ASIRI HEALTH
LIVE MORE
A Softlogic Group Company

NURTURING A LIFE WITHOUT LIMITS

ASIRI HOSPITAL HOLDINGS PLC

ANNUAL REPORT 2025/26

NURTURING A LIFE WITHOUT LIMITS

The understanding that health is the freedom to live fully, move freely and pursue that which makes life meaningful, is what shapes us at Asiri Hospital Holdings. Our vision extends beyond treatment: we aim to build lives that are stronger, longer, and richer in possibility. Every decision we make, every technology we invest in, and every professional that we empower is guided by a singular purpose: to help the people who walk through our doors to thrive.

This year, we advanced our purpose across our network by deepening our commitment to preventative care, early intervention, and holistic wellbeing.

Trust begins before diagnosis; it begins with the knowledge that you have a partner in your health who is as invested in your future as you are. That partnership is what Sri Lankan families have counted on us for; it is the certainty that at Asiri Hospital Holdings, they will always be met with dignity, compassion, and care that prioritises true wellbeing. We are building toward a future where that care reaches further, moves faster, and delivers more access, more innovation, more moments of restored confidence and more opportunities to live a full life.

This is the success that we measure, and ours is the assurance we provide towards nurturing a life without limits.

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https://asirihealth.com/

This Annual Report presents Asiri Hospital Holdings PLC's operational and financial performance for the year, reflecting the Group's commitment to clinical excellence, patient care, and its position as Sri Lanka's most trusted private healthcare provider.

It offers stakeholders insight into the Group's governance and value creation across its six accredited hospitals, island-wide laboratory network, and the newly launched Asiri Academy of Health Sciences along with key developments in infrastructure, technology, and clinical capabilities, financial results and future outlook.

Prepared in line with applicable regulatory and reporting requirements, this Annual Report aims to provide a transparent, balanced, and forward-looking view of Asiri Health's journey — reaffirming the Group's enduring dedication to quality, safety, and the wellbeing of the communities it serves.

ABOUT US

VISION

To be a leading healthcare provider in South Asia with highest quality of clinical standards

MISSION

To care for and improve the quality of human life, through the provision of ethical healthcare solutions together with cutting-edge technology

VALUES

CARE
Caring with a human touch

CARING FOR SOCIETY
Caring for our employees

INNOVATION
Innovation and forward-focus

RESPECT
Respect for all stakeholder

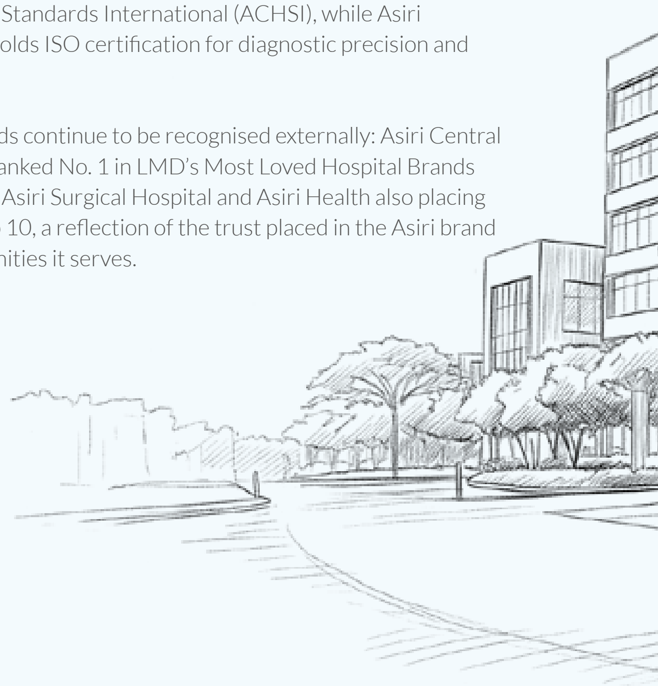
Asiri Hospital Holdings PLC ("Asiri Health") is Sri Lanka's largest and most advanced private healthcare provider. Since our founding in 1986, the Group has grown into a leading force within the nation's healthcare sector, today operating six internationally accredited hospitals alongside the country's largest private laboratory network.

