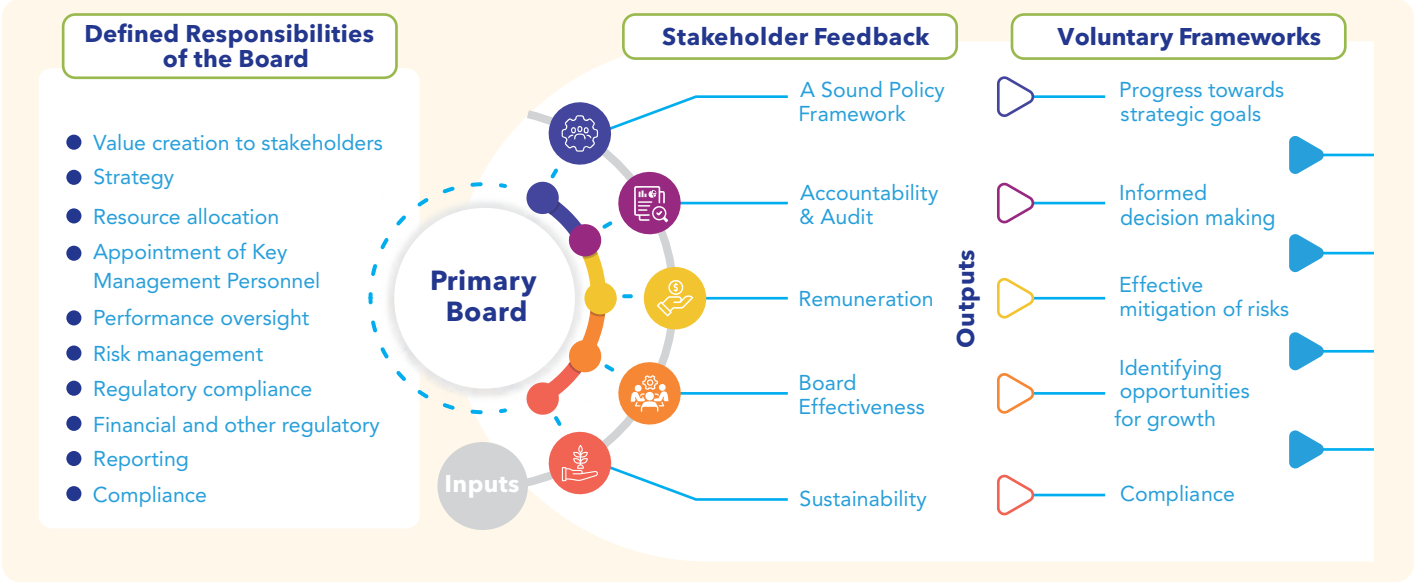
Changes Impacting Corporate Governance

- Listing Rule No 9 on Corporate Governance issued by the Colombo Stock Exchange with effective dates for compliance set out for specific provisions from 1st October 2023 to 1st January 2025.
- Issue of the revised Code of Best Practice on Corporate Governance 2023 by the Institute of Chartered Accountants of Sri Lanka
- Issue of SLFRS Sustainability Standards by the Institute of Chartered Accountants which are effective for reporting periods beginning on or after January 2025.
- The Board has reviewed the changes required to governance structures and processes and plans to comply with the dates specified therein.

Key Governance Practices

- A balance of power established with a majority of non-executive directors of whom three are independent
- Annual rotation of one third of the Director of the Board
- Annual evaluation of the effectiveness of the Board
- Shareholders have the right to call for special meetings
- A separate committee reviews the related party transactions of the Company
- Internal Audit reports are directly submitted to the Audit Committee
- The Nominations and Governance Committee appoints and oversees the process.
- The Remuneration Committee is appointed and oversees the process.

Governance Process

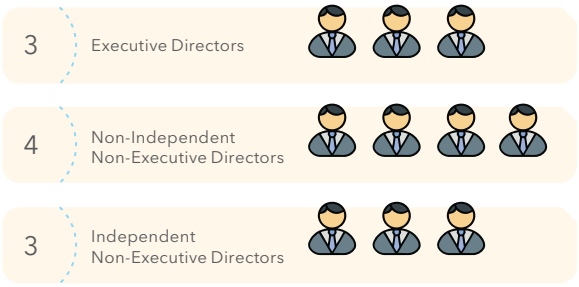


CORPORATE GOVERNANCE
Corporate Governance Statement

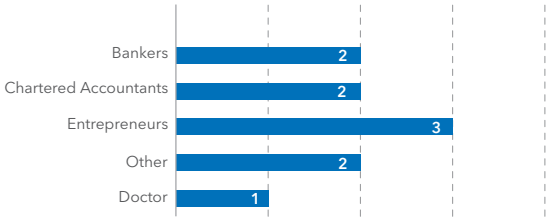
A Sound Governance Structure



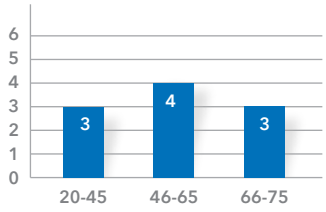
Composition & Balance



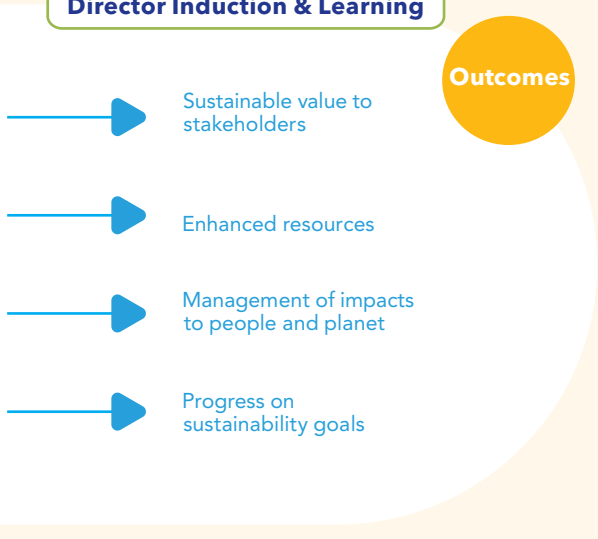
Skills & Experience of the Board of Directors



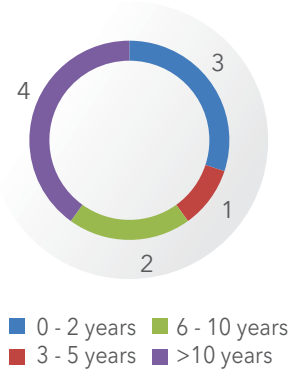
Age Diversity of the Board of Directors



Director Induction & Learning



Board of Directors Tenure on Board



CORPORATE GOVERNANCE
Corporate Governance Statement

Make Up of The Board

The Board comprises 10 Directors. There are seven Non-Executive directors out of whom three are independent in accordance with the criteria set out in the Corporate Governance Listing Rule no 9. The combination of executive and non-executive directors and the diversity of skills and experience facilitates objective and informed deliberation of matters set before the Board.

Name	Shareholding	Role	AR & CC	RC	RPTRC	N & GC	No of appointments at Public Listed Entities	No of Appointments at other entities
Mr. A. M. Weerasinghe	372,697,415	Chairman/CEO					5 ❖	13
Mr. Navinda Weerasinghe	10	Managing Director					1 ♦	3
Mr. Lakshika Weerasinghe	50,000	Director - Executive					1 ♦	3
Mr. U. B. H. Jayalath Kithsiri	1,100,000	Non Independent Non Executive Director	□	□		□	1 ♦	
Mr. H. M. A. B. Weerasekara		Non Independent Non Executive Director					1 ♦	
Mr. A. M. A. Cader		Non Independent Non Executive Director			□		4 ●	
Mr. Piyumal Weerasinghe		Non Independent Non Executive Director					1 ♦	1
Dr. Aruna Jayakody		Independent Non Executive Director	□		△	△	1 ♦	1
Mr. Chaaminda Kumarasiri		Independent Non Executive Director	△	□	□	□	5 ■	3
Dr. P.D.S. Obesekara *(Appointed on 30 December 2024)*		Independent Non Executive Director		△			1 ♦	

△ Chairman
□ Member

AC - Audit, Risk & Compliance Committee
RC - Remuneration Committee
N&GC - Nominations and Governance Committee
RPTRC - Related Party Transaction Review Committee

❖ Singhe Hospital PLC
Lanka Walltiles PLC
Swisstek (Ceylon) PLC
Lanka Tiles PLC
Royal Ceramics Lanka PLC

♦ Singhe Hospital PLC

● Singhe Hospital PLC
Tess Agro PLC
Standard Capital PLC
Kelsey Developments PLC

■ Singhe Hospital PLC
Lanka Hospitals Corporation PLC
Sanasa Development Bank PLC
Sathosa Motors PLC
Asia Assets Finance PLC

"Good governance is a cornerstone of our Board's approach and is consistently upheld across all levels of the organization. We firmly believe that strong governance practices promote transparency, accountability, and operational discipline creating a well-managed company capable of achieving its strategic and shareholder objectives. The Board remains fully committed to adhering to all applicable laws, regulations, and governance frameworks. This commitment not only strengthens investor confidence but also ensures the long-term sustainability and integrity of the company."

Mr. Chaaminda Kumarasiri
Independent Non Executive Director



CORPORATE GOVERNANCE
Corporate Governance Statement

Appointments & Exits	Determining Independence of Non-executive Directors	Role of The Chairman & CEO
The Nominations & Governance Committee is responsible for aiding the Board in identifying suitable candidates that align with the business needs of the company and the Board's independence and diversity requirements. Appointments, along with a brief director profile, interests or shareholding in the company, current roles, and director types, are promptly reported to the Colombo Stock Exchange. The Board has the authority to appoint directors to fill any unexpected vacancies as outlined in the Articles of Association. These directors serve until the next Annual General Meeting and can be re-elected by shareholders at that time, enhancing shareholder rights. One third of the Directors retire at each Annual General Meeting through rotation and is typically eligible for re-election. A separate resolution is prepared for the election/re-election of each director. The Managing Director is exempted from retirement by rotation.	The Board determines the Independence of the Directors for 2024/25 by reviewing the annual declarations submitted by the Non-Executive Directors in compliance with Listing Rule No. 9 of the Colombo Stock Exchange. Changes in the classification of independent Directors will be implemented based on age-related provisions and other criteria. The reclassification process has been completed by the deadline specified in Rule No. 9.	The Chairman presides over the Board and is responsible for determining the frequency of the meetings, setting the agenda, conducting the meeting, ensuring Board members have sufficient information for decision making and ensuring all Board members participate effectively. The Managing Director/ Chief Executive Officer is responsible for implementing strategy within the agreed policy framework and in compliance with the regulatory requirements

Role of The Company Secretary

Company secretarial services are provided by Nexia Corporate Consultants (Pvt) Ltd, who facilitate the scheduling of meetings, circulation of board papers, maintain minutes and file the necessary returns. They also play a key role in advising the directors regarding board procedures and legal requirements with respect to their duties and responsibilities. They are also responsible for arranging the Annual General Meetings, Extraordinary General Meetings, shareholder communications and disclosures to the CSE. Their appointment and removal is are matter for the Board as a whole.

> ***"With a strong background in capital markets and share trading, We firmly believe that a company's share performance is a vital reflection of its underlying business strength, investor sentiment, and long-term potential. Together with the Board of Directors, we share a unified vision: to continuously enhance shareholder value through sustainable growth in profitability and the strengthening of key financial indicators. Our focus remains on increasing Earnings Per Share (EPS) and Net Assets Per Share (NAPS), which are critical in driving long-term wealth creation. This collective approach ensures that every strategic decision supports the ultimate goal of building shareholder confidence, reinforcing financial discipline, and delivering enduring value—while maintaining the highest standards of governance and transparency."***
>
> ***Mr. A.M.A Cader***
> *Non Independent Non Executive Director*



CORPORATE GOVERNANCE
Corporate Governance Statement

Board Committees

Four Board Committees are established by the Board to assist with discharging of its duties and responsibilities effectively and efficiently as set out below.

Audit, Risk and Compliance Committee	Remuneration Committee	Related Party Transactions Review Committee	Nominations and Governance Committee
Composition			
Three Non Executive Directors, two of whom are Independent Non Executive Directors. Chairman is member of professional accounting body.	Three Non Executive Directors, two of whom are Independent Non Executive Directors.	Three Non Executive Directors, two of whom are Independent Non Executive Directors.	Three Non Executive Directors, two of whom are Independent Non Executive Directors.
Mr. Chaaminda Kumarasiri △ Dr. A.C. Jayakody Mr. U.B.H. Jayalath Kithsiri	Dr. P.D.S. Obeysekara △ Mr. U.B.H. Jayalath Kithsiri Mr. Chaaminda Kumarasiri	Dr. A.C. Jayakodi △ Mr. A.M.A. Cader Mr. Chaaminda Kumarasiri	Dr. Aruna Jayakody △ Mr.Chaaminda Kumarasiri Mr.U.B.H.Jayalath Kithsiri △ Chairman
Mandate			
Monitor and supervise management's financial reporting process in ensuring: 1. The integrity of financial statements in accordance with Sri Lanka Financial Reporting Standards. 2. Compliance with legal and regulatory requirements of the Companies Act and other relevant financial reporting related regulations and requirements. 3. The External Auditor's independence and performance. 4. Review of the adequacy and effectiveness of the company's Internal Control and Risk Management systems, over the financial reporting process.	The Committee focuses on and is responsible for ensuring that the total package is competitive to attract the best talent for the benefit of the Company. Recommend the remuneration payable to the Executive Directors and senior management.	To ensure on behalf of the Board, that all Related Party Transactions of Singhe Hospitals PLC are consistent with the Code of Best Practice on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka. 1. Ensure that the Company complies with the rules set out in the Code 2. Perform other activities related to the Charter as requested by the Board. 3. Have meetings every fiscal quarter and report to the Board on the Committee's activities 4. Share information with the Audit, Risk and Compliance as necessary and as appropriate to permit the Audit, Risk and Compliance to carry out its statutory, regulatory and other responsibilities with regard to related party transactions. 5. Review the Charter and Policy at least annually and recommend amendments to the Charter and Policy to the Board as and when determined to be appropriate by the	The Nominations and Governance Committee evaluates if the Board has the right mix of skills, experience, knowledge, and independence to function effectively. It also considers the diversity needed for the Company's best interests and ensures that the composition of the Board allows for the required diversity.
Refer page 92 for Audit, Risk and Compliance Report	**Refer page 90 for Remuneration Committee Report**	**Refer page 91 for Related Party Transactions Review Committee Report**	**Refer page 89 for Nominations and Governance Committee Report**

CORPORATE GOVERNANCE

Corporate Governance Statement

The governance framework of the Company is given below:

Regulatory	Voluntary Standards, Codes & Frameworks	Internal Documents
• Companies Act No.7 of 2007 Sri Lanka Accounting and Auditing Standards Act No.15 of 1995 • Continued Listing Requirements of the Colombo Stock Exchange • The Shop and Office Employees Act No. 15 of 1954 • Inland Revenue and other relevant Acts	• Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka	• Articles of Association • Board Charter • Policy framework

Managing Conflicts Of Interest

Directors are required to declare their business interests on appointments and update thereafter and the Company Secretaries maintain a register of Directors' Interests. Directors do not participate in the meeting when related party matters are discussed, absenting themselves from the Board room for the duration of the discussion.

Related party transactions are reviewed quarterly by the Related Party Transactions Review Committee who approve the transactions and ensures appropriate disclosures in line with regulatory requirements.

Effective Meetings

Board meetings are held quarterly in accordance with an annual calendar prepared by the Company Secretaries, with provision for additional meetings as may be required. The agenda for the meeting is determined by the Chairman and the Company Secretary with inputs where needed from the Managing Director. Relevant Board papers are circulated to the Directors seven days prior to the meeting allowing sufficient time for review and clarification. Performance oversight, risk management and review of financial statements are regular items on the agenda of the Board.

Key Management Personnel (KMP) attend Board meetings on invitation to make presentations and update the Board on material issues that impact the business. They are also available for clarification that may be required by Board members.

Attendance of Directors at Meetings is Given Below

Directors	Date of Appointment	Board Meeting	AR & CC	RC	RPTRC	N & GC
Mr. A. M. Weerasinghe	16th December 2009	10			3	
Mr. Navinda Weerasinghe	16th December 2009	10				
Mr. Lakshika Weerasinghe	1st August 2011	10				
Mr. U. B. H. Jayalath Kithsiri	4th April 2011	10	5	1	3	1
Mr. H. M. A. B. Weerasekara	27th May 2015	9	1		3	
Mr. A. M. A. Cader	21st August 2015	10	3		4	
Mr. Piyumal Weerasinghe	22nd March 2021	6				
Dr. Aruna Jayakody	18th December 2023	9	1			1
Mr. Chaaminda Kumarasiri	30th April 2024	10	4	1	1	1
Dr. P.D.S. Obesekara	30th December 2024	3		1		
Total No of Meetings		10	5	1	4	1

CORPORATE GOVERNANCE
Corporate Governance Statement

Induction & Training For Directors
Newly appointed directors are formally inducted to enable effective contribution at Board meetings. The Chairman and the Managing Director arrange meetings with themselves and Key Management Personnel to provide an overview. Directors are expected to apprise themselves of developments in their areas of specialty and undertake learning activities necessary for the effective discharge of their duties. These requirements are coordinated through the Company Secretary.

Evaluations
Appraisal of Managing Director
The performance of the Managing Director is reviewed annually by the Board in line with goals agreed at the beginning of the year. The performance of the Company is assessed in the context of the operating environment and constructive feedback is provided. The outcome of the performance appraisal is linked to the annual increments for the fixed remuneration and determines the variable pay.

Board Evaluations
The Board conducted self-evaluations in line with the requirements of the Code of Best Practice and the results were tabled at the meeting of the Board. Issues raised in the evaluations were discussed and actions agreed for implementation during the year.

Remuneration Policy
The Board is assisted by the Remuneration Committee in determining the remuneration of Executive Directors, Non Executive Directors, KMP and others. Remuneration policy is designed to attract and retain the skills, capabilities and experience required to pursue business objectives. Remuneration of KMP and Executive Directors are linked to the performance of the Company. Please refer page 90 for the Report of the Remuneration Committee and Terms of Reference. Non Executive Director remuneration comprises a fee for being a Director of the Board and an additional fee for being a member of a committee.

Accountability & Audit
The Board approved the quarterly reports prior dissemination to the public through the CSE and the corporate website. The Audit, Risk and Compliance reviews the financial statements and recommends the financial statements for approval by the Board. The following reports set out further information required by the Code:

- The Directors' Report on pages 84 (including the declaration that the company is a going concern)
- The Statement of Directors' Responsibility on page 88
- Report of the Auditors on page 96

External Auditor
The External Auditor is appointed by the shareholders at the Annual General Meeting. The Audit, Risk and Compliance monitors and reviews the External Auditor's independence, objectivity and the effectiveness of the audit process considering relevant professional and regulatory requirements. Assignment of non-audit services to External Auditors is reviewed by the Audit, Risk and Compliance who determines the potential impairment of independence and objectivity of the External Auditor in carrying out their duties and responsibilities.

Communication With Shareholders
The Company engages with Shareholders through multiple channels. These include the Annual General Meeting (AGM), Annual Report, interim financial statements, the Company website and via the CSE's website. Shareholders also have the opportunity to ask questions, comment or make suggestions to the Board through the Company Secretaries and at the Annual General Meeting. All significant issues and concerns of Shareholders are referred to the Board with the views of the Management.

Constructive Use Of Annual General Meeting (AGM)
Shareholders are encouraged to participate at the AGM and the Chairman, Board members and Chairpersons of Board Sub-committees are available for discussion at the AGM and respond to questions directed to them by the Chairman. Additionally, Key management personnel of the Company are also present to assist the directors in this regard.

Notice of the AGM, the Annual Report and Accounts and any other resolution together with the corresponding information that may be set before the shareholders at the AGM, are circulated to shareholders minimum 15 days prior to the AGM. Separate resolutions are prepared for each item of business, facilitating voting on each of such issues separately. Voting procedures at the AGM are circulated to the shareholders in advance. The Company has an effective mechanism to record and count all proxy votes lodged for each resolution. In the event there are a significant proportion of the votes cast against a resolution, the Board will take steps to understand the reasons behind the vote results and determine if any actions are required. The outcome of the vote on each resolution is informed to the CSE soon after the conclusion of the AGM.

CORPORATE GOVERNANCE
Corporate Governance Statement

Given below is the status of compliance with the CSE Listing Rules - sections 7-10 and the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka.

Reference to ICASL Code & CSE Rules	Corporate Governance Principle	How we Comply	Compliance Status
A. Directors			
A. 1 The Board			
A. 1.1	Board Meetings	Held every quarterly and special meetings held as and when necessary	✓
A. 1.2	Role of the Board	• Focus on developing strategies for business development and to provide guidance to the management. • Sets the budget for the financial year and reviews progress at the quarterly meetings. • Approving of major capital expenditure • Ensures that an effective internal control and risk management framework is in place	✓
A. 1.3	Compliance with laws and access to independent professional advice	The Board seeks independent professional advice when deemed necessary, particularly before making any decisions which could have a significant impact on the Company. Further the Board is always mindful of the new laws/regulations which are implemented and ensures compliance with same.	✓
A. 1.4	Access to advice from the Company Secretary Indemnifying the Board, Directors and key management personnel	All directors have access to the advice of the Company Secretary.	✓
A. 1.5	Independent judgment of the Directors	Board comprises mainly of independent professionals who in turn exercise independent judgement in discharging their duties	✓
A. 1.6	Dedicating adequate time and effort	Regular Board meetings and sub-committee meetings are scheduled well in advance and Board papers are circulated 1 week prior to the meetings, giving adequate time to prepare.	✓
A. 1.7	Calls for resolutions	Resolutions are passed for all Board approvals and minutes are kept	✓
A. 1.8	Training of Directors	At the time a Director is appointed a letter confirming such appointment together with details on the duties of a Director in terms of the Act and Listing Rules are forwarded to them. All Directors have considerable experience in the industry. Relevant local and foreign training opportunities are made available.	✓
A. 2	Segregation of Roles of Chairman & CEO	Appointed Senior Independent Director.	✓

CORPORATE GOVERNANCE
Corporate Governance Statement

Reference to ICASL Code & CSE Rules	Corporate Governance Principle	How we Comply	Compliance Status
A. 3	Chairman's Role	The Chairman ensures that meetings are conducted in an orderly manner and that each Board Member and Member of staff is given an opportunity to present his views/concerns on matters.	✓
A. 4	Financial Acumen	Members of the Board and Management have sufficient financial knowledge and thus are able to provide guidance on financial matters.	✓
A. 5 Board Balance			
A. 5.1/A. 5.2/ A. 5.3 & A. 5.5	Presence of Non-Executive Directors Independence of Non-Executive Directors	Please refer an Effective Board in page 85.	✓
A. 5.4	Annual Declaration of Independence by the Non-Executive Directors	Annual declarations citing their independence are obtained by the secretary annually.	✓
A. 5.6	Alternate Director to a Non-Executive Director	No Alternate Directorships	N/A
A. 5.7 /5.8	Senior Independent Director	Dr. D.M. Obeysekara was appointed as Senior Independent Director on 30th December 2024	✓
A. 5.9	Chairman meeting with the Non-Executive Directors	When required the Executive Directors and Members of staff are excused from meetings	✓
A. 5.10	Recording concerns	Concerns of directors are recorded in minutes even in the case of disagreement.	✓
A.6 Supply of Information			
A. 6.1	Obligation of the Management to provide appropriate and timely information	Board Papers and Committee papers are provided at least 1 week before the meeting	✓
A. 6.2	Board papers to be provided 7 days prior to the Board Meeting	Board papers are provided one week prior to the Board meeting.	✓
A.7 Appointments to the Board			
A. 7.1 / A .7.2	Nominations and Governance Committee and the assessment of the composition of the Board	Refer Nominations Committee Report in page No 89.	✓
A. 7.4	Disclosure of Appointment of a New Director	Disclosures pertaining to any new appointments are made to the CSE within two market days from the date of such appointment. The disclosure includes a brief profile of the Director and whether the Director is an Independent/Non-Executive/Executive Director.	✓
A.8 Re-election			
A. 8.1 / A. 8.2	Re-election	At each AGM one third of the Directors retire and offer themselves for re-election. Newly appointed directors are re-elected at the 1st AGM following their appointment.	✓
A. 8.3	Resignation	In the event of a resignation, a letter of resignation is provided by the Director.	✓

CORPORATE GOVERNANCE
Corporate Governance Statement

Reference to ICASL Code & CSE Rules	Corporate Governance Principle	How we Comply	Compliance Status
A.9			
A. 9.1/ A. 9.2/ A. 9.3/ A. 9.4	Appraisals of the Board and the sub committees	Board evaluations were carried out and the results were tabled at the Board meeting. The Board discussed the findings and directed changes where there was consensus on matters raised in the evaluations.	✓
A.10 Disclosure of Information in Respect of Directors			
A. 10.1	Profiles of the Board of Directors and other related information	The names of the Directors of the Board and their profiles are given on pages 19 to 24.	✓
A.11 Appraisal of Chief Executive Officer			
A. 11.1 / A. 11.2	Setting of the annual targets and the appraisal of the CEO	Appraisal of the CEO was done. Achievement of the budget is a key factor that is considered.	✓
B. Directors' Remuneration			
B. 1 Remuneration Procedure			
B. 1.1	Set up a Remuneration Committee with agreed terms of reference	Refer to Directors' Remuneration on page 132. The Report of the Remuneration Committee on page 90 gives the composition of the Committee and a description of its activities during the year.	✓
B. 1.2	Remuneration Committee to consist of Non-Executive Directors only	Consists of three Directors of whom are Independent Non Executive Directors.	✓
B. 1.3	List names of the Remuneration Committee in the Annual Report	Please refer page 90.	✓
B. 1.4 7.10.5(b)	Determination of the remuneration of the Non-Executive Directors	Remuneration of the Non-Executive Directors is decided by the Board in consultation with the Chairman.	✓
B. 1.5	Consultation with the Chairman and the Managing Director	The Chairman/ MD is consulted when determining the remuneration to be paid to the Executive Directors and Management, respectively.	✓
B. 2 The Level & Makeup of Remuneration			
B. 2.1/ B. 2.2/ B. 2.3/ B. 2.4	The level and makeup of the remuneration of Directors and comparison of remuneration with other companies	Remuneration levels have been designed to attract, retain and motivate Directors while remaining within the industry standards and annual performance approved.	✓
B. 2.5	Performance based remuneration	Part of the remuneration package of the Executive Directors is linked to achievement of targets and individual performance.	✓
B. 2.6	Executive share options	N/A	N/A
B. 2.7	Designing schemes of performance-based remuneration	Refer to the Report of the Remuneration Committee on page 90.	✓
B. 2.8/ B. 2.9	Early Termination of Directors	There is no compensation for early termination of non-executive directors.	✓

CORPORATE GOVERNANCE
Corporate Governance Statement

Reference to ICASL Code & CSE Rules	Corporate Governance Principle	How we Comply	Compliance Status
B.3			
B. 3.1	Disclosure of Remuneration	Report of the Remuneration Committee on page 90. Notes 25.3 in the financial statements on page 132.	✓
C. Relations with Shareholders			
C.1 Constructive use of AGM and Conduct of Meetings			
C. 1.1	Dispatch of Notice of AGM and related papers to shareholders	Notice of Meeting, the Agenda for the Annual General Meeting and the Annual Report are circulated to shareholders 15 working days prior to the meeting as required by the Companies Act No: 07 of 2007 and the Articles of Association of the Company.	✓
C. 1.2	Separate resolution for substantially separate issues.	Separate resolutions are passed for each matter taken up at the AGM.	✓
C. 1.3	Accurate recording and counting of valid proxy appointments received for the General Meeting	Valid proxies are listed together with the number of shares held by the shareholder appointing the proxy.	✓
C.1.4	Availability of Chairmen of Board Committees at the Annual General Meeting	The Chairman of the Board Committees or committee members are present to answer any queries of the shareholders directed to them by the Chairman of the Company.	✓
C. 1.5	Summary of Notice of General Meetings and procedures governing voting at General Meetings	A summary of the procedure on voting is given in the Notice of Meeting.	✓
C.2 Communications with shareholders			
C. 2.1 to C. 2.7	Communications with Shareholders	The AGM and EGM (if any) are used as the method for communicating with the shareholders. All quarterly and annual financial information and other important matters as required for by the Act and the Listing Rules are shared by way of disclosures through the CSE. The Company Secretaries/Registrars are the main contact people for the shareholders. All major concerns of the shareholders are brought to the notice of the Board at the AGM and at Board/Subcommittee meetings. All queries of shareholders are answered at the AGM and all shareholders are given the opportunity to express their views/ concerns.	✓
C.3 Major & Material Transactions			
C. 3.1 & C. 3.2	Disclosure of Major Transactions	There were no matters which were identified as Major Transactions during the year as such no disclosure has been made in this regard. In the event there are Major Transactions, relevant disclosures and relevant shareholder approvals are obtained.	✓

CORPORATE GOVERNANCE
Corporate Governance Statement

Reference to ICASL Code & CSE Rules	Corporate Governance Principle	How we Comply	Compliance Status
D. Accountability & Audit			
D. 1.1	Annual Report	Refer Accountability & Audit on pages 96 to 98.	✓
D. 1.2	Interim and price sensitive reports to public and regulators	In preparing annual and quarterly Financial Statements, the Company complies with the requirements of the; • Companies Act No. 07 of 2007, • Sri Lanka Accounting Standards and • Listing Rules of the Colombo Stock Exchange. The annual and interim Financial Statements were published within the time periods prescribed by the Listing Rules of the Colombo Stock Exchange.	✓
D. 1.3	CEO Declaration	The Statement of Financials contains a declaration by the Chairman	✓
D. 1.4	Directors' Report declarations	Refer Annual Report of the Board of Directors on page 84.	✓
D. 1.5	Statements on responsibilities for preparation of financial statements and internal control	Refer the following: • Statement of Board responsibility for preparation of financial statements - page 88 • Statement from Auditors on their reporting responsibilities - page 96 • Statement on Internal Control - page 88	✓
D. 1.6	Management discussion & analysis	Refer annual report pages from 09 to 18 which provide a management discussion and analysis of the Company's operations	✓
D. 1.7	Serious loss of capital	Shareholders will be informed of a serious loss of capital in the event it happens.	✓
D. 1.8	Related Party transactions	Refer the following disclosures on Related Party Transactions: • Relates Party Transactions Review Committee Report on page 91 • Annual Report of the Board of Directors on page 84 • Note 25 to the financial statements	
D.2 Risk Management & Internal Control			
D. 2.1	Monitor, review and report on financial, operational and compliance risk and internal control systems	The following reports provide details on compliance with these requirements: • Directors' Statement on Internal Controls on page 88 • Audit, Risk and Compliance Report on page 92 • Note 34 of the Financial Statement. • Risk Management on page 81	✓
D. 2.2	Confirm assessment of the principal risks of the company		✓
D. 2.3	Internal Audit		✓
D. 2.4	Require Audit, Risk and Compliance to carry out reviews of & Board responsibility for disclosures		✓
D. 2.5	Compliance with Directors' responsibilities as set out by the Code		✓

CORPORATE GOVERNANCE
Corporate Governance Statement

Reference to ICASL Code & CSE Rules	Corporate Governance Principle	How we Comply	Compliance Status
D.3			
D. 3.1	Establish an Audit, Risk and Compliance comprising three directors of which at least 2 must be independent	Audit, Risk and Compliance comprises of all Independent Directors. Refer Audit, Risk and Compliance on page 92.	✓
D. 3.2	Written Terms of Reference for Audit, Risk and Compliance	The Audit, Risk and Compliance has a written Terms of Reference summarised in the Audit, Risk and Compliance Report on page 92.	✓
D. 3.3	Disclosures	The Audit, Risk and Compliance Report with required disclosures are given on page 92.	✓
D.5 Related Party Transactions Review Committee			
D.5.1/D.5.2/ D.5.3/9.3.2	Related Party Transactions Review Committee	The Report of the Related Party Transactions Review Committee is given on page 91	✓
D.6 Code of Business Conduct & Ethics			
D. 6.1	Board declaration for compliance with Code	Refer Code of Ethics on declarations on pages 64 to 81.	✓
D. 6.2	Price sensitive information	Material and price sensitive information is promptly disclosed to the CSE by the Company Secretaries.	✓
D. 6.3	Monitor Share purchase by Directors/ KMPs	Refer the Related Party Transactions Review Committee Report on page 91.	✓
D. 6.4	Chairman's statement	Refer the Chairman's Message on page 15 and the Board of Directors' Statement on Internal Controls on page 88.	
D. 7	Corporate Governance disclosures	The Corporate Governance Report on pages 64 and 81 together with its Annexures comply with this requirement.	✓
E. Institutional Investors			
E. 1.1	Institutional investors	The proxies of the major institutional investors, such as the major shareholder are obtained.	✓
E. 2	Evaluation of Governance Disclosures	Information required for evaluation of governance structures is provided in the Annual Report.	✓
F. Other Investors			
F. 1	Investing and divesting decision	We seek to provide sufficient information to investors through the annual report, quarterly financial statements and announcements to the CSE to assist investors with their investment and divestment decisions.	✓
F. 2	Encouraging shareholder participation	Refer Shareholder Relations on pages 146 and 147.	
G. Other Matters			
G. 1	Identify connectivity and related cyber risks	The Head of IT was invited to the board and update the board every quarter.	✓
G. 2	Appoint a CISO and allocate budget to implement a cybersecurity policy		
G. 3	Include cybersecurity in the Board agenda	It is a regular agenda item for the Board Meetings.	✓

CORPORATE GOVERNANCE
Corporate Governance Statement

Reference to ICASL Code & CSE Rules	Corporate Governance Principle	How we Comply	Compliance Status
G. 4	Obtain periodic assurance to review effectiveness of cybersecurity risk management	Consultants invited to Board and advise on Cybersecurity risk recommendation	✓
G. 5	Disclosures in Annual Report		✓
H. Sustainability ESG and Opportunities			
H.	Environment, society and governance	Refer ESG Reporting from page 47 to page 53 & Corporate Governance Statement.	✓
H. 1	Consider the impact of sustainability risks and opportunities in the business model, operations and short, medium and long term plans to build resilience and report the same to the Board.	The Company identified and assessed the impact which have been reviewed by the Board.	✓
H. 2	Continuously engage with and consider the views of its stakeholders to better understand and manage the company's sustainability/ESG risk and opportunities.	The Company continuously engages with its stakeholders to consider the views and manage concerns to improve its reputation and to preserve its social license to operate.	✓
H. 3	The company should establish a governance framework and structure which includes conformance, performance and sustainability/ESG factors	Working towards compliance	
H. 4	The board should establish a governance structure to support sustainability/ESG factors including its ability to create value and manage risks in the short, medium and long term, recognising, managing and measuring on all pertinent aspects of sustainability using financial and non-financial measures.	• The Company has in place a system to capture its non-financial information from all locations of its operations. • Internal controls are in place to ensure the accuracy and materiality of the data. • Internal audit provides assurance on the same to the Audit Committee and the Board, safeguarding its operating licenses, reputation and the social license to operate. • ESG related information is presented to the Board at its meetings while they are reviewed monthly by Corporate Management.	✓
I. Special Considerations for Listed Entities			
I. 1	Listed entities shall establish and maintain policies relating to its governance and disclose the fact of existence of such policies together with the details relating to the implementation of such policies by the entity on its website.	Done	✓
I. 2	Listed entities shall establish and maintain a formal policy		

CORPORATE GOVERNANCE
Corporate Governance Statement

Section 9 – Corporate Governance

Rule Ref	Disclosure Requirement	Page Reference
9.1.3	Statement confirming the extent of compliance with the Corporate Governance Rules	64
9.2.2	Any waivers from compliance with the Internal Code of business conduct and ethics or exemptions granted	N/A
9.2.3 (i)	List of policies in place as per Rule 9.2.1, with reference to website	80
9.2.3 (ii)	Any changes to policies adopted	N/A
9.5.2	Confirmation on compliance with the requirements of the Policy on matters relating to the Board of Directors. If non-complied reasons for the same with proposed remedial action.	84
9.6.3	Report of SID demonstrating the effectiveness of duties	84
9.6.4	Rationale for appointing SID	i Since Chairman and CEO are the same person ii Chairman is an Executive Director
9.7.5	(a) Statement on Directors and CEO satisfying Fit and Proper Assessment Criteria (b) Any non-compliance/s and remedial action taken	84 Not Observed
9.8.5	Names of Directors determined to be 'independent'	84

"A motivated and visionary team, guided by strong leadership, can overcome challenges with ease. At 'Singhe, our team is united in pursuing 'One Goal' – an effort that will bring a smile to every stakeholder."

Mr. A.M. Weerasinghe
Chairman



CORPORATE GOVERNANCE
Corporate Governance Statement

Rule Ref	Disclosure Requirement	Page Reference
9.10.4	Directors details	
	• Name, qualifications and brief profile	19-24
	• Nature of his/her expertise in relevant functional areas	19-24
	• Whether either the Director or Close Family Members has any material business relationships with other Directors	84
	• Whether Executive, Non-Executive and/or independent Director	84
	• Total number and names of companies in Sri Lanka in which the Director concerned serves as a Director and/or KMP stating whether listed or unlisted, whether functions as executive or non-executive (If the directorships are within the Group names need not be disclosed)	19-24,66
	• Number of Board meetings attended	69
	• Names of Board Committees in which the Director serves as Chairperson or a member	84
	• Attendance of board committee meetings	69
9.11.6	Nominations and Governance Committee Report	89
9.12.8	Remuneration Committee Report	
	• Names of chairperson and members with nature of directorship	90
	• Remuneration Policy	
	• The aggregate remuneration of the Executive and Non-Executive Directors.	132

CORPORATE GOVERNANCE
Corporate Governance Statement

Rule Ref	Disclosure Requirement	Page Reference
9.13.5	• Audit, Risk and Compliance Report	Page 92
9.14.8 (1)	• Related Party Disclosures • Non-recurrent RPT exceeding 10% of the Equity or 5% of the Total Assets, whichever is lower (in the specified format) • Name of the RP Relationship • Value of RPT • Value as % of equity and total assets • Terms and Conditions • Rationale	There are no Non-recurrent RPT exceeding the threshold
9.14.8 (2)	• Recurrent RPT exceeding 10% of the gross revenue/income (in the specified format) • Name of the RP Relationship • Nature of RPT • Value of aggregate RPT • Value as % of gross income • Terms and Conditions	There are no recurrent RPT exceeding the threshold
9.14.8 (3)	• Related Party Transactions Review Committee Report • Names of the Directors comprising the Committee • Statement that committee has reviewed RPTs and communicated comments/observations to the Board • Policies and procedures adopted by the Committee	91
9.14.8 (4)	Affirmative declaration by the Board of Directors on compliance with RPT Rules or negative statement to that effect.	84
9.16	Additional disclosures by Board of Directors Declaration on following • All material interests in contracts and have refrained from voting on matters in which they were materially interested • Reviewed of the internal controls covering financial, operational and compliance controls and risk management and obtained reasonable assurance of their effectiveness and successful adherence, and, if unable to make any of these declarations an explanation on why it is unable to do so; • Made themselves aware of applicable laws, rules and regulations and are aware of changes particularly to Listing Rules and applicable capital market provisions; • Disclosure of relevant areas of any material non-compliance with law or regulation and any fines, which are material, imposed by any government or regulatory authority in any jurisdiction where the Entity has operations.	84

Corporate Policies

The Following corporate Policies have been publish in the company's web site.

- Policy on the matters relating to the Board of Directors
- Policy on Board Committees
- Policy on Corporate Governance, Nominations and Re election
- Policy on Remuneration
- Policy on Internal Code of Business conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities
- Policy on Risk management and Internal controls
- Policy on Relations with Shareholders and Investors
- Policy on Environmental, Social and Governance Sustainability
- Policy on Control and Management of Company Assets and Shareholder Investments
- Policy on Corporate Disclosures
- Policy on Whistleblowing
- Policy on Anti-Bribery and Corruption



Explore more details on our corporate website just scan the QR code to dive deeper.



CORPORATE GOVERNANCE
Risk Management

The key risks and opportunities facing Singhe Hospitals PLC during the financial year have been carefully identified and are summarized below. These factors reflect both internal and external dynamics that may impact the hospital's strategic objectives, operational efficiency, and long-term sustainability. Understanding these elements is crucial in driving informed decision-making and enhancing organizational resilience in a rapidly evolving healthcare environment.

Risk & Risk Rating	Key Drivers	Mitigation Strategies
Affordability of Private Healthcare		
The cost of private healthcare continues to be a significant concern, even with enhanced capacity utilization. Elevated living expenses and a higher tax burden have intensified financial strain on households, affecting their ability to afford quality medical services  Impact  Direction	☑ Disposable Income ☑ Inflation ☑ Funding of private health care ☑ Low penetration levels of Life & Health Insurance ☑ Competitor activity	☑ Relationship management with corporates and multinational entities to attract corporate customers ☑ Packaging treatments ☑ Special discounts to defined customer segments to expand customer base ☑ Working with insurance companies ☑ Instalment basis schemes ☑ Low prices
Health & Safety of Employees & Patients		
The health and safety of our patients and employees remain our top priority and we are fully committed to maintaining the highest standards of care and workplace safety across all operations.  Impact  Direction	☑ Employee training ☑ Enforcement of procedures	☑ Oversight of clinical governance at Board level and executive levels ☑ Staff training ☑ Continuous enforcement of best practice standards
Talent Retention		
Retaining skilled professionals is an ongoing concern, as many healthcare workers are pursuing overseas employment opportunities. The global demand for experienced medical talent has led to a noticeable rise in workforce outmigration, posing challenges to maintaining a stable and experienced team.  Impact  Direction	☑ Disposable income ☑ Socioeconomic stability ☑ Global demand for skilled professionals in healthcare	☑ Strengthening relationships with the company ☑ Provide Learning and growing opportunities ☑ Maintain competitive levels of remuneration ☑ Evaluation and promotion

CORPORATE GOVERNANCE
Risk Management

Risk & Risk Rating	Key Drivers	Mitigation Strategies
Interest Rates		
Singhe Hospitals PLC finances part of its operations through debt capital obtained from commercial banks at rates linked to the AWPLR. Accordingly, fluctuations in interest rates can have both positive and negative impacts on the Company's bottom line, depending on the direction and magnitude of the rate changes.  Impact  Direction	☑ Loan Outstanding ☑ Interest rates	☑ Maintain the gearing ratio at a reasonable level ☑ Obtain competitive loan packages
Liquidity Risk		
The Company's operations carry inherent liquidity risk. Nevertheless, careful financial stewardship has allowed the Company to maintain a robust balance sheet with ample liquid reserves.  Impact  Direction	☑ Working Capital ☑ Ungeared	☑ Monitoring and managing cash flows ☑ Monitoring and forecasting future funding needs ☑ Monitoring expected future cash outflows
Technology		
Infrastructure investments were significantly reduced during the pandemic years and the economic downturn. The adoption of digital technologies marks a progressive move to expand healthcare access beyond our physical locations and will remain a core strategic focus. We continuously review potential investments to guarantee that Singhe Hospitals PLC provides services of international quality.  Impact  Direction	☑ Evolution of technology in healthcare ☑ Evolution of in core systems technology	☑ Continuous review ☑ Maintain the technological requirement and change ☑ Review of CAPEX requirements

CORPORATE GOVERNANCE
Risk Management

Cybersecurity

The incidence of cyber threats has been steadily rising,



Impact



Direction

- ☑ Staff awareness about cybersecurity
- ☑ Raising staff understanding
- ☑ Utilizing robust network defense tools
- ☑ Performing periodic evaluations and audits

Reputation Risk

Managing reputational risk is essential, particularly due to the critical and high trust nature of Singhe Hospitals services.