Building on this legacy, the Group has extended its portfolio through the launch of the Asiri Academy of Health Sciences, delivering world-class healthcare education to students across Sri Lanka and the wider region. This evolution reflects our enduring commitment to quality, safety, and clinical excellence, underpinned by sustained investment in infrastructure and technology that has kept Asiri at the forefront of medical innovation in Sri Lanka.

Our continued success is driven by a team of highly skilled and dedicated healthcare professionals who embody the Group's patient-first ethos. Looking ahead, Asiri remains focused on addressing the evolving healthcare needs of the communities we serve, while upholding our position as the most trusted name in private healthcare across the island.

Excellence in Every Dimension
Excellence defines every aspect of our operations. All Group hospitals meet global accreditation standards set by the Joint Commission International (JCI) and the Australian Council on Healthcare Standards International (ACHSI), while Asiri Laboratories holds ISO certification for diagnostic precision and reliability.

These standards continue to be recognised externally: Asiri Central Hospital was ranked No. 1 in LMD's Most Loved Hospital Brands for 2025, with Asiri Surgical Hospital and Asiri Health also placing among the Top 10, a reflection of the trust placed in the Asiri brand by the communities it serves.



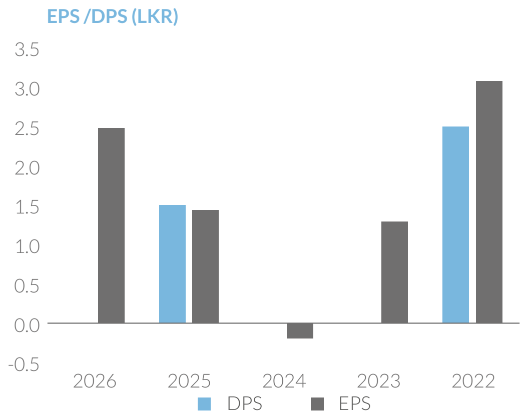
1.2Mn+
Patient Visits

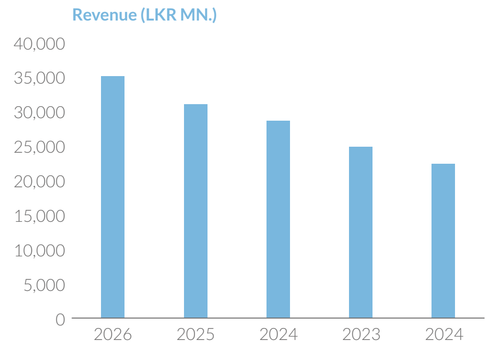
6.5Mn+
Lab Tests

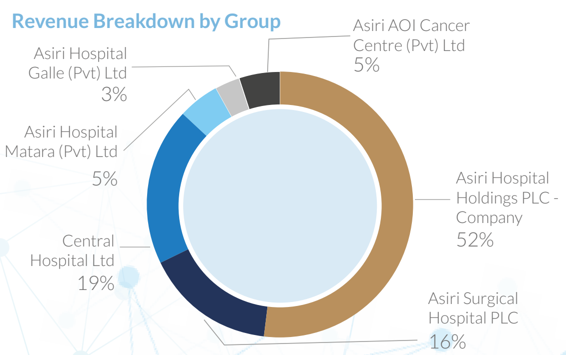
800+
Number of Beds

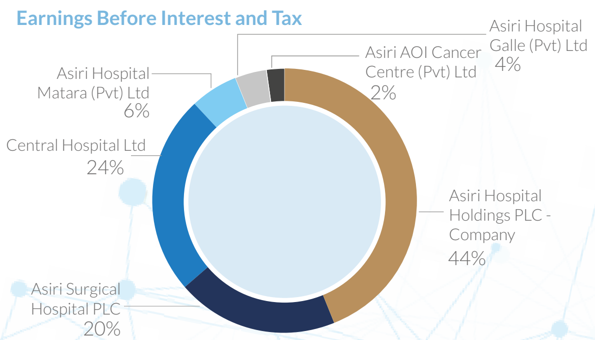
GROUP OVER VIEW

Group	2025/26	2024/25	2023/24	2022/23	2021/22
Financial Performance (LKR MN.)					
Revenue	**35,057**	31,022	28,571	24,786	22,324
Operating Profit	**5,456**	4,220	2,903	5,750	5,634
Pre-Tax Profit	**5,402**	3,652	1,133	3,195	4,772
Tax Reversal/(Expense)	**(2,342)**	(1,826)	(1,250)	(1,496)	(969)
Net Profit	**3,060**	1,826	(117)	1,699	3,803
Financial Position (LKR MN.)					
Total Assets	**60,196**	54,811	49,313	50,285	39,243
Borrowings	**17,247**	18,763	17,779	21,292	16,505
Shareholder's Funds	**23,736**	19,665	18,594	17,717	14,653
Information per Ordinary Share (LKR)					
Earnings Per Share (EPS)	**2.44**	1.44	(0.19)	1.29	3.08
Dividend Per Share (DPS)	**-**	1.50	-	-	2.50
Market Price Per Share	**30.70**	25.80	25.00	24.90	37.50
Net Assets Value Per share	**20.87**	17.28	16.35	15.58	12.88









GROUP CERTIFICATIONS AND ACCREDITATIONS

HOSPITALS	Accreditation	Asiri Central Hospitals	Asiri Surgical Hospital	Asiri Medical Hospital	Asiri Hospital Kandy	Asiri Hospital Galle	Asiri Hospital Matara
	Joint Commission International (JCI) Accreditation the gold standard in global healthcare, JCI is widely accepted to be the author and evaluator of the most rigorous international standards in patient safety and quality.	✓					
	Australian Council on Healthcare Standards International (ACHSI)		✓	✓	✓	✓	✓
	ISO 22000:2018 - Food Safety Management System Certification	✓	✓	✓	✓	Y	✓
ASIRI LABORATORIES							
Accredited							

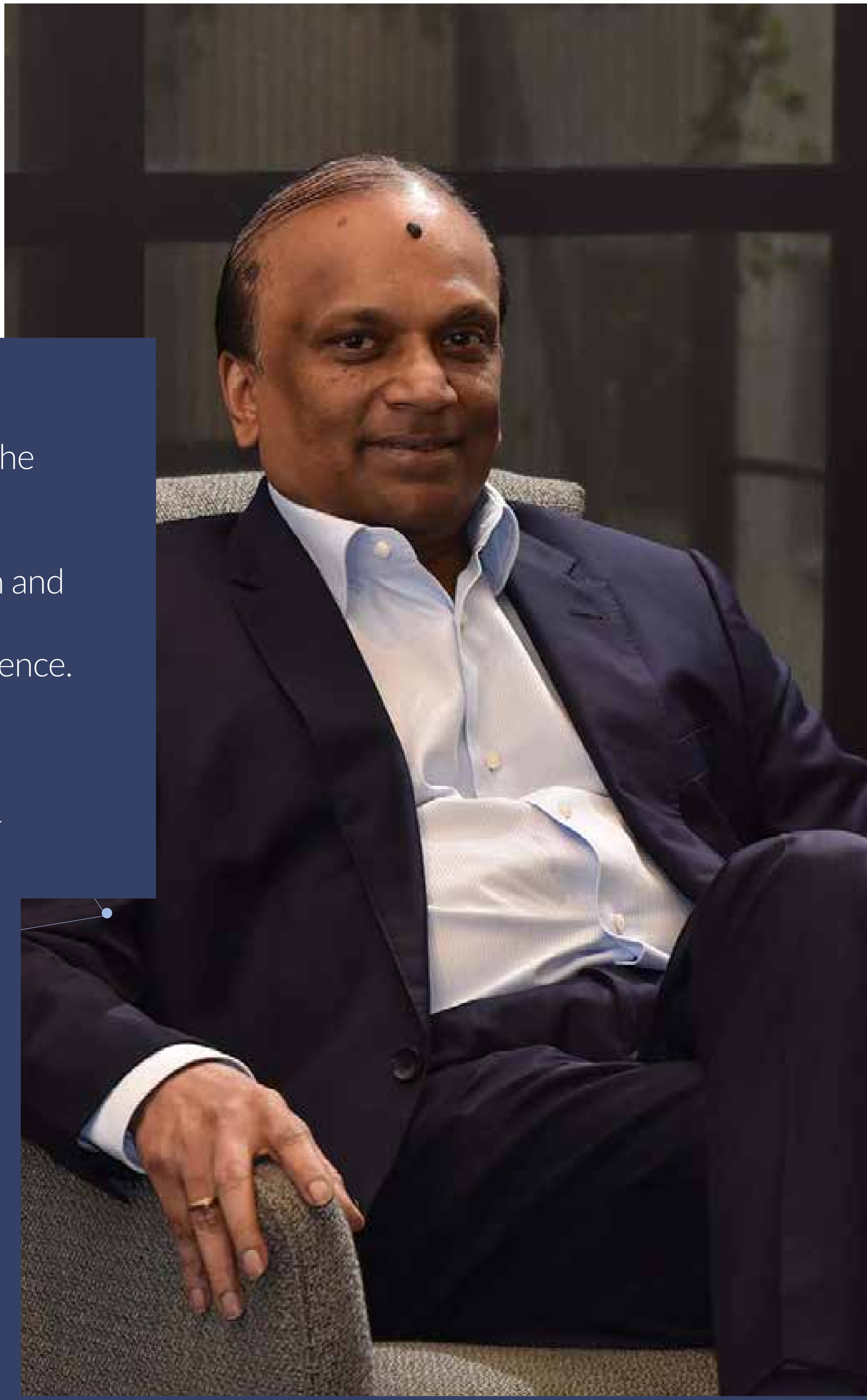
✓- Accredited

Y - In progress

EXECUTIVE REVIEW/ MANAGEMENT DISCUSSION AND ANALYSIS

At Asiri Hospital Holdings, progress is measured not only in numbers, but in lives touched and trust earned. Our leaders look beyond performance to purpose, translating strategy into outcomes that matter, for our patients, our people and the communities we serve. Through clear thinking and honest reflection, we continue to build a healthcare Group that grows stronger, serves wider and cares deeper.

CHAIRMAN'S MESSAGE



Together, we remain committed to shaping the future of healthcare in Sri Lanka through innovation, compassion and an unwavering pursuit of clinical excellence.

Ashok Pathirage
Chairman / Managing Director

Dear Shareholder,

It is my privilege to present the Annual Report of Asiri Hospital Holdings PLC for the financial year ended 31st March 2026. The year under review demonstrated the gradual recovery of Sri Lanka's economy and the enduring strength of the healthcare sector. While an improving macroeconomic environment created new opportunities for growth during the period under consideration, it also presented challenges that demanded disciplined execution, prudent financial management and an unwavering commitment to delivering quality healthcare. The devastation caused by Cyclone Ditwah presented unprecedented challenges for the nation and the healthcare sector alike. Nevertheless, Asiri Health continued to deliver uninterrupted healthcare services while maintaining its growth trajectory and advancing its strategic priorities.