Impact



Direction

- ☑ Standards of patient care
- ☑ Complaints
- ☑ Well-established systems for clinical oversight to maintain excellence in patient care
- ☑ Effective mechanisms for capturing and evaluating patient feedback and grievances
- ☑ Systematic analysis of clinical outcomes, including mortality and morbidity trends
- ☑ Ongoing education and skill enhancement initiatives for all staff members

CORPORATE GOVERNANCE

Annual Report of the Board of Directors on the affairs of the Company

General

The Directors have pleasure in presenting their report and the Audited Financial Statement of the Company for the year ended 31st March 2025 and the Auditor's Report on the Financial Statements. This report provides the information as required by the Companies Act No. 07 of 2007, the Listing Rules of the Colombo Stock Exchange and recommended best practices on Corporate Governance. This report was approved by the Board of Directors on 3rd June 2025.

Principal Activities And Business Review

The Company was incorporated on the 16th December 2009 as a Board of Investment (BOI) approved project to commence operations as a Private Hospital, including Laboratory and other related services. The Company started its commercial operations in June 2012. Today, Singhe Hospitals PLC is the best private hospital operating in Ratnapura District with modern health care facilities.

Singhe Hospitals is a fully equipped tertiary care hospital with 50 beds to accommodate patients with a wide range of medical specialties available throughout the day. Patients for indoor treatment are admitted under the care of visiting consultants and with the supervision of in-house medical officers. Singhe Hospitals is committed to continuous improvement of patient care and strives to deliver high quality, cost effective healthcare to the communities. The company was listed in the Colombo Stock Exchange on the 16th April, 2015. As stated at the IPO, the company has initiated expansion of laboratory services island wide. Currently main labs have been opened in Ratnapura, Homagama, Negombo, Kandy, Bandarawela, Embilipitiya, Balangoda, Kahawatta, Avissawella, Kalawana and Karapitiya.

Financial Statements of The Company

The Financial Statements of the Company duly certified by the Finance Manager and approved by two Directors in compliance with Sections 152, 153 and 163 of the Companies Act No. 07 of 2007 are given from pages 99 to 145 of the Annual Report.

Auditors Report

External Auditors of the company Messer's B R De Silva & Company, Chartered Accountants performed the audit of the Financial Statements for the year ended 31st March 2025. The Auditor's report on the Financial Statement is given on page 96 to 98 of the Annual Report as required by Section 168 (1) c of the Status.

Accounting Policies

A summary of the significant accounting policies adopted in the preparation of the Financial Statements are given on Pages 103 to 145 of the Annual Report as required by Section 168 (1) (d) of the Companies Act No. 07 of 2007. The policies adopted are consistent with those adopted in the previous financial year.

Results And Dividends

Gross Revenue

The total revenue of the company for the year ended 31st March 2025 was Rs. 1,506,667,898/-.

Profit and Appropriation

The profit before income tax of the Company for the year ended 31st March 2025 was Rs. 146,969,920 and the profit after the tax for the year ended 31st March 2025 was Rs. 116,178,441. The details of profit/(loss) relating to the Company are given on page 99 in this report.

Dividend on Ordinary Shares

The Directors have not recommended any dividend for the financial year ended 31st March 2025.

Provision for Taxation

Income Tax for 2024/25 has been provided on taxable income arising from the operations of the Company has been disclosed in accordance with Sri Lanka Accounting Standards.

Information on Income Tax expenses and Deferred Taxes is given in the Notes to the Financial Statements in page 120 of this Annual Report.

Reserves

The Company's total reserves as at 31st March 2025 amounted to Rs. 537,463,741/- The movement of the reserves is given on Page 101 under the Statement of Changes in Equity.

PPE, Investments Properties, Leasehold Properties and Intangible Assets

Details of capital expenditure incurred on Property Plant and Equipment are given in the Notes to the Financial Statements from Pages 121 to 122.

CORPORATE GOVERNANCE

Annual Report of the Board of Directors on the affairs of the Company

List of Directors

Names of the persons who held office as Directors of the Company as at 31st March 2025 and the names of the persons who ceased to hold office as Directors of the Company at any time during the year 2024/2025, as required by Section 168 (I) (h) of the Companies Act No. 07 of 2007 are given below:

- Mr. A. M. Weerasinghe
  Chairman
- Mr. Navinda Weerasinghe
  Managing Director
- Mr. Lakshika Weerasinghe
  Director
- Mr. H. M. A. B. Weerasekara
  Non-Independent Non-Executive Director
- Mr. U. B. H. Jayalath Kithsiri
  Non-Independent Non-Executive Director
- Mr. A. M. A. Cader
  Non-Independent Non-Executive Director
- Mr. Chaaminda Kumarasiri
  Independent Non-Executive Director
- Mr. Piyumal Weerasinghe
  Non-Independent Non-Executive Director
- Dr. Aruna Jayakody
  Independent Non-Executive Director
- Dr. P.D.S. Obeysekara
  Independent Non-Executive Director
  (Appointed on 30th December 2024)

Election and Re- Election of Directors

In accordance with Article No. 82 of the Articles of Association of the Company, Mr. A.M.A. Cader, Mr. U. B. H. Jayalath Kithsiri and Dr. Aruna. Jayakody came up for re-election and the Board unanimously recommended their re-election.

In accordance with Article No. 89 of the Articles of Association of the Company Dr. P.D.S. Obeysekara who was appointed as Director since the last Annual General Meeting, comes up for election and the Board unanimously recommends his election.

Disclosure of Director's Dealings in Shares

Directors	No of Shares as at 31st March 2024	2025
Mr. A.M. Weerasinghe	372,697,415	372,697,415
Mr. Navinda Weerasinghe	10	10
Mr. Lakshika Weerasinghe	50,000	50,000
Mr. U.B.H. Jayalath Kithsiri	1,100,000	1,100,000

Remuneration and Other Benefits

Directors' remuneration and other benefits in respect of the Company for the financial year ended 31st March 2025 are disclosed on Page 132 of this Annual Report.

Related Party Transaction

The Directors confirm that Section 09 of the CSE Listing Rules and the Code of Best Practices on Related Party Transactions issued by Securities and Exchange Commission of Sri Lanka pertaining to Related Party Transactions have been complied with by the company.

Stated Capital

The stated capital of the company as at 31st March 2025 was Rs. 375,000,000/-. Details of the stated capital are given in Note 16 to the Financial Statement on Page 126 to the Annual Report.

Share Information

Details of share related information are given on pages 146 to 147 of this Annual Report.

Public Holding of Share In The Company

The public shareholding as at 31st March 2025 was 13.25%.

Substantial Shareholding

The Twenty Largest shareholders of the Company as at 31st March 2025 are indicated on page 147 of this Annual Report.

Equitable Treatment of Shareholders

The Company has at all times ensured that all shareholders are treated equitably.

Corporate Donations

During the year the Company made donations to charity amounting to Rs. 74,750. The information given above on donations is as required by Section 168 (I) (g) of the Companies Act No. 07 of 2007.

Environmental Protection

The Company has not, to the best of its knowledge engaged in any activity, which was detrimental to the environment.

CORPORATE GOVERNANCE

Annual Report of the Board of Directors on the affairs of the Company

Statutory Payments

The Directors, to the best of their knowledge and belief are satisfied that all statutory payments due to the Government and in relation to employees have been made to date.

Events After The Reporting Period

There have been no material events occurring after the reporting date that would require adjustment to or disclosure in the Financial Statement other than disclosed on page 134 of this Annual Report.

Going Concern

The Directors have made an assessment of the Company's ability to continue as a going concern and they have certified that the company has adequate resources to continue its operations in the foreseeable future. Therefore, these financial statements are prepared on going concern basis.

Risk Management And System of Internal Control

Risk Management

Specific steps that have been taken by the Company are detailed from pages 140 to 144 of this Annual Report.

System of Internal Control

The Board of Directors has established an effective and comprehensive system of Internal Control to ensure that proper controls are in place to safeguard the assets of the company to detect and prevent fraud and irregularities to ensure that proper records are maintained and Financial Accounts are prepared, giving the management relevant, reliable and up to date Financial Statements and key performance indicators.

The Audit, Risk and Compliance reviews on a regular basis, the reports, policies and procedures to ensure that a comprehensive internal control framework is in place. More details in this regard can be seen from Pages 92 to 93 of this Annual Report.

The Board has conducted a review of the controls covering financial, operational and compliance and risk management and has obtained reasonable assurance of their effectiveness and successful adherence therewith for the period up to the date of signing the Financial Statements.

Audit, Risk and Compliance

The composition of the Audit, Risk and Compliance and their Report is given from Page 92 to 93 of this Annual Report.

Related Party Transaction Review Committee

As per Section 9 of the Listing Rules and the Circular No. 01/2016 of the Colombo Stock Exchange, the Company has formed a Related Party Transaction Review Committee and the committee comprises the following members:

Dr. Aruna Jayakody - Chairman
Mr. Chaaminda Kumarasiri - Member
Mr. A.M.A. Cader - Member

Remuneration Committee

The Remuneration Committee comprises the following members:

Dr. P.D.S. Obeysekara - Chairman
Mr. U.B.H. Jayalath Kithsiri- Member
Mr. Chaaminda Kumarasiri - Member

The Committee reviews and revises the company's recruitments, promotions, remuneration packages, annual increments, bonuses and incentive plans.

The Committee also reviews information related to executive compensation to ensure that it is on par with market/industry rates.

Determining the compensation and benefits of the key Management Personnel and establishing performance parameters in setting individual goals and targets

Nominations And Governance Committee

The Nominations and Governance Committee was formed on 30th January 2024 and comprised the following members:

Dr. Aruna Jayakody- Member - Chairman
Mr. Chaaminda Kumarasiri - Member
Mr. U.B.H. Jayalath Kithsiri - Member

CORPORATE GOVERNANCE

Annual Report of the Board of Directors on the affairs of the Company

The Committee reviews and evaluates the appointment of new Directors, considering the relevant knowledge and experience of the Directors, through an established transparent procedure. A criteria, based on academic/professional qualifications, skills and experience would be adopted in selecting Directors. The Committee also established a suitable process to evaluate Directors and CEO and to develop a succession plan for Board of Directors and Key Management Personnel. The Committee reviews the overall corporate governance framework based on the CSE Rules, to adopt best practices. Management compliance and other corporate and regulatory compliance are reviewed by the Committee.

Corporate Governance

The Company is committed to high standards of Corporate Governance. The main Corporate Governance practices are set out page 64 of this Annual Report. The Directors acknowledge their responsibility for the company's corporate governance and the system of internal control.

Operational Excellence

To increase efficiency and reduce operating costs, the company has ongoing initiatives to drive policy standardization and to optimize the use of existing technology platform.

Appointment of External Auditors

The Financial Statements for the year have been audited by Messrs. B R & De Silva Company. Chartered Accountants, who offer themselves for re-appointment. A resolution to re-appoint them as Auditors and authorise the Directors to fix their remuneration will be proposed at the Annual General Meeting.

Auditor's Remuneration and Interest In

Contracts With The Company

The Company Audit Fees paid for the year 2024/2025 amounted to Rs. 800,000/-. Apart from that, the Company has engaged an associate company of Messrs. B.R. De Silva & Company, the External Auditors to advise on taxation. As far as the Directors are aware, the Auditors do not have any other relationship or interest in contracts with the Company.

Annual General Meeting

The 11th Annual General Meeting of the Company will be held on 28th June, 2025 at Singhe Hospitals PLC , Ratnapura at 10.30 a.m.

Notice of Meeting

Notice of Annual General Meeting is published on page 149 of the report.

Acknowledgment of The Contents of The Report

As required by Section 168 (1) (k) of the Companies Act No: 07 of 2007 the Board of Directors hereby acknowledge the contents of this Report.

Fit And Proper Assessment Of Directors

In terms of Rule 9.7.4 of the Listing Rules of the Colombo Stock Exchange, Declarations were obtained from the Directors who confirmed that they have continuously satisfied the Fit and Proper Assessment Criteria set out in the Listing Rules during the financial year under review and as at the date of such declarations.

Senior Independent Director

In terms of Rule 9.6.3 of the Listing Rules of the Colombo Stock Exchange, the Senior Independent Director has been appointed since the Chairperson and CEO are the same person and the Chairman is an Executive Director. Dr. P.D.S. Obeysekara was appointed as Senior Independent Director. His duties are as follows.

The Independent Directors shall meet at least once a year or as often as deemed necessary at a meeting chaired by the SID without the presence of the other Directors to discuss matters and concerns relating to the Entity and the operation of the Board. The SID shall provide feedback and recommendations from such meetings to the Chairperson and the other Board Members. The SID shall chair a meeting of the Non-Executive Directors without the presence of the Chairperson at least annually, to appraise the Chairperson's performance and on such other occasions as are deemed appropriate. The SID shall be entitled to a casting vote at the meetings specified in Rules 9.6.3. (b) and (c).

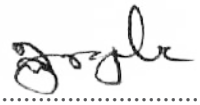
For and on behalf of the Board



.....
Managing Director



.....
Director



.....
Nexia Corporate Consultants (Pvt) Ltd.

Secretaries

3rd June, 2025

CORPORATE GOVERNANCE

Statement of Director's Responsibility

The following statement which should be read in conjunction with the Auditor's statement of responsibilities has been made with a view to distinguishing between the respective responsibilities of the Directors and the Auditors in relation to the financial statements.

Section 150, 152 (1) and 153 (1) of the Companies Act No. 07 of 2007 require that the Directors prepare the financial statements and circulate it among the shareholders. These financial statements comprise a Statement of Comprehensive Income, which presents a true and fair view of the profit or loss of the Company for its financial year as well as a Statement of Financial Position, which presents a true and fair view of the state of affairs of the Company as at the end of its financial year.

As the Directors are satisfied that the Company has adequate resources to continue in business for the foreseeable future, the financial statements continue to be prepared on a 'going concern' basis.

In preparing the financial statements as disclosed on pages 103 to 145, the Directors consider that the Company has used appropriate accounting policies that have been applied consistently and supported by reasonable and prudent judgment and estimates, while all accounting standards considered to be applicable and relevant have been followed.

The Directors are responsible for ensuring that the Company maintains accounting records which disclose with reasonable accuracy, the financial position of the Company while complying with the provisions of the Companies Act No. 07 of 2007.

The Directors have a general responsibility to take reasonable steps in safeguarding the assets of the Company, provide proper consideration towards the establishment of appropriate internal control systems with a view to detecting and preventing fraud and other irregularities.

Compliance Report

The Directors confirm to the best of their knowledge that all taxes, duties, and levies payable by the Company, all contributions, levies and taxes payable on behalf of and in respect of the employees of the Company, all other known statutory dues which were due and payable by the Company as at the reporting date have been paid or where relevant provided for in arriving at the financial results for the year under review.

By order of the Board

.....

Nexia Corporate Consultants (Pvt) Ltd,

Secretaries

3rd June, 2025

CORPORATE GOVERNANCE

Nominations & Governance Committee Report

The Nominations & Governance Committee was established on 30th January 2024 to ensure the Board comprises the right balance of skills, experience, knowledge, independence, and diversity necessary to support the strategic direction and best interests of the Company.

Composition of the Committee

As at 31st March 2025, the Committee comprises the following members:

Dr. Aruna Jayakody	- Chairman
Mr. U. B. H. Jayalath Kithsiri	- Member
Mr. Chaaminda Kumarasiri	- Member

Regulatory Framework

The Committee operates in alignment with the Best Practices on Corporate Governance and under the terms of reference approved by the Board of Directors.

Key Responsibilities

The primary responsibilities of the Committee include:

1. Regularly reviewing the structure, size, composition, and competencies of the Board and recommending necessary changes.
2. Ensuring that all Directors meet the "fit and proper" criteria as defined in applicable laws and regulations.
3. Evaluating and making recommendations on the appointment, promotion, transfer, and re-designation of the Managing Director and Executive Directors.
4. Recommending Directors retiring by rotation for re-election by shareholders.
5. Overseeing Board succession planning and identifying needs for new expertise.
6. Assessing each Director's ability to fulfil their duties, taking into account their commitments to other Listed Company Boards and principal responsibilities.
7. Considering other relevant matters within its scope as appropriate.
8. Providing recommendations on any matters referred to the Committee by the Board.

Activities During the Year

During the year under review, the Committee held one meeting. The key matters discussed included:

- Re-election of Directors retiring at the Annual General Meeting.
- Recommendation for the extension of tenure for Directors aged over 70 years.
- Succession planning for key management personnel.
- Evaluation of the current Board composition and recommendations for additional expertise.

A report of the decisions and recommendations made by the Committee was submitted to and approved by the Board of Directors.

Meeting Attendance

Name of the Member	Attendance
Dr. Aruna Jayakody *(Appointed on 30-12-2024)*	1/1
Mr. U. B. H. Jayalath Kithsiri *(Appointed on 30-01-2024)*	1/1
Mr. A.M.A. Carder *(Ceased membership on 30-12-2024)*	0/1
Mr. Chaaminda Kumarasiri *(Appointed on 30-12-2024)*	1/1

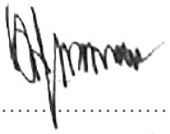
Policies and Procedures

The Committee operates under a formal Terms of Reference approved by the Board. As per these terms:

- The Committee shall consist of at least three members, with a majority being Non-Executive Directors.
- Meetings shall be held at least once per financial year, with additional meetings convened at the discretion of the Chairman or upon the request of a member in consultation with the Chairman.

The Committee is pleased to confirm that 03 out of 07 Non-Executive Directors are independent from acting in an executive capacity in the company and that the board succession plan ensures the board appoints Directors who have the requisite skills and experience

On behalf of the Committee;



.....

Dr. Aruna Jayakody
Chairman – Nominations & Governance Committee
03rd June 2025

CORPORATE GOVERNANCE
Remuneration Committee Report

Committee Composition

As at 31st March 2025, the Remuneration Committee comprised the following members:

Dr. P.D.S. Obeysekara	- Chairman
Mr. U.B.H. Jayalath Kithsiri	- Member
Mr. Chaaminda Kumarasiri	- Member

Scope of the Committee

The Committee is responsible for reviewing developments in the corporate sector with regard to salary structures and terms and conditions for senior executive staff. In discharging its duties, the Committee seeks input and recommendations from the Chairman and the Managing Director.

The Committee makes recommendations to the Board of Directors on:

- Remuneration packages, annual increments, and bonuses for the Managing Director, Corporate Management, and Senior Executive staff.
- Guidelines for the compensation structure applicable to all executive-level staff.
- Monitoring and overseeing the implementation of the approved remuneration policies.

The Managing Director is invited to attend meetings and contribute to deliberations, except when his own performance and remuneration are under review.

Remuneration Policy

The Company's remuneration policy is designed to attract, retain, and motivate competent professionals who possess the expertise required to achieve corporate objectives in a competitive business environment.

Key features of the policy include:

- Offering competitive remuneration packages aligned with market trends.
- Ensuring the framework supports value creation for all stakeholders.
- Maintaining a balance between short-term performance and the long-term strategic goals of the Company.
- Aligning the interests of Executive Directors and Senior Management with those of the Company.

Meeting Attendance

A report of the decisions approved and recommended by the Committee was presented to and approved by the Board of Directors. Meeting attendance of Committee members during the year is as follows:

Name of the Member	Attendance
Mr. P.D.S. Obeysekara *(Appointed on 30-12-2024)*	1/1
Mr. U.B.H.Jayalath Kithsiri *(Appointed on 30-01-2024)*	1/1
Mr. Chaaminda Kumarasiri *(Appointed on 30-12-2024)*	0/1
Mr. A.M.A. Carder *(Ceased membership on 30-12-2024)*	0/1
Mr. H.M.A.B. Weerasekara *(Ceased membership on 30-12-2024)*	0/1

Professional Advice

The Committee is empowered to seek independent professional advice on matters within its scope, as necessary, in the interest of effective decision-making.