Asiri Hospital Holdings PLC prioritised advancing clinical excellence, investing in innovative technologies, expanding specialised healthcare services and developing the capabilities required to meet the nation's evolving healthcare needs. Notwithstanding the challenging cost environment, we continued to deliver sustainable growth while laying the foundation for the next phase of our journey.

The Sri Lankan economy continued to stabilise during the financial year, supported by ongoing economic reforms, greater fiscal discipline and improving investor confidence. Inflation moderated significantly compared to previous years, interest rates continued to ease and tourism recorded further growth, contributing positively to foreign exchange earnings and broader economic activity.

Nevertheless, the operating environment remained far from straightforward. Exchange rate volatility during the third quarter, together with the depreciation of the Sri Lankan Rupee, increased the cost of imported pharmaceuticals, medical consumables and sophisticated healthcare equipment. Utility costs and other operating expenses also remained elevated, placing considerable pressure on healthcare providers whose ability to transfer rising costs to patients remains limited.

Despite these challenges, the Group maintained its disciplined approach to financial management while continuing to invest in critical infrastructure, clinical capability and patient care. Operational efficiencies, prudent capital allocation and the dedication of our people assisted in delivering another year of strong performance, achieving revenue of Rs. 35 billion, EBITDA of Rs. 7.5 billion and profit after tax of Rs. 3.1 billion. These results reaffirm the capacity of our business model to generate sustainable value even during periods of economic uncertainty.