.....

Dr. P.D.S. Obeysekara

Chairman

Remuneration Committee

3rd June 2025

CORPORATE GOVERNANCE
RPTR Committee Report

The Board of Directors of Singhe Hospitals PLC adopted the Code of Best Practices on Related Party Transactions issued by the Colombo Stock Exchange (CSE) and established the Related Party Transactions Review Committee (RPTRC) on 28th May 2016.

As at 31st March 2025, the RPTR Committee comprises the following Directors:

Dr. Aruna Jayakodi – Chairman
Mr. A. M. A. Cader – Member
Mr. Chaaminda Kumarasiri – Member

Nexia Corporate Consultants (Pvt) Ltd, the Company Secretaries, function as the Secretary to the Committee. The Finance Manager of the Company attends the meetings by invitation.

Mandate and Responsibilities

The primary objective of the Committee is to assist the Board in ensuring that all Related Party Transactions (RPTs) of Singhe Hospitals PLC are conducted in compliance with Section 9 of the CSE Listing Rules and are disclosed in a timely and transparent manner.

The Committee is responsible for ensuring that the interests of shareholders are adequately safeguarded when entering into transactions with related parties.

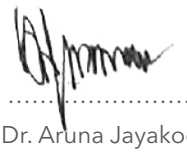
Key activities and responsibilities undertaken by the Committee during the year include:

- Development and recommendation of an RPT Policy for Board adoption, aligned with the Company's operational model and decision-making framework.
- Definition of threshold values for RPTs.
- Classification of RPTs requiring:
  - Pre-approval by the Board
  - Immediate market disclosure
  - Shareholder approval
  - Disclosure in the Annual Report
- Establishment of a clear process for identifying recurring RPTs.
- Introduction of a standard documentation format for submitting RPTs to the Committee.
- Review of existing RPTs under the guidelines of Section 9 of the CSE Listing Rules.
- Submission of previously entered agreements and MoUs with related parties to the Board for review and/or approval.
- Communication of Committee meeting minutes and relevant documentation to the Board.

Committee Meetings

The Committee held four (04) meetings during the financial year ended 31st March 2025. The attendance of the members is detailed below:

Name of the member	Attendance
Dr. Aruna Jayakody *(Appointed on 30-12-2024)*	0/4
Mr. A.M.A. Carder *(Appointed on 30-01-2024)*	4/4
Mr. Chaaminda Kumarasiri *(Appointed on 30-12-2024)*	1/4
Mr. A.M. Weerasinghe *(Ceased membership on 30-12-2024)*	3/4
Mr. H.M.A.B. Weerasekara *(Ceased membership on 30-12-2024)*	3/4
Mr. U.B.H.Jayalath Kithsiri *(Ceased membership on 30-12-2024)*	3/4



.....

Dr. Aruna Jayakody
Chairman,
Related Party Transactions Review Committee
3rd June 2025

CORPORATE GOVERNANCE

Audit, Risk and Compliance Committee Report

The Audit, Risk and Compliance of Singhe Hospitals PLC assists the Board in fulfilling its oversight responsibilities for financial reporting, internal controls, internal audit, external audit, and compliance with legal and regulatory requirements.

Composition of the Committee

As at 31st March 2025, the Audit, Risk and Compliance comprises the following Directors:

Mr. Chaaminda Kumarasiri - Chairman

Mr. U. B. H. Jayalath Kithsiri - Member

Dr. Aruna Jayakody - Member

The Company Secretaries, Nexia Corporate Consultants (Pvt) Ltd, serve as Secretary to the Committee. The Finance Manager attends meetings by invitation.

Key Responsibilities

During the financial year, the Audit, Risk and Compliance carried out its duties in accordance with its mandate, focusing on the following key areas:

1. Financial Reporting

- Reviewed, with the management, the quarterly Financial Statements before submission to the Board to ensure their accuracy, consistency, and compliance with Sri Lanka Accounting Standards (SLFRS/LKAS).

2. Audit Functions and Internal Controls

- Reviewed the performance and independence of the Statutory and Internal Auditors.
- Assessed the adequacy and effectiveness of the Company's internal control systems.

3. Internal Audit Function

- Evaluated the adequacy of the internal audit function, including:
  - Structure of the Internal Audit Department
  - Staffing and seniority of the head of internal audit
  - Reporting structure
  - Audit coverage and frequency
- Reviewed and approved the Internal Audit Plan.
- Monitored follow-up actions taken by management on audit findings and recommendations.

4. External Audit

- Engaged with the External Auditors (Messrs B. R. De Silva, Chartered Accountants), reviewed their reports and management responses.
- Evaluated the independence of the External Auditors, confirming no conflict of interest arose from the services provided.
- Reviewed the audit and non-audit fees to ensure independence and objectivity were maintained.
- Recommended to the Board the re-appointment of Messrs B. R. De Silva as the External Auditors for the ensuing financial year, subject to shareholder approval at the Annual General Meeting.

5. Regulatory Compliance

- Reviewed quarterly compliance reports submitted by the Finance Manager.
- Assessed the adequacy of procedures in place to ensure compliance with applicable laws, regulations, and Corporate Governance standards.
- Discussed matters of special interest and reviewed processes supporting the certification of Financial Statements by the Managing Director and Finance Manager.

6. Independent Inspection

- Ernst & Young, with the concurrence of the Board, continued to perform the Internal Audit.
- The Audit, Risk and Compliance monitored the scope, findings, and follow-up of internal inspections covering:
  - Head Office (Hospital)
  - Out Laboratory Services
- Evaluated resource requirements and succession planning for the Internal Audit function.

CORPORATE GOVERNANCE

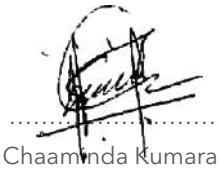
Audit, Risk and Compliance Committee Report

Committee Meetings

The Committee held four (05) meetings during the financial year ended 31st March 2025. The attendance of the members is detailed below:

Name of the member	Attendance
Mr. Chaaminda Kumarasiri *(Appointed on 05-07-2024)*	4/5
Mr. U.B.H.Jayalath Kithsiri	5/5
Dr. Aruna Jayakody *(Appointed on 30-12-2024)*	1/5
Mr. A.M.A. Carder *(Ceased membership on 30-12-2024)*	3/5
Mr. H.M.A.B. Weerasekara *(Ceased membership on 05-07-2024)*	1/5

The Audit, Risk and Compliance confirms that it has discharged its responsibilities as set out in its Charter and ensured that the financial reporting system and internal control framework of the Company remained effective during the year.



.....

Chaaminda Kumarasiri

Chairman,

Audit, Risk and Compliance Committee

3rd June 2025

Reasons Why You Should

Smile at Strangers



REDUCES BLOOD PRESURE



WORKS OUT THAT JAWLINE



CAN TURN SAOMBOD'S DAY AROUND



THEY MIGHT JUST SMILE BACK AT YOU



ELEVATES YOUR MOOD

FINANCIAL STATEMENTS



FINANCIAL STATEMENTS

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99 Statement of Profit or Loss and Other Comprehensive Income

100 Statement of Financial Position

101 Statement of Changes in Equity

102 Statement of Cash Flows

103 Notes to the Financial Statement

FINANCIAL CALENDAR 2024-25

Interim Financial Statements – Submission to the Colombo Stock Exchange (CSE)

Financial Statement	Date
Three months ended 30th June 2024	2nd August 2024
Six months ended 30th September 2024	28th October 2024
Nine months ended 31st December 2024	27th January 2025
Twelve months ended 31st March 2025	23rd May 2025
Authorization for Issue of Audited Financial Statements for 2024/25	3rd June 2025
Publication of Annual Report for the financial year ended 31st March 2025	3rd June 2025
11th Annual General Meeting to be held on	28th June 2025



INDEPENDENT AUDITOR'S REPORT

B.R.DE SILVA & CO.
Chartered Accountants

A member of Nexia International

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF SINGHE HOSPITALS PLC

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of Singhe Hospitals PLC ("the company"), which comprise the Statement of Financial Position as at 31st March 2025, and the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including material accounting policy information.

In our opinion, the accompanying Financial Statements of the Company give a True and Fair view of, the Financial Position of the Company as at 31st March 2025, and its financial performance and cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are Independent of the Company in accordance with the Code of Ethics for professional accountants issued by CA Sri Lanka (Code of Ethics), and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Partners - N.S.C. De Silva FCA, FCMA(UK), L.C. Piyasena FCA, L.L.S. Wickramasinghe FCA, F.S.N. Marikkar FCA, S.M.S.S. Bandara MBA, FCA, D.S. De Silva LLB,Attorney-at-Law ACA, ACMA(UK)

Partner (Kandy) W.L.L. Perera FCA

22/4,
Vijaya Kumaranatunga Mw.,
Colombo 05.
Telephone : 0112 513 420-22
Fax : 0114 512 404

E-mail : brds@eureka.lk
www.brdesilva.com

INDEPENDENT AUDITOR'S REPORT

Key Audit Matter	How the matter was Addressed
1. Recognition of Revenue The company derived its revenue of Rs. 1,506,667,898 by providing healthcare services as disclosed in Note 3 to the financial statements. Revenue is considered as a key audit matter due to: • Significance of the reported revenue coupled with the significant increase in revenue recorded by the company during the year. • Complexity of revenue recognition due to involvement of multiple divisions to provide medical services • Revenue streams are captured and invoiced through the Hospital Management Software which is not fully integrated with the transaction recording modules.	• Our audit procedures in relation to revenue recognition included both test of controls as well as substantive procedures. • Our testing of the company's manual and automated controls focused on controls around the timely & accurate recording of sales transactions. • We reviewed the company's accounting policies in respect of revenue recognition and found them to be in compliance with Sri Lanka Accounting Standards. • We performed analytical review procedures to assess whether the recognized revenue was in line with the expected level. • Checked a sample of invoices raised to patients, to ensure whether revenue is recognized and measured in accordance with the contractual terms of the contracts and the Company's accounting policies. • Checked a sample of invoices raised to patients, to ensure that all the transactions have been accurately recorded in the accounting system. • Carried out substantive tests in respect of cut off at the end of the year. • Assessed the adequacy of the disclosures made in the financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained on the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is an assurance of a high level, but not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with ethical requirements in accordance with the Code of Ethics regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as it appears from our examination, proper accounting records have been kept by the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing the independent auditor's report is 2972.

B. R. DE SILVA & CO.

Chartered Accountants

Colombo 05.

3rd June 2025

Singhe Hospitals PLC

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31ST MARCH,	Notes	2025 Rs.	2024 Rs.
Revenue	(3)	1,506,667,898	1,272,304,737
Cost of Services		(521,148,386)	(507,415,695)
Gross Profit		985,519,513	764,889,042
Other Income	(4)	3,819,700	1,829,548
Administration Expenses		(688,076,263)	(577,265,127)
Selling & Distribution Expenses		(114,724,012)	(99,556,134)
Profit from Operating Activities		186,538,938	89,897,329
Finance Costs	(5)	(39,569,019)	(57,411,527)
Profit/(Loss) Before Taxation	(6)	**146,969,920**	**32,485,802**
Income Tax Expense	(7)	(30,791,478)	(7,857,856)
Profit/(Loss) For the Year		**116,178,441**	**24,627,946**
Other Comprehensive Income			
Items That Will Not be Reclassified to Profit or Loss			
Actuarial Gain/(Loss) from Valuation of Defined Benefit Plans		(2,840,693)	(2,851,854)
Deferred Tax Impact on Defined Benefit Plan Actuarial Gain/(Loss)		568,139	570,371
Gain on Revaluation of Property Plant & Equipment		-	378,247,579
Deferred Tax Impact on Revaluation Gain		-	(75,649,516)
Other Comprehensive Income for the Year		(2,272,555)	300,316,580
Total Comprehensive Income/(Loss) for the Year		113,905,887	324,944,525
Basic Earnings/(Loss) Per Share	(8)	0.27	0.06

The Notes to the Financial Statements in pages 103 to 145 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

Singhe Hospitals PLC
STATEMENT OF FINANCIAL POSITION

AS AT 31ST MARCH,	Notes	2025 Rs.	2024 Rs.
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	(9)	1,121,137,689	1,107,195,535
Right to Use of Assets	(10)	66,665,196	67,914,375
Intangible Assets	(11)	12,482,745	11,836,754
		1,200,285,629	1,186,946,665
Current Assets			
Inventories	(12)	104,080,977	64,881,846
Trade and Other Receivables	(13)	52,154,491	53,952,925
Financial Assets	(14)	68,106,136	13,929,503
Cash and Cash Equivalents	(15)	70,833,785	30,498,151
		295,175,389	163,262,425
Total Assets		**1,495,461,018**	**1,350,209,089**
EQUITY AND LIABILITIES			
Capital and Reserves			
Stated Capital	(16)	375,000,000	375,000,000
Reserves	(17)	399,791,794	402,064,349
Retained Earnings		137,671,948	21,493,506
Total Equity		912,463,741	798,557,855
Non-Current Liabilities			
Retirement Benefit Obligations	(18)	22,487,192	16,432,268
Interest Bearing Borrowings	(19)	111,935,812	147,243,753
Lease Liability	(10.1)	19,855,595	26,887,440
Deferred Tax	(20)	172,094,220	176,103,408
		326,372,818	366,666,870
Current Liabilities			
Bank Overdrafts	(21)	20,963,197	21,379,965
Trade and Other Payables	(22)	124,447,709	71,640,835
Interest Bearing Borrowings	(19)	65,251,528	66,790,781
Lease Liability	(10.1)	21,225,176	17,706,915
Taxation	(23)	24,736,849	7,465,868
		256,624,458	184,984,364
Total Equity and Liabilities		**1,495,461,018**	**1,350,209,089**

These Financial Statements are prepared in compliance with the requirements of the Companies Act No.07 of 2007.



Asanka De Silva
Finance Manager

The Board of Directors is responsible for the preparation and presentation of these Financial Statements. Signed for and on behalf of the Board by,



Navinda Weerasinghe
Managing Director



Lakshika Weerasinghe
Director

3rd June 2025, Ratnapura

The Notes to the Financial Statements in pages 103 to 145 form an integral part of these Financial Statements. Figures in brackets indicate deductions.

Singhe Hospitals PLC
STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH	Stated Capital Rs.	Revaluation Reserve Rs.	Gain / (Loss) on Defined Benefit Plan Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 31st March, 2023	375,000,000	98,830,587	2,917,182	(3,134,440)	473,613,329
Profit for the Year	-	-	-	24,627,946	24,627,946
Other Comprehensive Income	-	378,247,579	(2,851,854)	-	375,395,725
Deferred Tax Impact on other comprehensive income	-	(75,649,516)	570,371	-	(75,079,145)
Balance as at 31st March, 2024	375,000,000	401,428,650	635,699	21,493,506	798,557,855
Profit for the Year		-	-	116,178,441	116,178,441
Other Comprehensive Income	-	-	(2,840,693)	-	(2,840,693)
Deferred Tax Impact on Other Comprehensive Income	-	-	568,139	-	568,139
Balance as at 31st March, 2025	375,000,000	401,428,650	(1,636,856)	137,671,948	912,463,741

The Notes to the Financial Statements in pages 103 to 145 form an integral part of these Financial Statements.

Figures in brackets indicate deductions.

Singhe Hospitals PLC
STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31ST MARCH	2025 Rs.	2024 Rs.
Cash Flow from /(Used in) Operating Activities		
Profit/(Loss) Before Income Tax Expenses	146,969,920	32,485,802
Adjustments for :		
Depreciation	56,942,263	47,595,934
Depreciation on ROUA	27,688,925	24,492,544
Intangible Assets Amortization	1,752,361	1,611,854
Interest Income	(2,695,631)	(1,499,275)
Finance Costs	39,565,774	57,410,497
Fair Value (Gain)/Loss on Quoted Investments	3,245	1,030
Provision for Retirement Benefit Obligations	5,544,656	4,625,094
Bad Debts Written off	-	751,455
Stocks Written Off	-	3,778,358
Operating Profit/(Loss) before Working Capital Changes	275,771,514	171,253,293
Changes in Working Capital		
(Increase)/ Decrease in Inventories	(39,199,128)	41,697,570
(Increase)/ Decrease in Trade & Other Receivables	1,798,433	(10,221,059)
Increase/ (Decrease) in Trade & Other Payables	52,806,872	(23,481,822)
Cash Generated from/(Used in) Operating Activities	291,177,691	179,247,983
Finance Cost Paid	(39,565,774)	(49,313,467)
Defined Benefit Plan Costs Paid	(2,330,426)	(2,917,660)
WHT Paid	(94,018)	(43,708)
Income Tax Paid	(16,867,530)	(5,425,290)
Net Cash Generated from/(Used in) Operating Activities	**232,319,943**	**121,547,857**
Cash Flows from/(Used in) Investing Activities		
Acquisition of Property, Plant & Equipment	(70,275,066)	(42,436,449)
Acquisition of Right to Use of Assets	(26,439,746)	-
Acquisition of Capital Work in Progress	(609,350)	(3,951,141)
Acquisition of Intangible Assets	(1,114,571)	(3,857,483)
Acquisition of Capital Work in Progress - Intangible Assets	(1,283,782)	(3,128,500)
Investment in Fixed Deposit	(54,179,878)	(1,902,268)
Income from Investments - Interest Received	2,695,631	1,499,275
Net Cash Generated from/(Used in) Investing Activities	**(151,206,763)**	**(53,776,566)**
Cash Generated from/(Used in) Financing Activities		
Net Proceeds from Interest Bearing Borrowings	(36,847,194)	(11,874,524)
Proceeds from Leases	30,457,484	-
Repayments of Lease Liability	(33,971,068)	(35,011,297)
Net Cash Generated from/(Used in) Financing Activities	**(40,360,779)**	**(46,885,821)**
Net Increase/ Decrease in Cash and Cash Equivalents	40,752,402	20,885,470
Cash and Cash Equivalents at the Beginning of the Year	9,118,186	(11,767,284)
Cash and Cash Equivalents at the End of the Year	**49,870,588**	**9,118,186**
Analysis of Cash and Cash Equivalents		
Cash at Bank	59,371,254	17,693,143
Bank Overdrafts	(20,963,197)	(21,379,965)
Cash in Hand	11,462,531	12,805,008
Cash and Cash Equivalents at the End of the Year	**49,870,588**	**9,118,186**

The notes to the Financial Statements in pages 103 to 145 form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION – REPORTING ENTITY

1.1. Legal Form

Singhe Hospitals PLC (the Company) is a quoted public company with limited liability incorporated in Sri Lanka under the provisions of The Companies Act No. 07 of 2007. Its registered office and principal place of business are located at No: 362, Colombo Road, Ratnapura.

1.2.

Total Number of Employees	2023-24	2024-25
Company	530	537

1.3. Principal Activities and Nature of Operations

During the year the principal activity of the company, were to operate a hospital, by providing healthcare services. There were no significant changes in the nature of principal activities during the reporting year.

1.4. Approval of Financial Statements

The financial statements for the year ended 31st March 2025 were authorized for issue by the Directors on 30th of May 2025.

2. BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1. Basis of Preparation of Financial Statements and Statement of Compliance

2.1.1. Statement of Compliance

The Financial Statements of the Company comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows together with the Notes to the Financial Statements.

These Financial Statements of the company have been prepared as per the Sri Lanka Accounting Standards comprising SLFRS/LKAS (hereinafter SLFRS) as issued by the Institute of Chartered Accountants in Sri Lanka and the requirements of Companies Act No. 07 of 2007.

2.1.2. Responsibility for Financial Statements

The Board of Directors of the Company is responsible for the preparation and presentation of the Financial Statements of the Company as per the provisions of the Companies Act No. 07 of 2007 and Sri Lanka Accounting Standards.

The Board of Directors acknowledges their responsibility for Financial Statements as set out in the Annual Report of the Board of Directors, Statement of Directors' Responsibility, and the certification on the Statement of Financial Position.

2.1.3. Basis of Measurement

The Financial Statements have been prepared on the historical cost basis and applied consistently with no adjustments being made for inflationary factors affecting the Financial Statements, except for the following material items in the Statement of Financial Position:

- Land and buildings are measured at fair value.
- Non-derivative financial instruments are classified as "Financial Assets – Fixed Deposits" and "Interest Bearing Borrowings" measured at amortized cost.
- Defined Benefit Obligations are measured at present value, based on actuarial valuation as explained in Note 18.

The Financial Statements have been prepared on the basis that the Company will continue as a going concern for the foreseeable future.

2.1.4. Going Concern

The directors have assessed the Company's ability to continue as a going concern and they confirmed that the company has adequate resources to continue its operations in the foreseeable future.

Furthermore, the management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, these financial statements are prepared on the assumption that the Company is a going concern.

Moreover, the Chairman of the Company, Mr. A. M. Weerasinghe has agreed to provide funds to the company as and when it is necessary.

2.1.5. Functional Currency and Presentation Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Financial Statements are presented in Sri Lankan Rupees, which is the Company's functional and presentation currency. All financial information presented in Rupees has been rounded to the nearest Rupee.

2.1.6. Materiality and Aggregation

Each material class of similar items are presented separately in the Financial Statements. Items of dissimilar nature or functions are presented separately, unless they are immaterial as permitted by the LKAS 01 on "Presentation of Financial Statements".