Healthcare is entering one of the most transformative periods in its history. Advances in digital technologies, artificial intelligence, precision medicine and minimally invasive procedures are redefining how healthcare is delivered around the world. At Asiri, we have always believed that remaining at the forefront of innovation is essential to delivering better patient outcomes and strengthening Sri Lanka's healthcare ecosystem. One of the defining achievements of the year was the successful introduction of Sri Lanka's first robotic surgery programme. This landmark reflects years of investment in clinical capability, specialist training, governance and multidisciplinary collaboration, positioning Asiri at the forefront of next-generation surgical care in the country. More importantly, it opens a new chapter in minimally invasive surgery, enabling patients to benefit from greater surgical precision, faster recovery and improved clinical outcomes while creating opportunities to build national expertise in robotic surgery.

During the year, we also continued to strengthen our capabilities in highly specialised tertiary and quaternary care through investments in transplant medicine, advanced cardiovascular services, neurosciences, oncology and diagnostic medicine. These investments reinforce our long-standing commitment to ensuring that Sri Lankans have access to world-class healthcare within their own country while reducing the need to seek increasingly complex treatment overseas.

Rs. 35 Bn
Revenue

Rs. 60 Bn
Total Assets

Equally encouraging has been the continued progress made in expanding access to advanced healthcare beyond Colombo. Our regional hospitals continue to evolve into centres capable of delivering increasingly specialised care, improving healthcare accessibility while supporting the broader national objective of strengthening regional healthcare delivery.

Private healthcare has an increasingly important role to play in supporting Sri Lanka's long-term economic and social development. Medical tourism represents one of the country's most promising growth opportunities.

CHAIRMAN'S MESSAGE

As global demand for high-quality, affordable healthcare continues to rise, Sri Lanka is well positioned to emerge as a regional healthcare destination in the US$3 billion global medical tourism industry, supported by its highly skilled medical professionals, internationally accredited hospitals and competitive cost advantage. Asiri has begun laying the foundation for this opportunity by strengthening its capabilities to serve international patients and developing services aligned with the evolving needs of regional healthcare markets. We believe that the continued development of medical tourism will not only generate valuable foreign exchange earnings but also create wider economic benefits for the country while further elevating Sri Lanka's reputation as a destination for world-class healthcare.

At the same time, we remain committed to supporting national healthcare priorities through investment in education, workforce development, preventive healthcare, community outreach and strategic collaborations that strengthen the overall healthcare ecosystem.

Healthcare is an industry defined by long-term investment. Our strategy therefore extends well beyond immediate performance and focuses on building capabilities that will create lasting value for future generations.

Among the most significant initiatives planned for the coming years is the development of a purpose-built standalone oncology hospital. This landmark project will significantly expand our ability to provide comprehensive cancer care under one roof, bringing together advanced diagnostics, medical oncology, radiation therapy, surgical oncology and supportive care within an integrated environment. The facility is expected to be completed during Q2 2029 and represents another important milestone in Asiri's long-term vision of advancing specialised healthcare in Sri Lanka.

The sustainability of our business is built upon the trust placed in us by our patients, the professionalism of our people and our commitment to ethical governance. We continued to strengthen our governance framework, invest in our people, maintain internationally recognised quality standards and improve environmental performance across the Group. We firmly believe that responsible corporate leadership, clinical excellence and sustainable growth are mutually reinforcing and together provide the strongest foundation for long-term success.

The achievements of this year reflect the dedication and professionalism of our consultants, nurses, allied health professionals, administrative teams and every member of the Asiri family. Their unwavering commitment to excellence continues to define who we are and the trust our patients place in us every day.

I also extend my sincere appreciation to my fellow Directors for their guidance, to our management team for their leadership, and to our regulators, business partners, suppliers and financial institutions for their continued support.

Finally, I thank our shareholders for their confidence in our vision and their continued trust in Asiri Hospital Holdings PLC.

Together, we remain committed to shaping the future of healthcare in Sri Lanka through innovation, compassion and an unwavering pursuit of clinical excellence.