2.1.7. Comparative Information

The Financial Statements for the Comparative periods comprise results for the 12-months from 01st April 2023 to 31st March 2024. In this circumstance, the comparative information for the Statement of Financial Position, Statement of Profit or Loss and Other Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows and related notes are comparable with the current reporting period.

The previous year's figures and phrases have been rearranged whenever necessary to confirm to the current year's presentation.

2.1.8. Significant Accounting Judgments, Estimates and Assumptions

The presentation of Financial Statements in conformity with SLFRS/LKAS requires management to make judgments, estimates and assumptions that affect the application of Accounting Policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised on any future periods affected.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements is included in the under mentioned notes:

a) Assessment of Impairment – Key Assumptions Used in Discounted Cash Flow Projections

The Company assesses at each reporting date whether there is objective evidence that an asset or portfolio of asset is impaired. The recoverable amount of an asset or Cash Generating Unit (CGU) is the greater of its Value in Use (VIU) and its Fair Value (FV) less cost to sell. In assessing value in use, the estimated future cash flows are discounted to present value using appropriate discount rates that reflect the current market assessment of the time value of money and risks specific to the asset.

b) Useful Lifetime of the Property, Plant & Equipment

The Company reviews the residual values, useful lives and method of depreciation of Property, Plant and Equipment at each reporting date. The judgment of the management is exercised in the estimation of these values, rates, methods and hence they are subject to uncertainty.

c) Deferred Taxation – Utilization of Tax Losses

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgment is required to determine the amount of deferred tax assets that can be recognized, based on the level of future taxable profits together with future tax planning strategies.

d) Defined Benefit Plans

The assessment of the present value of the defined benefit obligations involves a significant element of assumptions; including discount rates, future salary escalations, mortality rates and future pension increases and due to the long term nature of these plans, such estimations are subject to uncertainty.

e) Current Taxation

Current tax liabilities are provided for in the Financial Statements applying the relevant tax statutes and regulations, which the management believes reflect the actual liability.

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

2.2. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these Financial Statements by the Company unless otherwise indicated.

2.2.1. Foreign Currency Translation

The Financial Statements of the Company are presented in Sri Lankan Rupees, which is the functional and presentation currency of the Company. Transactions denominated in foreign currencies are recorded at the functional currency by using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency by using the exchange rate prevailing at the date of the Statement of Financial Position.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the prevailing exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value denominated in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign Currency differences arising on retranslation are generally recognized in profit or loss.

2.3 Valuation of Assets and their Measurement Bases

2.3.1 Inventories

Inventories are valued at the lower of cost and net realizable value, after making due allowances for obsolete and slow moving items. Net realizable value is the price at which inventories can be sold in the ordinary course of business less the estimated cost of completion and the estimated cost necessary to make the sale.

The cost of inventories is based on actual cost. The costs incurred in bringing inventories to their present location and condition are accounted for as follows,

Pharmacy and Surgical	- At actual cost
General	- At actual cost

Net realizable value is the estimated price at which inventories can be sold in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.3.2 Cash and Cash Equivalents

Cash and Cash Equivalents are defined as cash in hand, demand deposits and short term highly liquid investments ready convertible to known amounts of cash and subject to an insignificant risk of changes in value.

For the purpose of The cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

Investments with short term maturities i.e. three months or less from the date of acquisitions also treated as cash equivalents.

Statement of Cash Flows

The Statement of Cash Flows has been prepared using the 'indirect method'. Interests paid are classified as operating cash flows while interests received are classified as investing cash flows for the purpose of presentation of Cash Flow Statement.

For the purpose of The Statement of Cash Flows, Cash & Cash Equivalents consist of cash at

The bank and in hand and short-term deposits net of outstanding bank overdrafts.

2.3.3. Property, Plant & Equipment

(a) Recognition and Measurement

Items of property, plant and equipment other than land and buildings and motor vehicles, are measured at cost less accumulated depreciation and accumulated impairment losses.

The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to working condition for its intended use. The cost of self-constructed assets includes the cost of materials, direct labor and any other costs directly attributable to bringing the asset to the working condition for its intended use, and borrowing costs if the recognition criteria are met.

Such cost includes the cost of replacing component parts of the Property, Plant and equipment and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of the property plant and equipment are required to be replaced at intervals, the company derecognizes the replaced part, and recognizes the new part with its own associated useful life and depreciation. Likewise, when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied.

All other repair and maintenance costs are recognized in the statement of comprehensive income as incurred. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

All items of property, plant and equipment are recognized initially at cost.

Land and buildings and motor vehicles are measured at fair value less accumulated depreciation and impairment losses recognized after the date of the revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Revaluation of Property, Plant & Equipment are undertaken by professionally qualified valuer.

Any revaluation surplus is recognized in other comprehensive income and credited to the revaluation surplus in equity in the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognized in the statement of profit and loss, in which case the increase is recognized in the statement of profit and loss, except to the extent that it offsets an existing surplus in the same asset recognized in the asset revaluation reserve. Any balance remaining in the revaluation surplus in respect of an asset is transferred directly to retained earnings in retirement or disposal of the assets.

The Company Policy is to revalue its land and building and motor vehicles once in every 3-5 Years thereafter to comply with the requirement of Revaluation Model under the Sri Lanka Accounting Standard 16 – 'Property, Plant & Equipment'.

Expenditure incurred for the purpose of acquiring, extending or improving assets of a permanent nature by means of which to carry on the business or to increase the earnings of the business has been treated as capital expenditure.

The provision for depreciation is calculated by using straight line based on the cost or valuation of all Property, Plant and Equipment other than freehold land, in order to write off such amounts over the following estimated useful lives.

(b) Depreciation

Depreciation is based on the cost of an asset less its residual value. Depreciation is recognized in the income statement on a straight line basis over the estimated useful lives of each component of an item of property, plant and equipment. Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale or on the date that the asset is disposed. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

The estimated useful lives of property plant and equipment are as follows:

Equipment	Percentage
Buildings	02%
Furniture & Fittings	10%
Computer Equipment	25%
Office Equipment	10%
Computer Software	10%
Elevators	10%
Generator	10%
Tool and Equipment	10%
Television	10%
Motor Vehicle	20%
Medical Equipment	10%
Laundry Equipment	10%
Housekeeping Equipment	10%
Air Condition Equipment	10%

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

Depreciation of an asset begins when it is available for use and ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized.

The cost of replacement of components of assets recognized in the carrying amount of property, plant and equipment is depreciated over the balance useful life of the asset.

Depreciation methods, useful lives and the residual values are reviewed at each reporting date and adjusted accordingly.

(c) Restoration Cost

Expenditure incurred on repairs and maintenance of Property, Plant and Equipment in order to restore or maintain the future economic benefits expected from originally assessed standard of performance, is recognized as an expense when incurred.

(d) De-Recognition

The carrying amount of an item of property, plant and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the de-recognition of an item of property, plant and equipment is included in profit or loss when the item is de-recognized.

2.3.4 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(a) The Company as lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(b) The Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an assets are classified as an operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Right of Use Assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

Lease Liability

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (less any lease incentives receivable), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

2.3.5 Capital Work-In-Progress

The cost of Work in Progress is the cost of purchase or construction together with any related expenses thereon.

Capital Work-In-Progress is transferred to the respective asset accounts at the time of the first utilization or at the time the asset is commissioned.

2.3.6 Investment Property

Recognition and measurement

A property that is held to earn rentals or for capital appreciation or both rather than for use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of business, by the Company is accounted for as investment properties.

An investment property is measured initially at its cost. The cost of a purchased investment property comprises of its purchase price and any directly attributable expenditure. The cost of a self-constructed investment property is its cost at the date when the construction or development is complete.

Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the period in which they arise, including the corresponding tax effect. Fair values are determined based on a valuation performed by an accredited external independent valuer.

Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized.

Changes in fair values are recognized in the income statement. Investment properties are derecognized when they have been disposed or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of de-recognition. The amount of consideration to be included in the gain or loss arising from the de-recognition of investment property is determined in accordance with the requirements for determining the transaction price in SLFRS 15.

If an item of revalued owner-occupied property becomes an investment property because its use has changed, any difference resulting between the carrying amount and the fair value of the item at the date of transfer is treated in the same way as a revaluation under LKAS 16; Property, plant and equipment. Accordingly, the surplus on revaluation is recognized in the statement of comprehensive income to the extent that it reverses a previous impairment loss. Further, any resulting decrease in the carrying amount of the property is initially charged in the statement of comprehensive income against any previously recognized revaluation surplus, with any remaining decrease charged to profit or loss. The effect of depreciation on revalued property is also reversed within the statement of comprehensive income.

2.3.7 Intangible Assets

2.3.8 Initial Recognition and Measurement

The Company recognizes intangible assets if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

Separately acquired intangible assets are measured on initial recognition at cost. The cost of such separately acquired intangible assets includes the purchase price, import duties, non-refundable purchase taxes and any directly attributable cost of preparing the asset for its intended use.

The cost of intangible assets acquired in a business combination is the fair value of the asset at the date of acquisition.

The cost of an internally generated intangible asset arising from the development phase of an internal project which is capitalized includes all directly attributable costs necessary to create, produce, and prepare the asset to be capable of operating in the manner intended by the Management. Other development expenditures and expenditures on research activities, undertaken with the prospect of gaining new technical knowledge and understanding are expensed in the income statement as and when incurred.

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

2.3.9 Subsequent Costs

Subsequent expenditure on intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

2.3.10 Subsequent Measurement

After initial recognition an intangible asset is stated at its costs less any accumulated amortization and any accumulated impairment losses. The useful economic life of an intangible asset is assessed to be either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life of the asset. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting date. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the income statement.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible Assets Recognized by the Company

Computer Software

All computer software costs incurred and licensed for use by the Company, which does not form an integral part of related hardware, which can be clearly identified and reliably measured with the probability of leading to future economic benefits, are capitalized under intangible assets and such intangible assets capitalized are amortized over the useful lifetime as follows,

Hospital Billing Management System's (Intangible Assets) amortization rate 10% p.a.

2.3.11 SLFRS 9 -Financial Instruments

Recognition and Initial Measurement

A financial asset (unless it is a trade receivable without a significant financing component) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at amortized cost; FVOCI- debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- It's contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount of outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the

investment's fair value in OCI. This election is made on an investment by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial Assets - Business Model Assessment:

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Company's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets. Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial Assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable-rate features.
- Prepayment and extension features; and
- Terms that limit the Company's claim to the cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the sole payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par-amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial Liabilities –Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All

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financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, and other financial liabilities.

Financial Liabilities –Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Loans and Borrowings

This is the category most relevant to the Company. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit or Loss.

Financial Assets - Derecognition

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expired, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial Liabilities - Derecognition

The Company derecognizes a financial liability when its contractual obligations are discharged or canceled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On de-recognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Off setting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set of the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Impairment

Impairment policy

Non-derivative financial assets

Financial instruments and contract assets

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- The borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- The financial asset is more than 180 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

Twelve-month ECLs are the portion of ECLs that result from default events that are possible within the twelve months after the reporting date (or a shorter period if the expected life of the instrument is less than twelve months).

The maximum period is considered when estimating ECLs is the maximum contractual period over which the Company is exposed to the credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-Impaired Financial Assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have been occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

Significant financial difficulty of the borrower or issuer;

A breach of contract such as a default or being more than 180 days past due;

The restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;

It is probable that the borrower will enter bankruptcy or other financial reorganization; or

The disappearance of an active market to a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Company has a policy of writing off the gross carrying amount when the financial asset is 180 days past due based on historical experience of recoveries of similar assets. For corporate customers, the Company individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company procedures to the recovery of amounts due.

2.4 Liabilities and Provisions

Liabilities classified as current liabilities on the statement of financial position are those, which fall due for payment on demand or within one year from the reporting date. Non-current liabilities are those balances that fall due for payment after one year from the reporting date. Provisions are recognized when the company has a present obligation (Legal or Constructive)as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provision is presented in the statement of Comprehensive Income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a financial cost.

All known liabilities have been accounted for in preparing the Financial Statement.

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2.4.1 Retirement Benefit Obligations

(a) Defined Benefit Plan – Employee Benefits

The liability recognized in the Statement of Financial Position in respect of defined benefit plan is the present value of the defined benefit obligation at the reporting date. Benefits falling due more than 12 months after the reporting date are discounted to present value.

The present value of the defined benefit obligations is calculated annually by independent actuaries using Projected Unit Credit Method (PUC) as recommended by LKAS 19 Employees benefits. The defined benefit liability is recognized in the Statement of Financial Position.

Employees are eligible to receive a gratuity payment of half month's salary per year of service at the end of service provided the employee has provided 5 years of service. Defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The actuarial gains and losses are charged to the Statement of Comprehensive Income in the period in which they arise. The assumptions based in which the results of the actuarial valuation were determined as at 31st March 2025, are included in the Note18 to the Financial Statements. Gratuity liability was computed from the first year of service for all employees in conformity with Sri Lanka Accounting Standard 19 (LKAS 19) – 'Employee Benefit'

However, according to the Payment of Gratuities Act No.12 of 1983, the liability for the gratuity payable to an employee arises only on the completion of 5 years of continued service with the Company.

The Company is liable to pay gratuity in terms of the relevant statute. The Liability is not externally funded.

(b) Defined Contribution Plans – Employees' Provident Fund & Employees' Trust Fund

Employees' Provident Fund and Employees' Trust Fund is a post-employment benefit plan under which an entity pays fixed contribution to a separate entity and will have no legal or constructive obligation to pay further amounts.

All employees who are eligible for Employees' Provident Fund and Employees' Trust Fund are covered by relevant contribution funds in line with the respective statutes. Employer's contribution to the defined contribution plans are recognized as an expense in the Statement of Comprehensive Income when incurred.

2.5 The Statement of Profit or Loss and Other Comprehensive Incomes

2.5.1 Revenue from Contracts with Customers

Revenue from contracts with customers, establishes a comprehensive framework for determining whether, how much and when revenue is recognized. The Company recognizes revenue when a customer obtains control of the goods or services. Judgement is used to determine the timing of transfer of control - at a point in time or over time. The disclosures of significant accounting judgments, estimates and assumptions relating to revenue from contracts with customers are provided below.

2.5.1.1 Healthcare service

Revenue primarily comprises fees charged for inpatient and outpatient hospital services. Services include charges for accommodation, theater, medical professional services, equipment, radiology, laboratory and pharmaceutical goods used.

Revenue is recognized over time as the services are provided. The stage of completion for determining the amount of revenue to recognize is assessed based on provision of services. If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices. The stand-alone selling price is determined based on the list prices at which the company sells the services in separate transactions.

2.5.1.2 Sale of Goods

Pharmacy Sales are recognized when the risk and reward of ownership are passed to the customer.

Revenue is recognized at a point in time and measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and

excluding taxes or duties collected on behalf of the government. Revenue is reduced for rebates and loyalty points granted upon purchase and are stated net of returns and discounts wherever applicable.

- Variable consideration

  If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of goods provide customers with a right of return. The rights of return give rise to variable consideration.

- Rights of return

  Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in

  SLFRS 15 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognizes a refund liability.

2.5.1.3 Interest Income

Interest income is recognized as it accrues in the income statement. For all financial instruments measured at amortized cost interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period where appropriate, to the net carrying amount of the financial asset or liability. When calculating effective interest rate, the Company estimates the future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

Interest income is included under other income in the Statement of Comprehensive Income.

2.5.1.4 Other Income.

Other income comprises, gain on disposal of Property, Plant & Equipment, and interest income. Net gains and losses of revenue nature resulting from the disposal of Property, Plant & Equipment have been accounted for in the Statement of Comprehensive Income.

2.5.2 Expenditure Recognition

(a) Expenses are recognized in the statement of Comprehensive Income on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the Property, Plant and Equipment in a state of efficiency has been charged to income in arriving at the profit for the year.

(b) For the purpose of the presentation of the Statement of Comprehensive Income, the Directors are of the opinion that the function of expenses method, presents fairly the elements of the Company's performance and hence, such presentation method is adopted.

2.5.3 Borrowing Costs

Borrowing costs are recognized as an expense in the period in which they are incurred, except to the extent where borrowing costs are directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets.

All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.5.4 Dividends on Ordinary Shares

Dividends on ordinary shares are recognized as a liability and deducted from equity when they are approved by the company shareholders. Interim dividends are deducted from equity when they are

Singhe Hospitals PLC
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declared and are no longer the discretion of the company.

2.5.5 Income Tax Expense

Income Tax Expense comprises current tax and deferred tax. The income tax expense is recognized in the income statement except, to the extent that it relates to the items recognized directly in the statement of other comprehensive income or statement of changes in equity, in which case it is recognized directly in the respective statements.

2.5.5.1 Current Taxation

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Taxation for the current and previous periods to the extent unpaid is recognized as a liability in the financial statements. When the amount of taxation already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as an asset in the financial statements.

Provision for taxation is based on the profit for the year adjusted for taxation purposes in accordance with the provisions of the Inland Revenue Act No 24 of 2017 commencing from 01st April, 2019.

The Company enjoyed a five-year tax holiday period recorded from the year in which the enterprise commences to make profits or any year of assessment not later than two (02) years from the date of commencement of the commercial operations whichever year is earlier.

After the expiration of the tax exemption period, the profits and income of the enterprise shall be charged at the rate of 10% for the period of two years immediately succeeding the last date of tax exemption period.

Subsequent to the expiration of the aforesaid concessionary tax rate of 10%, the profits and income of the Enterprise shall for any year of assessment be charged at the rate of 20%, but according to the new amendment effective rate is 20% for the financial year since the normal tax rate is 30%. Therefore, we have considered tax rate of 20% for business income and 30% for investment income.

2.5.5.2 Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they are related to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will have realized simultaneously.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against the which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to extent that it is no longer probable that the related tax benefit will be released, based on the level of future taxable profit forecast and tax planning strategies.

2.6 Determination of Fair Values

The Company accounting policies and disclosures require the determination of fair value, both financial and non-financial assets and liabilities. Fair Values have been determined for measurement and / or disclosure purposes based on following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset and liability.

When measuring the fair value of an asset or liability the company uses market observable data as far as

possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1 – Quoted market price (unadjusted) in an active market of an identical assets or liabilities that the entity can access the measurement date.

Level 2 – Valuation techniques based on observable inputs, either directly (i.e., as prices) or indirectly (i.e., derived from prices), this category included instruments valued using: quoted market prices in active markets similar instruments; quoted prices for identical or similar instruments in markets are considered less than active: or other valuation techniques where all significant inputs are directly observable from market data.

Level 3 – Valuation techniques use significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable market data and the unobservable inputs have a significant effect on the instrument's valuation. (Unobservable Inputs)

If the inputs used to measure the fair value of an asset or a liability might categorize in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirely in the same level of the fair value hierarchy as the lowest level inputs that is significant to the entire measurement.

Valuation techniques include net present value and discounted cash flow models, comparison to similar instruments for which market observable prices exist, other equity pricing models and other valuation models. Assumptions and inputs used in valuation technique include risk free and benchmark interest rates, credit spreads and other premium used in estimating discount rates, bond and other equity prices, foreign currency exchange rates, equity and equity index prices and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value determination that reflects the price of the financial instruments at the reporting date that would have been determined by market participants acting at arm's length.

(a) Property, Plant & Equipment

The fair value of items of plant, equipment, fixtures and fittings is based on the market approach and cost approaches using the quoted market prices for similar items when available and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustment for physical deterioration as well as functional and economic obsolescence.

(b) Inventories

The fair value of inventories is determined based on the estimated selling price in the ordinary course of business less the estimated cost of completion and sale and a reasonable profit margin is based in the effort required to complete and sell the inventories.

(c) Trade and Other Receivables

The fair values of trade and other receivables, are estimated at present value of future cash flows, discounted at the measured date. Short term receivables with no stated interest rates are measured at the original invoice amount if the effect of discounting is immaterial. Fair value is determined at initial recognition and, for disclosure purposes, at each annual reporting date.

(d) Other Non-Derivative Financial Liabilities

Other non-derivative financial liabilities are measured at fair value, at initial recognition and for the disclosure purposes, at each reporting date. Fair value is calculated based on the present value of the future principal and interest cash flows, discounted at the market rate of interest at the measurement date.

For finance leases the market rate of interest is determined with reference to similar lease agreements.

2.7 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Companies' principal financial liabilities comprise interest bearing loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has trade and other receivables, and cash and short-term deposits that

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arrive directly from its operations.

The Company is exposed to market risk, credit risk, and liquidity risk. The senior management of the Company oversees the management of these risks. The senior management of the Company determines on financial risks and the appropriate financial risk governance framework for the Company. The financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company policies and risk appetite.

The Board of Directors reviews and agrees on policies for managing each of these risks which are summarized below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: interest rate risk, currency risk, commodity price risk and another price risk such as equity price risk. Financial instruments affected by market risk include loans and borrowings, equity investments classified as fair value through profit or loss.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt and short-term borrowings with floating interest rates. The Company manages its risk by striking a balance between long term and short-term debts. The company has easy access to funds at competitive interest rates.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks.

Trade Receivables

Customer credit risk is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Individual credit limits are defined in accordance with the prior experience with the customers. Outstanding customer receivables are regularly monitored. The requirement for an impairment is analyzed at each reporting date on an individual basis for major clients. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

The calculation is based on actually incurred historical data. The Company evaluates the concentration of risk with respect to trade receivables as low.

Liquidity Risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, and finance leases. The Company assesses the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

2.8 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

2.8.1. Classification of Liabilities as Current or Non current Amendment to LKAS 1

Amendments to LKAS 1 relate to classification of liabilities with covenants as current or non-current. The amendments clarify that if an entity's right to defer settlement of a liability is subject to the entity complying with the required covenants only at a date subsequent to the reporting period ("future covenants"), the entity has a right to defer settlement of the liability even if it does not comply with those covenants at the end of the reporting period. The requirements apply only to liabilities arising from

loan arrangements.

The amendments are effective for annual periods beginning on or after 1st January 2025. The amendments are not expected to have a material impact on the Company.

2.8.2. Disclosures: Supplier Finance Arrangements - Amendments to LKAS 7 and SLFRS 7

The amendments clarify the characteristics of supplier finance arrangements and require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including terms and conditions of those arrangements, quantitative information on liabilities related to those arrangements as at the beginning and end of the reporting period and the type and effect of non-cash changes in the carrying amounts of those arrangements.

The amendments are effective for annual periods beginning on or after 1st January 2025. The amendments are not expected to have a material impact on the Company.

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3 REVENUE

For The Year End 31st March,	2025 Rs.	2024 Rs.
Healthcare Services	1,506,667,898	1,272,304,737
	1,506,667,898	1,272,304,737

4 OTHER INCOME

For The Year End 31st March,	2025 Rs.	2024 Rs.
Interest on Fixed Deposits	1,764,107	1,455,302
Interest on Savings Accounts	931,524	43,973
Sundry Income	1,124,069	330,273
	3,819,700	1,829,548

5 FINANCE COSTS

For The Year End 31st March,	2025 Rs.	2024 Rs.
Bank Charges	1,292,935	2,274,873
Loan Interest - Term Loans	20,908,421	40,965,637
Finance Cost on Lease Liability	8,087,738	8,097,030
Overdraft Interest	1,383,974	6,072,957
FV Loss on Quoted Shares	3,245	1,030
Credit Card Commission	7,892,705	-
	39,569,019	57,411,527

6 PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION

For The Year End 31st March,	2025 Rs.	2024 Rs.
Profit/(Loss) from ordinary activities before taxation is stated after charging all expenses including the following.		
Salaries and Wages	185,737,739	167,094,354
Auditors' Remuneration	800,000	700,000
Depreciation	84,631,188	72,088,480
Amortization	1,752,361	1,611,854
Provision for Retirement Benefit Obligations	5,544,656	4,625,094
Emoluments Paid to Directors	2,185,000	1,145,000
Bad Debt Written off	645,394	751,455
Donation	74,750	25,000

7 INCOME TAX EXPENSES

For The Year End 31st March,	Notes	2025 Rs.	2024 Rs.
Income Tax on Current Year Profit	(7.1)	34,232,529	8,730,216
Transferred/ (Reversal) to Deferred Taxation	(20.3)	(3,441,050)	(872,360)
Deferred Tax due to change in income tax rate		-	-
		30,791,478	7,857,856

7.1 RECONCILIATION OF TAXABLE PROFIT AND ACCOUNTING PROFIT & EFFECTIVE TAX RATES

For The Year End 31st March,	Notes	2025 Rs.	2024 Rs.
Profit/(Loss) before Income Tax		146,969,920	32,485,802
Items considered as separate sources of income		(2,692,386)	(1,104,575)
Aggregated Non Deductible Expenses for Tax		104,888,357	85,272,867
Aggregated Deductible Expenses for Tax		(82,046,693)	(69,796,355)
Total Assessable Income		167,119,198	30,319,394
Tax Losses Claimed		-	-
Taxable Profit/(Loss)		167,119,198	30,319,394
Current Income Tax Expense			
Taxation on Business Income			
at a rate of 20%		33,423,840	8,293,625
Taxation on Investment Income			
at a rate of 30%		808,689	436,591
Tax Provision for the Year		34,232,529	8,730,216

The company is enjoying a five-year tax holiday period commencing from 16th August 2014, and a concessionary rate of Tax at 10% for two years thereafter, in terms of the agreement entered into with the Board of Investment.

Subsequent to the expiration of the aforesaid concessionary tax rate of 10%, the profits and income of the Company be charged for Tax at the rate of 20%. However, according to the new amendment to the Inland Revenue Act, effective tax rate is 20% for the financial year since the normal tax rate is 30%.

The Investment income of the company will be taxed at 30% for the financial year.

8 EARNINGS / (LOSS) PER SHARE

8.1 Basic Earnings/ (Loss) Per Share

Basic Earnings Per Share is calculated by dividing the Net Profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Net Profit Attributable to Ordinary Shareholders (Rs)	116,178,441	24,627,946
Weighted Average Number of Shares Outstanding During the Year	431,300,895	431,300,895
Basic Earnings Per Share (Rs)	0.27	0.06

8.2 Diluted Earnings Per Share

There was no dilution of ordinary shares outstanding at any time during the year. Therefore, diluted earnings per share is the same as basic Earnings Per Share as shown in Note 8.1.

Singhe Hospitals PLC
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9 PROPERTY, PLANT AND EQUIPMENT

9.1 Description of Assets

Cost or Valuation	Opening Balance as at 01.04.2024 Rs.	Additions/ Transfers During the Year Rs.	Revaluation During the Year Rs.	Disposals/ Transfers During the Year Rs.	Closing Balance as at 31.03.2025 Rs.
At Valuation					
Land	236,250,000	11,635,000	-	-	247,885,000
Building	650,462,400	-	-	-	650,462,400
Motor Vehicles	19,163,473	-	-	-	19,163,473
	905,875,873	11,635,000	-	-	917,510,873
At Cost					
Air Conditioners	50,340,966	27,005,575	-	-	77,346,541
Computer Equipment	53,162,817	6,092,680	-	-	59,255,497
C.S.S.D.	14,056,936	-	-	-	14,056,936
Elevators	4,375,933	-	-	-	4,375,933
Fixtures and Fittings	90,857,453	3,680,700	-	-	94,538,153
Furniture and Fittings	21,391,258	2,408,365	-	-	23,799,623
Generator	18,217,099	-	-	-	18,217,099
Hospital Furniture	23,823,979	357,490	-	-	24,181,469
Housekeeping Equipment	1,044,971	39,000	-	-	1,083,971
Kitchen Equipment	9,765,380	289,961	-	-	10,055,341
Laundry Equipment	8,818,345	1,856,641	-	-	10,674,986
Office Equipment	7,761,817	975,599	-	-	8,737,416
Television	3,755,366	-	-	-	3,755,366
Tools and Equipment	2,841,815	-	-	-	2,841,815
Linen	2,320,244	-	-	-	2,320,244
UPS	5,723,029	186,640	-	-	5,909,669
Medical Equipment	353,369,610	11,724,951	-	-	365,094,561
Name Boards	19,312,380	3,094,115	-	-	22,406,495
CCTV Camera System	1,961,109	928,350	-	-	2,889,459
Mortuary	909,841	-	-	-	909,841
	693,810,347	58,640,066	-	-	752,450,412
Total	1,599,686,221	70,275,066	-	-	1,669,961,287

9 PROPERTY, PLANT AND EQUIPMENT

9.2 DEPRECIATION

Description of Assets	Opening Balance as at 01.04.2024 Rs.	Additions/ Transfers During the Year Rs.	Depreciation on Revaluation During the Year Rs.	Disposals/ Transfers During the Year Rs.	Closing Balance as at 31.03.2025 Rs.
At Valuation					
Building	-	15,138,348	-	-	15,138,348
Motor Vehicles	18,723,340	327,960	-	-	19,051,299
	18,723,340	15,466,308	-	-	34,189,647
			-	-	
At Valuation					
Air Conditioners	36,261,390	3,176,096	-	-	39,437,486
Computer Equipment	37,365,848	7,210,003	-	-	44,575,850
C.S.S.D.	11,392,609	541,897	-	-	11,934,506
Elevators	3,621,844	153,374	-	-	3,775,218
Fixtures and Fittings	38,574,452	5,463,504	-	-	44,037,956
Furniture and Fittings	12,384,581	1,846,998	-	-	14,231,579
Generator	16,165,792	810,338	-	-	16,976,131
Hospital Furniture	23,613,272	73,062	-	-	23,686,334
Housekeeping Equipment	711,165	59,557	-	-	770,722
Kitchen Equipment	9,210,281	77,545	-	-	9,287,826
Laundry Equipment	8,526,556	93,458	-	-	8,620,014
Medical Equipment	257,698,696	18,913,765	-	-	276,612,461
Office Equipment	4,428,265	496,233	-	-	4,924,498
Television	3,474,627	67,065	-	-	3,541,692
Tools and Equipment	2,791,135	29,341	-	-	2,820,476
UPS	5,477,956	40,309	-	-	5,518,265
Linen	2,310,531	9,713	-	-	2,320,244
Name Boards	6,923,065	2,107,866	-	-	9,030,932
CCTV Camera System	894,924	235,324	-	-	1,130,248
Mortuary	509,158	70,506	-	-	579,664
	482,336,147	41,475,955	-	-	523,812,102
Total	501,059,486	56,942,263	-	-	558,001,749

The number of buildings constructed on the entity's land holding is one. This is the hospital premises located in No. 362, Colombo Road, Ratnapura.

9.3 Capital Work In Progress

Description of Assets	Opening Balance as at 01.04.2024 Rs.	Additions/ Transfers During the Year Rs.	Transfers to Property,Plant & Equipment Rs.	Closing Balance as at 31.03.2025 Rs.
Capital Work in Progress	8,568,802	609,350	-	9,178,151
	8,568,802	609,350	-	9,178,151
			-	

9.3.1 Capital work-in-progress is stated at cost. These are expenses of a capital nature directly incurred on property, plant and equipment.

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

9 PROPERTY, PLANT AND EQUIPMENT

9.4 NET BOOK VALUE OF PROPERTY PLANT AND EQUIPMENT AND CAPITAL WORK IN PROGRESS

As at 31st March,	2025 Rs.	2024 Rs.
Property Plant & Equipment	1,111,959,537	1,098,626,734
Capital Work in Progress	9,178,151	8,568,802
Total Net Book Value	1,121,137,689	1,107,195,535

9.5 Revaluation of Land and Buildings

There was no revaluation of Land and Buildings carried out during the financial year 2024/25. The most recent revaluation was performed as at 31st March 2024 by Mr. D S N Perera - Incorporated Valuer (Chartered Valuation Surveyor-UK). The valuations were based on the Market Approach, and the carrying amounts of these assets continue to reflect the revalued amounts determined at that date. Management has reviewed the fair value of the assets as at 31st March 2025 and concluded that there were no material changes in the fair value since the last revaluation.

9.6 Revaluation of Land and Buildings

The value of land which has been revalued by an independently qualified valuer is indicated above together with the last date of revaluation. The valuation was performed by Mr D S N Perera Incorporated Valuer (Chartered Valuation Surveyor-UK) using the Market Approach and the Value of these Assets has been reflected in the Financial Statements at the revalued amounts.

Valuations are based on market prices, adjusted for any difference in nature, location or condition of the specific property. The land No 01 is a commercial land directly facing to the Colombo Ratnapura main road and the hospital main building has been constructed on this land.

(The land No 02 is the company's car park)

Valuation is as defined in the Sri Lanka Accounting Standards (SLFRS13) made on Fair Value measurement. The valuation is based on the price that would be received on selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying amount of revalued assets that would have been included in the financial statements if the assets were carried at cost less depreciation is as follows:

Class of Asset	2024/25			2023/24		
	Cost Rs.	Accumulated Depreciation if Assets were Carried at Cost Rs.	Carrying Amount as at 31st March, Rs.	Cost Rs.	Accumulated Depreciation if Assets were Carried at Cost Rs.	Carrying Amount as at 31st March, Rs.
Free Hold Land	103,505,106	-	103,505,106	103,505,106	-	103,505,106
Building	282,929,248	64,561,760	218,367,488	282,929,248	58,903,176	224,026,072
	386,434,354	64,561,760	321,872,594	386,434,354	58,903,176	327,531,178

10 RIGHT TO USE OF ASSETS

Asset Details	Cost				Depreciation			Carrying Value	
	Balance as at 01-04-2024 Rs.	Additions during the year Rs.	Transfer Rs.	Balance as at 31-03-2025 Rs.	Balance as at 01-04-2024 Rs.	Charge for the Year Rs.	Balance as at 31-03-2025 Rs.	31-03-2025 Rs.	31-03-2024 Rs.
Land & Building	149,033,035	26,439,746	-	175,472,781	88,268,622	25,927,949	114,196,571	61,276,210	60,764,413
Laboratory Machine	18,292,282	-	-	18,292,282	11,142,320	1,760,976	12,903,296	5,388,986	7,149,962
Motor Vehicle	937,020	-	-	937,020	937,020	-	937,020	-	-
Total	168,262,337	26,439,746	-	194,702,083	100,347,962	27,688,925	128,036,887	66,665,196	67,914,375

10.1 Lease Liability

Asset Details	Balance as at 01-04-2024 Rs.	Lease Additions Rs.	Interest Charge Rs.	Payments Rs.	Balance as at 31-03-2025 Rs.
Land & Building	44,505,596	22,369,746	8,087,738	(33,882,309)	41,080,771
Laboratory Machine	88,759	-	-	(88,759)	-
					-
Total	44,594,355	22,369,746	8,087,738	(33,971,068)	41,080,771

Amount Payable Within One Year	21,225,176
Amount Payable After One Year	19,855,595
Total	41,080,771

11 INTANGIBLE ASSETS

11.1 Cost

Asset Details	Opening Balance as at 01.04.2024 Rs.	Addition for the Year Rs.	Disposals / Transfers Rs.	Closing Balance as at 31.03.2025 Rs.
Hospital Management System	18,299,899	1,114,571	-	19,414,470
	18,299,899	1,114,571	-	19,414,470

11.2 Amortization

Asset Details	Opening Balance as at 01.04.2024	Charge for the Year Rs.	Disposals / Transfers Rs.	Closing Balance as at 31.03.2025 Rs.
Hospital Management System	9,769,145	1,752,361	-	**11,521,506**
	9,769,145	1,752,361	-	11,521,506
Net Carrying Value	**8,530,754**		-	**7,892,963**

11.3 Capital Work in Progress

Hospital Management System	3,306,000	1,283,782	-	4,589,782
Net Book Value	11,836,754	1,283,782	-	12,482,745

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

12 INVENTORIES

As at 31st March,	2025 Rs.	2024 Rs.
General Stock	49,599,988	43,095,753
Pharmaceutical & Surgical Items	54,480,989	21,786,093
	104,080,977	64,881,846

13 TRADE AND OTHER RECEIVABLES

As at 31st March,	2025 Rs.	2024 Rs.
Trade Receivables	30,871,274	34,283,815
Prepayments, Deposits & Advances	16,947,487	12,063,604
Other Receivables	4,335,730	7,605,506
	52,154,491	53,952,925

14 FINANCIAL ASSETS

As at 31st March,	Notes	2025 Rs.	2024 Rs.
Financial Assets at Fair Value Through Profit and Loss	(14.1)	23,990	27,235
Fixed Deposits		68,082,146	13,902,268
		68,106,136	13,929,503

14.1 Investments Valued at Fair Value Through Profit and Loss

As at 31st March,	2025 Rs.	2024 Rs.
Equity Investments in Quoted Public Companies		
Market Value as at the Beginning of the Year	27,235	28,265
Gain /(Loss) in Market Value During the Year	(3,245)	(1,030)
Market Value as at the End of the Year	23,990	27,235

15 CASH AND CASH EQUIVALENTS

As at 31st March,	2025 Rs.	2024 Rs.
Cash at Bank	59,371,254	17,693,143
Petty Cash	3,136,519	3,066,518
Cash in Hand	8,326,012	9,738,490
	70,833,785	30,498,151

16 STATED CAPITAL

As at 31st March,	2025 Rs.	2024 Rs.
431,300,895 Ordinary Shares	375,000,000	375,000,000

17 RESERVES

As at 31st March,	Notes	2025 Rs.	2024 Rs.
Revaluation Reserve	(17.1)	401,428,650	401,428,650
Other Reserves - Gain/(Loss) on Defined Benefit Plan		(1,636,856)	635,699
		399,791,794	402,064,349

17.1 REVALUATION RESERVE

As at 31st March,	2025 Rs.	2024 Rs.
On Property Plant and Equipment		
Balance as at 1st April,	401,428,650	98,830,587
Net of Tax Surplus on revaluation done during the Year	-	302,598,063
Balance as at 31st March,	401,428,650	401,428,650

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

18 RETIREMENT BENEFIT OBLIGATIONS

As at 31st March,	2025 Rs.	2024 Rs.
The Amount Recognized in the Statement of Financial Position		
Present Value of Defined Benefit Obligations	22,487,192	16,432,268

18.1 Movement in the Present Value of Defined Benefit Obligations (PV DBO)

As at 31st March,	Notes	2025 Rs.	2024 Rs.
Balance at the Beginning of the Year		16,432,269	11,872,980
Current Service Cost	(18.2)	3,408,461	2,487,957
Interest Cost	(18.2)	2,136,195	2,137,137
During the year payments		(2,330,426)	(2,917,660)
Actuarial (Gain) / Loss on PV DBO	(18.3)	2,840,693	2,851,854
Balance at the End of the Year		22,487,192	16,432,268

18.2 Amount Recognized in the Income Statement

As at 31st March,	2025 Rs.	2024 Rs.
Current Service Cost	3,408,461	2,487,957
Interest Cost	2,136,195	2,137,137
	5,544,656	4,625,094

18.3 Amount Recognized in Other Comprehensive Income

As at 31st March,	2025 Rs.	2024 Rs.
Actuarial (Gains) / Losses Recognized During The Year	2,840,693	2,851,854
	2,840,693	2,851,854

18.4 The retirement benefit liability of the company is based on the actuarial valuation carried out by Actuarial & Management Consultant (Pvt) Ltd, a qualified actuary. As recommended by the Sri Lanka Accounting Standard (LKAS 19 - Employee Benefits), the Projected Unit Credit (PUC) method has been used in this valuation.

18.5 Actuarial Assumptions

As at 31st March,	2025	2024
Discount Rate	9%	13%
Expected Rate of Salary Increase	8%	8%
Staff Turnover Rate	29%	30%
Retirement Age - As Specified by the Company	60 Years	60 Years

In addition to above, demographic assumptions such as mortality and withdrawal disability were considered for the actuarial valuation. A 1967/70 mortality table issued by the Institute of Actuaries, London was taken as the base for the valuation.

18.6 Sensitivity Analysis of Present Value of Defined Benefit Obligations

The Sensitivity analysis depicted below has been determined based on a method that extrapolates the impact on employee benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analysis is based on a change in a significant assumption, keeping all other assumptions constant.

The Sensitivity analysis may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

In order to illustrate the significance of the salary escalation rate and discount rate assumed in this valuation as at 31st March, 2025 assuming the following salary escalation rate and discount rate.