Ashok Pathirage
Chairman / Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

ASIRI CENTRAL HOSPITAL

In 2025/26, Asiri Central Hospital expanded its advanced clinical services, invested in specialised infrastructure and introduced new disciplines. The focus during the year was on strengthening operational efficiency and expanding access to highly specialised treatments. Strategic investments in clinical infrastructure, operating theatre capacity, critical care services and advanced diagnostic technology enhanced the hospital's ability to manage increasingly complex cases while maintaining the highest standards of patient safety, quality and clinical governance.

A key milestone was the establishment of the Asiri Liver Transplant Centre. As part of this initiative, a dedicated Liver Transplant Unit was set up, providing specialised post-operative care for both transplant recipients and donors. This purpose-built facility enables intensive monitoring and multidisciplinary management, improving clinical outcomes while supporting the successful introduction of liver transplantation as a new surgical service.

The Centres of Excellence continued to deliver highly specialised care across multiple disciplines, including the Asiri Heart Centre, Brain & Spine Centre, Stroke Centre, Bone Marrow Transplant Centre, Kidney Transplant Centre, Liver Transplant Centre and the Centre for Interventional Radiology.

During the year, the Kidney Transplant Centre completed more than 200 transplant surgeries since its inception, while the Asiri Heart Centre celebrated a decade of clinical excellence alongside the successful completion of its first 100 paediatric heart surgeries.

Asiri Central Hospital maintained its commitment to internationally recognised standards of healthcare quality, completing its fourth cycle of Joint Commission International (JCI) reaccreditation, reaffirming its commitment to patient safety and clinical excellence. The hospital also retained ISO 15189 accreditation for its laboratory services and ISO 22000:2018 certification for food safety, while serving as an accredited provider of Gulf Cooperation Council (GCC) visa medical examinations.

The formal introduction of Emergency Physician–led clinical leadership in the A&E department as a patient safety and quality improvement innovation was discussed and implemented in the last quarter of the year following multiple sessions of brain storming sessions and discussions with the resident consultants. This initiative has resulted in better outcomes for the patients, enhancement of skills of ER team and implementation of best practices under the guidance of a team of 6 consultant specialists in Emergency Medicine. The model focuses on early senior decision-making, system coordination, risk mitigation, and clinical governance, aligned with international best practices and national standards adapted to the Sri Lankan private healthcare context. This initiative leads to the strategic rationale, operational model, governance framework, risk mitigation benefits, financial implications, and measurable outcomes, providing Asiri Hospitals with a scalable and future-ready emergency care leadership structure which is already commenced in some of the other hospitals in Asiri Health.

Strategic collaborations strengthened service delivery capabilities through corporate wellness partnerships, referral arrangements with hospitals for advanced cardiac, radiology and complex surgical services, collaborative laboratory services with government healthcare institutions and continued partnership with the National Insurance Trust Fund as well as the Suraksha insurance scheme for children for paediatric heart surgeries.

Centralising both Asiri Amazing Care and Home Care Services Group has enabled the ongoing restructuring and strengthening of out-of-hospital care in response to growing demand for home nursing, domiciliary medical services, bedside patient assistance and community healthcare. The hospital's ambulance network provides reliable emergency and non-emergency patient transport across the island, supported by highly trained clinical teams and an extensive hospital network.

Neurophysiology services were introduced during the year with the appointment of specialist Neurophysiologists, further strengthening diagnostic capabilities within neurosciences. Responding to growing demand for rehabilitative care, hydrotherapy services were recommenced for patients recovering from neurological, orthopaedic and musculoskeletal conditions, improving functional outcomes and continuity of care.

A key focus during the year was the continued enhancement of the hospital's 24-hour Accident and Emergency service. With round-the-clock Emergency Physician coverage and integrated access to critical care, radiology, laboratory and operating theatre services, the hospital further strengthened its ability to respond effectively to a wide range of acute medical and surgical emergencies. These capabilities were particularly important in managing road traffic accidents and medical and surgical emergencies involving tourists.

MANAGEMENT DISCUSSION AND ANALYSIS

ASIRI SURGICAL HOSPITAL

During the year under review, Asiri Surgical Hospital demonstrated strong operational growth centred on strengthening key specialties, increasing clinical activity, improving utilisation of hospital infrastructure and developing more integrated patient pathways.