As at 31st March,	PV-DBO	
	2025 (Rs.)	2024 (Rs.)
Assumption Changed		
01% Increase in Discount Rate	21,851,232	11,554,943
01% Decrease in Discount Rate	23,164,675	12,210,191
01% Increase in Salary Increment Rate	23,266,276	12,292,992
01% Decrease in Salary Increment Rate	21,743,429	11,472,092

18.7 Maturity Analysis of The Payments

As at 31st March,	PV-DBO	
	2025 (Rs.)	2024 (Rs.)
Within the next 12 months	5,625,455	4,450,280
Between 1 and 2 years	4,328,664	3,518,671
Between 2 and 5 years	8,085,139	5,921,627
Between 5 and 10 years	3,675,493	2,193,517
Beyond 10 years	772,441	348,173
Total Expected Payments	22,487,193	16,432,268

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

19 INTEREST BEARING BORROWINGS

19.1 BORROWINGS - LONG TERM LOANS

Bank	2024/25			2023/24		
	Re-Payable Within One Year	Re-Payable After One Year	Total	Re-Payable Within One Year	Re-Payable After One Year	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Sampath Bank PLC	-	-	-	20,640,000	66,328,483	86,968,483
Sampath Bank PLC	-	-	-	3,000,000	4,500,000	7,500,000
Sampath Bank PLC	-	-	-	8,040,000	13,200,000	21,240,000
Sampath Bank PLC - Working Capital Loan	-	-	-	4,200,000	-	4,200,000
National Development Bank PLC	312,476	-	312,476	1,718,059	469,273	2,187,332
National Development Bank PLC	4,223,183	2,771,227	6,994,410	4,043,105	7,916,677	11,959,782
Nations Trust Bank PLC	2,495,964	2,730,452	5,226,415	2,300,004	5,209,538	7,509,542
Nations Trust Bank PLC - Term Loan 1 (16.2Mn)	4,735,015	5,307,140	10,042,155	4,636,499	9,652,590	14,289,089
Nations Trust Bank PLC - Term Loan 2 (8.6Mn)	2,522,361	2,953,544	5,475,905	2,475,447	5,295,447	7,770,893
Nations Trust Bank PLC - Term Loan (25Mn)	6,085,944	11,163,936	17,249,880	6,250,000	16,663,480	22,913,479
Nations Trust Bank PLC - Term Loan (13.2Mn)	4,182,337	-	4,182,337	6,600,000	4,133,623	10,733,623
Nations Trust Bank PLC - Term Loan (8.1Mn)	1,001,368	5,908,355	6,909,723	1,366,333	6,553,228	7,919,561
Nations Trust Bank PLC - Term Loan (6Mn-1)	732,887	4,324,241	5,057,128	1,000,000	4,796,214	5,796,214
Nations Trust Bank PLC - Term Loan (3.1Mn)	391,578	2,273,130	2,664,707	521,333	2,525,201	3,046,535
Nations Trust Bank PLC - Term Loan (6Mn-2)	804,009	4,762,597	5,566,605	-	-	-
Nations Trust Bank PLC - Term Loan (6.6Mn)	889,553	5,371,051	6,260,604	-	-	-
Nations Trust Bank PLC - Term Loan (105Mn)	34,680,000	53,024,562	87,704,562	-	-	-
Nations Trust Bank PLC - Term Loan (2.7Mn)	365,187	2,192,615	2,557,802	-	-	-
Nations Trust Bank PLC - Term Loan (7.7Mn)	1,255,110	6,314,715	7,569,826	-	-	-
Nations Trust Bank PLC - Term Loan (3.4Mn)	574,557	2,838,248	3,412,805	-	-	-
Total	65,251,528	111,935,812	177,187,340	66,790,781	147,243,753	214,034,532

20 DEFERRED TAX LIABILITY

As at 31st March,	Notes	2025 Rs.	2024 Rs.
Balance as at Beginning of the Year - 01st April,		176,103,408	101,896,623
Provision/(Reversal) During the Year			
In Statement of Profit or Loss	(20.3)	(3,441,050)	(872,360)
In OCI - Actuarial Gain/(Loss)	(20.4)	(568,139)	(570,371)
In OCI - Revaluation	(20.4)	-	75,649,516
Balance as at End of the Year - 31st March,	(20.1)	172,094,220	176,103,408

20.1 Deferred Tax Provision as at the End of Year is Made up as Follows;

As at 31st March,	2025 Rs.	2024 Rs.
Deferred Tax Provision from:		
Temporary Difference of Property, Plant and Equipment	76,234,495	79,032,699
Temporary Difference of Retirement Benefit Obligations	(4,497,438)	(3,286,454)
Equipment	100,357,163	100,357,163
	172,094,219	176,103,407

Taxable / (Deductible) Temporary Differences

As at 31st March,	2025 Temporary Differences Rs.	2024 Temporary Differences Rs.
Property, Plant and Equipment	373,398,747	387,295,974
Intangible Assets	7,773,726	7,867,519
Retirement Benefit Obligations	(22,487,192)	(16,432,268)
Revaluation Reserves	501,785,813	501,785,813
	860,471,092	880,517,037

20.2 Originating During the Year

As at 31st March,	Notes	2025 Rs.	2024 Rs.
Statement of Profit & Loss	(20.3)	3,441,050	(872,360)
Statement of Other Comprehensive Income	(20.4)	(568,139)	75,079,145
		2,872,911	74,206,785

20.3 Amounts Recognized in Profit and Loss

As at 31st March,	2025 Rs.	2024 Rs.
Originating During the Year	3,441,050	(872,360)
Deferred Tax charge due to tax rate change	-	-
	3,441,050	(872,360)

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

20.4 Amounts Recognized in Other Comprehensive Income

As at 31st March,	2025 Rs.	2024 Rs.
Deferred Tax on Defined Benefit Plan Actuarial Gain/(Losses)	(568,139)	(570,371)
Deferred Tax Charge on Revaluation Due to Tax Rate Change	-	75,649,516
	(568,139)	75,079,145

21 BANK OVERDRAFTS

As at 31st March,	2025 Rs.	2024 Rs.
Bank of Ceylon	-	2,510,446
Sampath Bank PLC	-	4,526,339
Nations Trust Bank PLC	20,963,197	14,343,180
	20,963,197	21,379,965

22 TRADE AND OTHER PAYABLES

As at 31st March,	2025 Rs.	2024 Rs.
Trade Payables	50,825,583	20,911,690
Other Payables	73,622,126	50,729,145
	124,447,709	71,640,835

23 CURRENT TAX LIABILITIES / (RECOVERABLE)

As at 31st March,	2025 Rs.	2024 Rs.
Opening Balance as at 01st April	7,465,868	4,204,650
Income Tax Provision for the Year	34,232,529	8,730,216
WHT Receivable	(94,018)	(43,708)
Income Tax Paid	(16,867,530)	(5,425,290)
Closing Balance as at 31st March	24,736,849	7,465,868

25 DIRECTORS' INTEREST IN CONTRACTS / RELATED PARTY TRANSACTIONS

25.1 PARENT AND ULTIMATE CONTROLLING PARTY

The Company doesn't have ultimate parent or controlling party.

25.2 IDENTIFYING THE RELATED PARTIES

The Company maintains related party relationships with the Affiliated Companies, Directors of the Company, Key Management Personnel of the Company and their Close Family Members.

25.3 TRANSACTIONS HELD WITH KEY MANAGEMENT PERSONNEL

According to the Sri Lanka Accounting Standard 'LKAS 24 - Related Party Disclosures', Key Management Personnel (KMP), are those having authority and responsibility for planning, directing and controlling the activities of the entity.

Accordingly, the Board of Directors (including Executive and Non Executive Directors) of Singhe Hospitals PLC has been classified as Key Management Personnel of the Company.

25.3.1 Compensation of Key Management Personnel

As at 31st March,	Notes	2024/25 Rs.	2023/24 Rs.
Short Term Employee Benefits		13,129,000	11,009,000

25.3.2 Other Transactions Held with Key Management Personnel

As at the reporting date Directors of the Company hold 86.41% of the voting shares of the Company directly and indirectly.

Transactions held with Key Management Personnel and their Related Parties have been conducted on relevant commercial terms.

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

25.4 NON RECURRENT RELATED PARTY TRANSACTIONS

There were no non -recurrent related party transactions of which aggregate value exceeds 10% of the equity or 5% of the total assets which ever is lower of the Company as per 31st March 2025 audited Financial Statements, which required additional disclosures in the 2024/25 Annual Report under the Colombo Stock Exchange Listing Rule 9.3.2 and Code of Best Practices on Related Party Transactions under the Security Exchange Commission Directive issued under the Section13(c) of the Security Exchange Commission Act.

25.5 RECURRENT RELATED PARTY TRANSACTIONS

There were no recurrent related party transactions in which aggregate value exceeds 10% of the revenue of the Company as per 31st March 2025 audited Financial Statements, which required additional disclosures in the 2024/25 Annual Report under Colombo Stock Exchange Listing Rule 9.3.2 and Code of Best Practices on Related Party Transactions under the Securities and Exchange Commission Directive issued under section 13(c) of the Security Exchange Commission Act.

25.6 TRANSACTIONS , ARRANGEMENTS & AGREEMENTS INVOLVING WITH KEY MANAGEMENT PERSONNEL (KMP) & THEIR CLOSE FAMILY MEMBERS (CFM)

Close Family Members (CFM) of a Key Management Personnel (KMP) are those family members who are expected to influence, or be influenced by, that individual in their dealing with the entity.

They may include,

(a) The individual's domestic partner and children;

(b) Children of the individual's domestic partner ; and

(c) Dependent of the individual or the individual's domestic partner CFM are related parties to the entity.

There were no transactions with Close Family Members during the reporting year.

25.7 TERMS AND CONDITIONS OF TRANSACTIONS HELD WITH RELATED PARTIES

Transactions held with related parties are carried out in the ordinary course of the business.

Outstanding balances at the year end are unsecured and settlement will occur in cash.

All the transactions have been entered into with these related parties on an Arm's length basis under normal commercial terms and conditions.

The employees of Royal Ceramics Lanka PLC, are entitled to discount on Hospital Room Charges (VIP30%, Luxury & Family 20%, Supreme15%, and Executive 10%) and other services (CT Scan10%, Ultrasound Scan10%, X-Ray10%, Echo10%, Theater Charges 5%, Endoscopy 10%, Colonoscopy 10% and Pharmacy 5%) from Singhe Hospitals PLC.

26 CONTINGENT LIABILITIES

There were no significant Contingent Liabilities as at the reporting date that require adjustment to or disclosure in the Financial Statements except the following.

A court case has been filed against the Company by a patient, case no bearing 33371/M, which is pending at the District Court - Ratnapura.

27 EVENTS OCCURRING AFTER THE REPORTING DATE

There were no material events occurred after the balance sheet date that require adjustments or disclosure in the Financial Statements.

28 CAPITAL COMMITMENTS

There were no contract for capital expenditure of material amounts approved or contracted for as at the reporting date of the Company.

29 ASSETS PLEDGED AS COLLATERALS

Assets Pledged As Collaterals by the Company

The following assets of the Company have been pledged as collaterals for overdraft facilities and loans obtained by the Company to the respective financial institutions concerned.

Name of the Financial Institution	Nature of the Facility	Facility Granted Rs.	Securities Pledged	Balance as at Reporting Date of 31-03- 2025 Rs.
Nations Trust Bank PLC	Term Loan VIII	11,500,000	Primary Mortgage Bond for Rupees 63,000,000 over property Depicted as Lot 1 and 2 in dated 31-July-2019 prepared by Mr. K.A.K.L. Edirisinghe	5,226,415
Nations Trust Bank PLC	Term Loan- V/VI	40,000,000	Primary Mortgage Bond for Rupees 63,000,000 over property Depicted as Lot 1 and 2 in dated 31-July-2019 prepared by Mr. K.A.K.L. Edirisinghe	15,518,060
Nations Trust Bank PLC	Term Loan VII	25,000,000	Primary Mortgage Bond for Rs 272,000,000 over land and buildings at No362, Colombo Road, Ratnapura, depicted as Lot No 01 in Plan No1220 dated 10.01.2015 made by K.A.K.L. Edirisinghe (L.S.)	17,249,880
Nations Trust Bank PLC	Term Loan IX	8,198,000	Primary Mortgage Bond for Rs 272,000,000 over land and buildings at No362, Colombo Road, Ratnapura, depicted as Lot No01 in Plan No1220 dated 10.01.2015 made by K.A.K.L. Edirisinghe (L.S.)	6,909,723
Nations Trust Bank PLC	Term Loan X	6,000,000	Primary Mortgage Bond for Rs272,000,000 over land and buildings at No362, Colombo Road, Ratnapura, depicted as Lot No01 in Plan No1220 dated 10.01.2015 made by K.A.K.L. Edirisinghe (L.S.)	5,057,128
Nations Trust Bank PLC	Term Loan XI	3,128,000	Primary Mortgage Bond for Rs272,000,000 over land and buildings at No362, Colombo Road, Ratnapura, depicted as Lot No01 in Plan No1220 dated 10.01.2015 made by K.A.K.L. Edirisinghe (L.S.)	2,664,707
Nations Trust Bank PLC	Term Loan XII	6,000,000	Primary Mortgage Bond for Rs272,000,000 over land and buildings at No362, Colombo Road, Ratnapura, depicted as Lot No01 in Plan No1220 dated 10.01.2015 made by K.A.K.L. Edirisinghe (L.S.)	5,566,605

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

29 ASSETS PLEDGED AS COLLATERALS

Assets Pledged As Collaterals by the Company

The following assets of the Company have been pledged as collaterals for overdraft facilities and loans obtained by the Company to the respective financial institutions concerned.

Name of the Financial Institution	Nature of the Facility	Facility Granted Rs.	Securities Pledged	Balance as at Reporting Date of 31-03- 2025 Rs.
Nations Trust Bank PLC	Term Loan I	6,674,000	Primary Mortgage Bond for Rs.272,000,000 over land and buildings at No.362, Colombo Road, Ratnapura, depicted as Lot No01 in Plan No1220 dated 10.01.2015 made by K.A.K.L. Edirisinghe (L.S.)	6,260,604
Nations Trust Bank PLC	Term Loan II	131,625,331	Primary Mortgage Bond for Rs.272,000,000 over land and buildings at No.362, Colombo oad, Ratnapura, depicted as Lot No.01 in Plan No.1220 dated 10.01.2015 made by K.A.K.L.Edirisinghe (L.S.)	87,704,562
Nations Trust Bank PLC	Term Loan III	50,000,000	Primary Mortgage Bond for Rs.272,000,000 over land and buildings at No.362, Colombo Road, Ratnapura, depicted as Lot No.01 in Plan No.1220 dated 10.01.2015 made by K.A.K.L.Edirisinghe (L.S.)	13,540,432
Nations Trust Bank PLC	Bank Overdraft Facility	15,000,000	Primary Mortgage Bond for Rupees 63,000,000 over property Depicted as Lot 1 and 2 in dated 31-July-2019 prepared by Mr. K.A.K .L Edirisinghe	20,963,197

30 FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

30.1 ACCOUNTING CLASSIFICATIONS & FAIR VALUES

Financial Instruments are measured on an ongoing basis either at Fair Value or Amortized Cost. The summary of material accounting policies describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognized.

The following methods and assumptions were used to estimate the fair values:

Cash & Cash Equivalents, Short Term Deposits, Trade and Other Receivables, Trade and Other Payables approximate their carrying amounts largely due to the short term maturities of these instruments.

Long Term Loans and Leases approximate their carrying amount.

Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques.

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

30.2 Fair Value VS Carrying Amounts

Classification as at 31st March, 2025

Financial Assets	Financial Assets Recognized Through Profit or Loss (FVTPL) Rs.	Financial Assets at Amortized Cost Rs.	Total Carrying Amount Rs.	Fair Value Rs.
Financial Investments	23,990	68,082,146	68,106,136	68,106,136
Cash & Cash Equivalents	-	70,833,785	70,833,785	70,833,785
Trade and Other Receivables	-	52,154,491	52,154,491	52,154,491
Total Financial Assets	23,990	191,070,422	191,094,412	191,094,412

Financial Liabilities	Financial Liabilities at Amortized Cost Rs.	Total Carrying Amount Rs.	Fair Value Rs.
Interest Bearing Borrowings	177,187,340	177,187,340	177,187,340
Finance Lease Liabilities	41,080,771	41,080,771	41,080,771
Trade & Other Payables	124,447,709	124,447,709	124,447,709
Bank Overdrafts	20,963,197	20,963,197	20,963,197
Total Financial Liabilities	363,679,016	363,679,016	363,679,016

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

31 ACCOUNTING CLASSIFICATIONS & FAIR VALUES

31.1 Fair Value VS Carrying Amounts

Classification as at 31st March 2024

Financial Assets	Financial Assets Recognized Through Profit or Loss (FVTPL) Rs.	Financial Assets at Amortized Cost Rs.	Total Carrying Amount Rs.	Fair Value Rs.
Financial Investments	27,235	13,902,268	13,929,503	27,235
Cash & Cash Equivalents	-	30,498,151	30,498,151	30,498,151
Trade and Other Receivables	-	53,952,925	-	-
Total Financial Assets	27,235	98,353,343	44,427,654	30,525,386

Financial Liabilities	Financial Liabilities at Amortized Cost Rs.	Total Carrying Amount Rs.	Fair Value Rs.
Interest Bearing Borrowings	214,034,534	214,034,534	214,034,534
Finance Lease Liabilities	44,594,355	44,594,355	44,594,355
Trade & Other Payables	71,640,835	71,640,835	71,640,835
Bank Overdrafts	21,379,965	21,379,965	21,379,965
Total Financial Liabilities	351,649,690	351,649,690	351,649,690

32 FINANCIAL INSTRUMENTS - FAIR VALUE

32.1 The following tables show an analysis of financial instruments at Fair Value & by levels of the Fair Value hierarchy.

As at 31st March 2025 Financial Assets Measured at Fair Value	Total Carrying Amount Rs.	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.	Fair Value Rs.
Investment in Quoted Equity Shares	23,990	23,990	-	-	23,990
	23,990	23,990	-	-	23,990
Financial Assets not Measured at Fair Value					
Investment in Fixed Deposits	68,082,146	-	68,082,146	-	68,082,146
Trade and Other Receivables	52,154,491	-	-	52,154,491	52,154,491
Cash and Cash Equivalents	70,833,785	-	-	70,833,785	70,833,785
	191,070,422	-	68,082,146	122,988,276	191,070,422
Total Financial Assets	191,094,412	23,990	68,082,146	122,988,276	191,094,412
Financial Liabilities not measured at Fair Value					
Interest Bearing Borrowings	177,187,340	-	177,187,340	-	177,187,340
Finance Lease Liability	41,080,771	-	41,080,771	-	41,080,771
Trade and Other Payables	124,447,709	-	-	124,447,709	124,447,709
Bank Overdraft	20,963,197	-	20,963,197	-	20,963,197
Total Financial Liabilities	363,679,016	-	239,231,307	124,447,709	363,679,016

As at 31st March 2024 Financial Assets measured at Fair Value	Total Carrying Amount Rs.	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.	Fair Value Rs.
Investment in Quoted Equity Shares	27,235	27,235	-	-	27,235
	27,235	27,235	-	-	27,235
Financial Assets					
Investment in Fixed Deposits	13,902,268	-	13,902,268	-	13,902,268
Trade and Other Receivables	53,952,925	-	-	53,952,925	53,952,925
Cash and Cash Equivalents	30,498,151	-	-	30,498,151	30,498,151
	84,451,076	-	13,902,268	84,451,076	84,451,076
Total Financial Assets	84,478,311	27,235	13,902,268	84,451,076	84,478,311
Financial Liabilities					
Interest Bearing Borrowings	214,034,534	-	214,034,534	-	214,034,534
Finance Lease Liability	44,594,355	-	44,594,355	-	44,594,355
Trade and Other Payables	71,640,835	-	-	71,640,835	71,640,835
Bank Overdraft	21,379,965	-	21,379,965	-	21,379,965
Total Financial Liabilities	351,649,690	-	280,008,854	71,640,835	351,649,690

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS - FAIR VALUE

32.2 Transfers Between Levels of Fair Value Hierarchy

There were no transfers between Level 1, Level 2 and Level 3 during the year.

32.3 Valuation Techniques and Significant Unobservable Inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable Input used.

Assets and Liabilities	Valuation Techniques	Significant Unobservable Input
Interest Bearing Borrowings	Discounted cash flows The valuation model considers the Present Value of the expected payments, discounted using a risk adjusted discount rate.	Current market interest rates
Lease Liabilities	Discounted cash flows The valuation model considers the Present Value of the expected payments, discounted using a risk adjusted discount rate.	Current market interest rates

33 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks arising from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk
- Operational Risk

This note represents information about the Company's exposure to each of above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

RISK MANAGEMENT FRAMEWORK

The Board of Directors has the overall responsibility for the establishment & oversight of the company's Risk Management Framework.

The Company's risk management policies are established to identify and analyze the risk faced by the Company, to set appropriate risk limits and controls, and monitor risks and adhere to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and company's activities.

The Company, through its training and management standards and procedures, aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit, Risk & Compliance Committee, oversees how management monitors compliance with the Company's risks, management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

The Audit, Risk & Compliance Committee is assisted in its role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of controls and procedures, the results of which are reported to the Audit, Risk & Compliance Committee. Further quantitative disclosures are included throughout these Company Financial Statements.

33.1 Credit Risk

Credit risk is the risk of financial loss to the Company if a client or counter party to a financial instrument fails to meet its contractual obligations and arises principally from the Company's Receivables from customers.

Trade and Other Receivables

The company is exposed to the credit risk mainly from its normal course of business in terms of individual characteristics of each customer. The Management has established credit policy under which each new corporate customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered.

Management of Credit Risk Include Following components

- Formulating credit policies in consultation with business units covering credit assessment, risk grading and reporting, documentary and legal procedures and compliance with regulatory and statutory requirements.
- Establishing the authorization structure for the approval.
- The carrying amount of financial assets represents the maximum credit exposure.

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

FINANCIAL INSTRUMENTS

34 RISK MANAGEMENT FRAMEWORK (Cont'd)

34.1 Investments

Investments of surplus fund are made only with approved counter parties and with in credit limits assigned to each counter party. The limits are set to minimize concentration of risks and therefore mitigate financial loss through potential counter party's failure.

Cash and Cash Equivalents

The Company held cash and cash equivalents of Rs.70,833,785 as at 31st March 2025 (2023/24 - Rs.30,498,151) which represents its maximum credit exposure on these assets.

Company as at 31.03.2025 Assets	Neither Past Due Nor Impaired Rs.	Past Due But not Impaired Rs.	Individually Impaired Rs.	Impairment Provision Rs.	Totals Rs.
Trade Debtors and Other Receivables	52,154,491	-	-	-	52,154,491
Cash & Cash Equivalents	70,833,785	-	-	-	70,833,785
Total Financial Assets	122,988,276	-	-	-	122,988,276

Company as at 31.03.2024 Assets	Neither Past Due Nor Impaired Rs.	Past Due But not Impaired Rs.	Individually Impaired Rs.	Impairment Provision Rs.	Totals Rs.
Trade Debtors and Other Receivables	53,952,925	-	-	-	53,952,925
Cash & Cash Equivalents	30,498,151	-	-	-	30,498,151
Total Financial Assets	84,451,076	-	-	-	84,451,076

Analysis of Concentration of Risk

The following table shows the risk concentration by sector for the components of the Statement of Financial Position.

Company as at 31.03.2025 Sector Wise Breakdown	Cash & Cash Equivalents Rs.	Other Financial Assets Rs.	Interest Bearing Borrowings Rs.	Other Financial Liabilities Rs.	Totals Rs.
Cooparate Institutions	59,371,254	68,082,146	177,187,340	-	304,640,739
Others	11,462,531	-	-	-	11,462,531
Total	70,833,785	68,082,146	177,187,340	-	316,103,270

34.2 Liquidity Risk

Liquidity risk is the risk that the Company will not have adequate financial resources to meet Company's obligations as and when they fall due. This risk arises from mismatches in the timing of cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdraft and bank loans. The Company assessed the concentration of risk with respect to refinancing its debts and concluded it to below. Access to source of funding is sufficiently available and debt maturing within 12 months can be rolled over with existing lenders.

RISK MANAGEMENT FRAMEWORK (Cont'd)

Exposure to Liquidity Risk - Maturity Analysis of Financial Assets

The table below summarizes the maturity profile of the Company's financial assets as at reporting dates based on contractual undiscounted payments.

Year Ended 31-03-2025 Assets	Carrying Amount Rs.	On Demand Rs.	Up to 1 Year Rs.	1 - 3 Years Rs.	3 - 5 Years Rs.	Over 5 Years Rs.
Cash & Cash Equivalents	70,833,785	70,833,785	-	-	-	-
Trade and Other Receivables	52,154,491	-	52,154,491	-	-	-
As at 31st March 2025	122,988,276	70,833,785	52,154,491	-	-	-

Year Ended 31-03-2024 Assets	Carrying Amount Rs.	On Demand Rs.	Up to 1 Year Rs.	1 - 3 Years Rs.	3 - 5 Years Rs.	Over 5 Years Rs.
Cash & Cash Equivalents	30,498,151	30,498,151	-	-	-	-
Trade and Other Receivables	53,952,925	-	53,952,925	-	-	-
As at 31st March 2024	84,451,076	30,498,151	53,952,925	-	-	-

Maturity Analysis of Financial Liabilities

The table below summarizes the maturity profile of the Company's financial liabilities as at reporting date based on contractual undiscounted payments.

Year Ended 31-03- 2025 Liabilities	Carrying Amount Rs.	On Demand Rs.	Up to 1 Year Rs.	Over 1 Year Rs.
Interest Bearing Borrowings	177,187,340	-	65,251,528	111,935,812
Leases Liability	41,080,771	-	21,225,176	19,855,595
Trade and Other Payables	124,447,709	-	124,447,709	-
Bank Overdrafts	20,963,197	20,963,197	-	-
As at 31st March 2025	363,679,016	20,963,197	210,924,412	131,791,407

Year Ended 31-03- 2024 Liabilities	Carrying Amount Rs.	On Demand Rs.	Up to 1 Year Rs.	Over 1 Year Rs.
Interest Bearing Borrowings	214,034,534	-	66,790,780	147,243,754
Trade and Other Payables	71,640,835	-	71,640,835	-
Leases Liability	44,594,355	-	17,706,915	26,887,440
Bank Overdrafts	21,379,965	21,379,965	-	-
As at 31st March 2024	351,649,690	21,379,965	156,138,530	174,131,194

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

34.2.1 CREDIT QUALITY OF FINANCIAL ASSETS

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to the extent of collaterals provided by counter parties:

Counterparties without external credit ratings	2024/25 (Rs.)	2023/24 (Rs.)
Counterparties without external credit ratings & Cash in hand	11,462,531	12,805,008
	11,462,531	12,805,008

Cash at bank and short-term bank deposits	Rating	2024/25 (Rs.)	2023/24 (Rs.)
Hatton National Bank PLC	AA- (lka)	2,123,664	337,094
Sampath Bank PLC	A+ (lka)	920,800	292,600
Bank of Ceylon	AA+ (lka)	10,381,069	6,545,135
Commercial Bank of Ceylon PLC	AA (lka)	265,695	1,795,897
Nations Trust Bank PLC (FD)	A (lka)	68,082,146	13,902,268
Nations Trust Bank PLC	A (lka)	38,923,544	7,858,537
National Development Bank PLC	A- (lka)	1,488,907	863,880
Counterparties without external credit rating		11,462,531	12,805,008
		133,648,356	44,400,419

RISK MANAGEMENT FRAMEWORK - (Cont'd)

34.3 Market Risk

Market Risk is that the Fair Value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risks: Interest Rate Risk, Currency Risk, Commodity Price Risk and Other Price Risks.

Financial Instruments affected by market risk include loans and borrowings, short term deposits.

The objective of market risk management is to manage control and control market risk exposure within acceptable parameters, while optimizing the return.

34.3.1 Management of Market Risk

All interest bearing borrowing rates are linked to AWPLR and SLIBOR. Hence, any movement will be in line with the market and have a corresponding impact.

34.3.2 Interest Rate Risk

Interest Rate is the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company mainly borrows in the short term to fund its working capital requirement which is linked and floating interest rates. For other funding needs the Company maintains a proper mix of fixed and floating interest rates based on the predictability of future cash flow.

34.3.4 Operational Risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the company's processes, personnel, technology and infrastructure, and from external factors other than credit, market and liquidity risks those arising from legal and regulatory requirements and generally accepted standards of corporate behavior. Operational risks arise from company's operations.

The Company's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the company's reputation with overall cost effectiveness and innovation. In all cases, Company policy requires compliance with all applicable legal and regulatory requirements.

Risk Management Committee is responsible for the development and implementation of controls to address operational risk. This responsibility is supported by the development of overall Company standards for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- information technology and cyber risks;
- ethical and business standards.

Singhe Hospitals PLC
NOTES TO THE FINANCIAL STATEMENTS

35 CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

Capital consists of Ordinary Shares, Retained Earnings and Revaluation Reserve of the Company.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payments to shareholders, retain capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March, 2024 and 31st March, 2025.

The Company's policy is to keep the gearing ratio between 25% and 40%.

The Company's net debts to adjusted equity ratio as at the reporting date were as follows.

	Notes	2024/25	2023/24	2022/23
		Rs.	Rs.	Rs.
Interest Bearing Borrowings	(19)	177,187,340	214,034,533	225,909,058
Other Financial Liabilities	(10.1)	41,080,771	44,594,355	33,775,783
Trade and Other Payables	(22)	124,447,709	71,640,835	95,122,656
Bank Overdrafts	(21)	20,963,197	21,379,965	34,797,921
Less : Cash & Cash Equivalents	(15)	(70,833,785)	(30,498,151)	(23,030,636)
Net Debts		292,845,231	321,151,537	366,574,782
Total Equity		912,463,741	798,557,855	473,613,329
Adjusted Net Debts to Adjusted Equity Ratio		32%	40%	77%

SUPPLEMENTARY STATEMENTS

Singhe Hospitals PLC

SHARE INFORMATION

Shareholding	Resiident			Non - Resident		
	Number of Shareholders	No. of Shares	%	Number of Shareholders	No. of Shares	%
1 - 1000	801	234,513	0.05%	1	200	0.00%
1001 - 10,000	396	1,790,541	0.42%	0	-	0.00%
10,001 - 100,000	168	5,770,608	1.34%	0	-	0.00%
100,001 - 1,000,000	42	12,521,752	2.90%	1	511,224	0.12%
Over 1,000,000	11	410,472,057	95.17%	0	-	0.00%
	1418	430,789,471	99.88%	2	514,424	0.12%

Categories of Shareholders

Categories of Shareholders	Number of Shareholders	No. of Shares
Individuals	1,379	431,027,257
Institutional	41	31,273,638
	1420	431,300,895

Public Shareholding

Public Shareholding	2024/25	2023/24
No of Share Holders	1415	1418
No of Share	57,168,396	57,168,396
	13.25%	13.25%

Investor Ratios

Investor Ratios	2024/25	2023/24
Earnings Per Share (Rs)	0.27	0.06
Net Assets Value Per Share (Rs)	2.12	1.85

Market Activities

Market Value Per Share

	2024/25			2023/24		
	Highest Traded Price	Lowest Traded Price	Last Traded Price	Highest Traded Price	Lowest Traded Price	Last Traded Price
Voting Shares (Rs)	3.20	2.00	2.80	2.80	2.10	2.30
Date	28-01-2025	16-05-2024	28-03-2025	11-07-2023	18-03-2024	28-03-2024

Market Capitalization

Float adjusted Market Capitalization

	2024/25	2023/24
Market Capitalization	1,207,642,506	991,992,059
Float Adjusted Market Capitalization	160,071,560	131,487,311

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Singhe Hospitals PLC

MAJOR SHAREHOLDINGS

	Name of the Shareholder	Country of Residence	As at 31st March 2025	%	As at 31st March 2024	%
01	Mr. A. M. Weerasinghe	Sri Lanka	372,697,415	86.41%	372,697,415	86.41%
02	Hatton National Bank PLC/Almas Holdings (PVT) LTD	Sri Lanka	15,635,239	3.63%	14,831,860	3.44%
03	DFCC Bank PLC/G.A.C De Silva	Sri Lanka	9,147,534	2.12%	5,480,000	1.27%
04	Mr.A.S. Jayasinghe	Sri Lanka	2,389,998	0.55%	2,133,599	0.49%
05	Mr. A.M.C.S Atapattu	Sri Lanka	1,999,243	0.46%	4,406,379	1.02%
06	Assetline Finance Limited/M. S. Hiripitiya	Sri Lanka	1,631,248	0.38%	1,631,248	0.38%
07	Mr. W.A.S.P. De Saram	Sri Lanka	1,610,279	0.37%	-	-
08	Mr. N.S. Niles	Sri Lanka	1,564,000	0.36%	-	-
09	Mr. K. K. D. P. A. P. Weligepola	Sri Lanka	1,497,101	0.35%	1,497,101	0.35%
10	Mr. W.A.S.P. De Saram	Sri Lanka	-	-	1,378,759	0.32%
11	Sampath Bank PLC/A. P. Lasantha Fernando	Sri Lanka	1,200,000	0.28%	1,100,000	0.26%
12	Mr. U.B.H.J. Kithsiri	Sri Lanka	1,100,000	0.26%	1,100,000	0.26%
13	Senkadagala Finance PLC/Mr. S. Gobinath	Sri Lanka	1,000,000	0.23%	1,000,000	0.23%
14	Techtron Intergrated Solutions (PVT) LTD	Sri Lanka	893,430	0.21%	893,430	0.21%
15	Mr. G.P.D.M. Pathiraja	Sri Lanka	814,711	0.19%	808,151	0.19%
16	Mr. D.F.H.K. Perera	Sri Lanka	539,906	0.13%	539,896	0.13%
17	Mr. P.R. De Silva	Sri Lanka	536,660	0.12%	528,256	0.12%
18	Dr. W.K.D.J. Kumara	Sri Lanka	518,630	0.12%	-	-
19	Dr. G.S. Perera	Sri Lanka	511,224	0.12%	511,224	0.12%
20	Mr. K. B. Kannangara	Sri Lanka	500,000	0.12%	500,000	0.12%
21	Hatton National Bank PLC/Almas Capital (PVT) LTD	Sri Lanka	429,001	0.10%	-	-
22	Dialog Finance PLC/M.M.S. Asela	Sri Lanka	-	-	487,674	0.11%
23	Hatton National Bank PLC/Ravindra Erle Rambukwelle	Sri Lanka	-	-	480,000	0.11%
24	Mr. L. E. Liyanage	Sri Lanka	-	-	436,000	0.10%
	Total		416,215,619	96.51%	412,440,992	95.64%

SUPPLEMENTARY STATEMENTS

Singhe Hospitals PLC

TEN YEAR SUMMARY

Rs' 000	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
OPERATING RESULTS	1,506,668	1,272,305	1,071,706	1,001,699	700,337	671,631	595,107	488,314	405,367	297,636
Turnover	3,820	1,830	1,790	687	173	2,020	35,217	3,880	4,387	7,524
Other Income	146,970	32,486	15,947	14,143	5,801	(18,846)	17,518	(66,003	(74,340)	(66,346)
Profit/(Loss) Before Tax	(30,791)	(7,857)	(28,673)	2,269	(3,502)	13,096	(29,392)	)16,957	(3,610)	(7,688)
Income Tax	116,178	24,628	(12,726)	16,413	2,299	(5,750	(11,873)	(49,046)	(77,951)	(74,035)
Profit/(Loss) After Tax	1,200,286	1,186,947	790,981	815,419	803,304	824,633	787,089	791,290	844,343	802,340
BALANCE SHEET										
Assets										
Total Fixed Assets	104,081	64,882	110,358	84,950	67,886	48,596	39,368	35,479	36,023	28,966
Inventories	120,260	67,882	56,823	39,865	53,034	46,291	32,477	26,062	43,300	26,692
Receivables	70,834	30,498	23,031	12,379	27,809	15,268	22,182	21,219	16,743	104,879
Cash & Cash Equivalents	1,495,461	1,350,209	981,193	952,613	952,033	934,789	881,116	874,050	940,409	962,877
Equity & Liabilities										
Share Capital	375,000	375,000	375,000	375,000	375,000	375,000	914,352	848,201	848,201	848,20
Reserves	537,464	423,557	98,613	119,366	101,511	97,846	(434,021	(422,634	(364,017)	(325,427)
Interest Bearing Borrowings	177,187	214,035	225,909	235,027	241,764	193,325	225,507	295,886	279,132	301,390
Payables	384,847	316,237	246,873	172,500	162,999	182,051	116,676	88,331	96,314	82,677
Overdraft	20,963	21,380	34,798	50,719	70,759	86,567	59,602	64,266	80,779	56,036
	1,495,461	1,350,209	981,193	952,613	952,033	934,789	881,116	874,050	940,409	962,877

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Singhe Hospitals PLC

NOTICE OF MEETING

Notice is hereby given that the 11th Annual General Meeting of the Shareholders of Singhe Hospitals PLC, will be held at Singhe Hospitals PLC, No. 362, Colombo Road, Ratnapura. on 28th June 2025 at 10.30 a.m.

The business to be brought forward before the meeting will be:

1. To receive and consider the Annual Report of the Directors and the Statement of Accounts for the year ended 31st March 2025 with the Report of the Auditors thereon. (Resolution 1)

2. To re-elect Mr. A.M.A. Cader, who retires by rotation under Article 82 of the Articles of Association and being eligible offers himself for re-election. (Resolution 2)

3. To re-elect Mr. U.B.H.Jayalath Kithsiri, who retires by rotation under Article 82 of the Articles of Association and being eligible offers himself for re-election. (Resolution 3)

4. To re-elect Dr. Aruna Jayakody, who retires by rotation under Article 82 of the Articles of Association and being eligible offers himself for re-election. (Resolution 4)

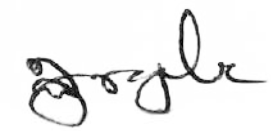
5. To elect Dr. P.D.S. Obeysekera, who was appointed since the last Annual General Meeting, in terms of Article No.89 of the Articles of Association. (Resolution 5)

6. To pass the ordinary resolution set out below to appoint Mr. H.M.A.B. Weerasekara, who is more than 73 years of age, as a Director of the Company in terms of Section 211 of Companies Act No.7 of 2007:
   "IT IS HEREBY RESOLVED THAT the age limit stipulated in Section 210 of the Companies Act No.7 of 2007 shall not apply to Mr. H.M.A.B. Weerasekara, who is more than 73 years of age and that he be and is hereby appointed a Director of the Company in terms of Section 211 of the Companies Act No.7 of 2007." (Resolution 6)

7. To re-appoint M/s B R De Silva & Company, Chartered Accountants, the retiring Auditors who have expressed their willingness to continue in office as Company's Auditors, until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to determine their remuneration. (Resolution 7)

8. To authorize the Directors to determine donations for the year 2025/2026. (Resolution 8)

BY ORDER OF THE BOARD
NEXIA CORPORATE CONSULTANTS (PVT) LTD



SECRETARIES

3rd June, 2025

1. A shareholder entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him/her.
2. A proxy need not be a shareholder of the Company.
3. A form of proxy accompanies this notice.

Supplementary Statements

Form of Attendance

I hereby record my presence at the Annual General Meeting of Singhe Hospitals PLC, No 362, Colombo Road, Ratnapura on 28th June, 2025 at 10.30 a.m.

Full Name of Shareholder : .....

National Identity Card

No. of Shareholder : .....

Address of Shareholder : .....

: .....

: .....

Name of Proxy Holder : .....

(If applicable) : .....

National Identity Card

No. of Proxy Holder : .....

Address of Proxy Holder : .....

No of Shares Held : .....

Share Certificate No. : .....

Signature of Shareholder : .....

Date : .....

Note

Shareholders are requested to:

1. Bring the Form of Attendance when attending the Meeting and hand it over at the entrance to the meeting hall. Bring the National Identity Card or Passport.

2. Shareholders appointing persons (other than Directors of the Company) to attend the Meeting are requested to indicate the number of the National Identity Card of the Proxy Holder on the Form of Proxy and request the Proxy Holder to bring with them their National Identity Card or Passport.

Supplementary Statements

Form of Proxy

I/ We .....

.....

..... of .....

..... being a

shareholder / shareholders of Singhe Hospitals PLC. hereby appoint

Mr. A. M. Weerasinghe	or failing him
Mr. Navinda Weerasinghe	or failing him
Mr. Lakshika Weerasinghe	or failing him
Mr. U. B. H. Jayalath Kithsiri	or failing him
Mr. H. M. A. B. Weerasekara	or failing him
Mr. A. M. A. Cader	or failing him
Mr. Piyumal Weerasinghe	or failing him
Dr. Aruna Jayakody	or failing him
Mr. Chaaminda Kumarasiri	or failing him
Dr. P. D. S. Obeysekara	or failing him

Mr./Mrs./Miss .....

.....

..... of .....

as my/our proxy to attend (and vote for me/us) on my/our behalf at the Annual General Meeting of the Company to be held on 28th June 2025 at 10.30 a.m. and at any adjournment there of.

Resolutions	For	Against
1. To receive the Statement of Accounts for the year ended 31st March 2025		
2. To re-elect Mr. A.M.A. Cader, who retires by rotation		
3. To re-elect Mr. V. B. H. Jayalath Kithsiri, who retires by rotation		
4. To re-elect Dr. Aruna Jayakodi, who retires by rotation		
5. To elect Dr. P. D. S. Obeysekara		
6. To appoint Mr. H.M.A.B. Weerasekara in terms of Section 211of Companies Act No.7 of 2007		
7. To re-appoint the Auditors		
8. To authorized Directors to determine donations		

Signed on This ..... day of .....

2025

.....

Signature

INSTRUCTIONS TO COMPLETE THE FORM OF PROXY

1. A shareholder entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of him/her.

2. Kindly perfect the Form of Proxy after filling legibly your full name and address by signing in the space provided and dating same.

3. If the Proxy Form is signed by an Attorney, the relative power of Attorney should also accompany the completed Form of Proxy, if it has not already been registered with the Company.

4. The complete Proxy Form should be deposited at the Registered Office of the Company at No. 362, Colombo Road, Ratnapura (not less than 48 hours before the time appointed for the holding of the meeting).

Supplementary Statements

Corporate Information

NAME OF THE COMPANY
Singhe Hospitals PLC

LEGAL FORM
A quoted public company with limited liability incorporated in Sri Lanka under the companies act no 07 of 2007.

Company Registration Number
PB 70371 PQ

STOCKS EXCHANGE LISTING
The company ordinary share are listed on the Colombo Stock Exchange of Sri Lanka.

REGISTERED OFFICE
No 362, Colombo Road, Ratnapura.
Tel : 045 7 555 555
Email : info@singhehospitals.com
Web : singhehospital.com

DIRECTORS OF THE COMPANY
Mr. A. M. Weerasinghe
Chairman
Mr. Navinda Weerasinghe
Managing Director
Mr. Lakshika Weerasinghe
Director
Mr. H. M. A. B. Weerasekara
Non Independent Non Executive Director
Mr. U. B. H. Jayalath Kithsiri
Non Independent Non Executive Director
Mr. A. M. A. Cader
Non Independent Non Executive Director
Mr. Chaaminda Kumarasiri
Independent Non Executive Director
Mr. Piyumal Weerasinghe
Non Independent Non Executive Director
Dr. Aruna Jayakody
Independent Non Executive Director
Dr. P.D.S. Obesekara
Independent Non Executive Director
(Appointed on 30 December 2024)

BANKERS
Bank of Ceylon
Hatton National Bank PLC
Commercial Bank of Ceylon PLC
Sampath Bank PLC
Nations Trust Bank PLC
National Development Bank PLC

AUDITORS
Messers BR De Silva & Co.
Chartered Accountants
No 22/4, Vijaya Kumarathunga Mawatha,
Colombo 05.
Tel : 0112 513421
Email : brds@eureka.lk

SECRETARIES
Nexia Corporate Consultants (Pvt) Ltd
No. 130, Level 02, Nawala Road,
Narahenpita.
Tel : 0112 368154
Email : nexia@eureka.lk

REGISTRARS
SSP Corporate Services (Pvt) Ltd
546, Galle Road, Colombo 03.
Tel : 0112 573485
Email : kishank@sltnet.lk

NOTES

Singhe Hospitals PLC
362, Colombo Road, Ratnapura.
info@singhehospitals.com
Tel : 045 7 555 555