One of the most important developments during the year was the establishment of Sri Lanka's first robotic surgery programme supported by infrastructure development, theatre readiness, clinical governance, credentialing and multidisciplinary training for consultant surgeons, anaesthetists, nursing teams and other clinical staff, creating the foundation required to expand robotic surgery across several surgical disciplines. The programme represents an important step in the hospital's progression towards advanced minimally invasive surgery.

Foreign patient activity continued to increase during the year. The growing number of international and referred patients is an important indication of the confidence placed in the hospital's clinical expertise, technology, standards of care and ability to manage specialised treatment. With the expansion of robotic surgery, transplantation, cardiac interventions, oncology and minimally invasive surgery, international patient services and medical tourism will remain an important area of development.

The Liver Transplant Programme was another significant achievement during the year. The service was established in collaboration with an internationally recognised transplant team.

A dedicated Hair Transplant Unit was established through an international collaboration, further extending the hospital's specialised service portfolio and providing a new avenue for growth in aesthetic and reconstructive services.

Quality and patient safety continued to be integral to hospital operations. ACHSI accreditation was maintained during the year, while the relevant ISO certifications and standards were renewed and maintained.

Infrastructure development continued alongside clinical expansion. The Super Deluxe Room renovation programme was completed during the year, significantly improving the premium inpatient offering and overall patient experience.

Cardiac services continued to be one of the hospital's principal areas of strength and a major contributor to overall clinical activity. The TAVI programme continued to develop during the year, with increasing procedural volumes and growing experience in structural heart interventions. Greater emphasis was also placed on minimally invasive cardiac surgery, complementing the established cardiac surgical programme and broadening the treatment options available to patients.

The hospital's cardiac infrastructure, consultant expertise and supporting critical care services have enabled the continued development of both interventional and surgical cardiac programmes.

The hospital offers a comprehensive oncology pathway supported by PET CT, Linear Accelerator based radiotherapy, nuclear medicine, advanced imaging, surgical oncology and multidisciplinary specialist care.

The introduction of robotic surgery provides a significant opportunity to take the urology programme into its next phase, particularly in advanced minimally invasive procedures and more complex urological surgery.

Transplantation has also developed into an important clinical discipline, with structured services for both kidney and liver transplantation.

The continued development of specialised clinics has strengthened outpatient services while providing clearer pathways for patients requiring further investigation, intervention or surgical management. The Vascular Clinic offers specialist vascular assessment and subsequent medical, interventional or surgical management. The Wellness Centre performed well during the year and remains an important component of the hospital's broader approach to preventive healthcare.

The objective is to continue building a hospital that combines clinical expertise, advanced technology, strong operational standards and a consistently high level of patient care.

ASIRI MEDICAL HOSPITAL

During the 2025/26 financial year, Asiri Medical Hospital cemented its position as one of Sri Lanka's leading multidisciplinary hospitals by enhancing its core specialties, investing in patient infrastructure and expanding specialised clinical services. Obstetrics and Gynaecology, fertility care, medical and paediatric services, emergency medicine, diabetes management and mental healthcare remained key areas of focus, supported by experienced multidisciplinary teams, evidence-based clinical practice and a continued commitment to delivering high-quality patient outcomes. Alongside service enhancements, the hospital invested in improving patient comfort and expanding clinical capabilities.

Obstetrics and Gynaecology remain one of the hospital's flagship specialties, providing comprehensive care throughout pregnancy, childbirth and perinatal health. Continuous professional development for clinical staff, strict adherence to national clinical guidelines and internationally accepted protocols and a multidisciplinary approach, enabled the hospital to maintain excellent clinical outcomes while managing a growing number of high-risk pregnancies, reinforcing its position as one of the few private sector institutions with advanced maternal care capabilities.

The hospital strengthened patient education through its complimentary antenatal awareness programmes, which provide expectant parents with comprehensive guidance throughout the pregnancy journey. During the year, these programmes conducted dedicated sessions on maternal wellbeing, preparing families for parenthood through improved education, awareness and preventive healthcare.

Investment in patient infrastructure also remained a priority. Ten patient rooms were upgraded during the first quarter of FY2026/27 as part of a broader refurbishment programme to progressively enhance inpatient accommodation while paving the way for two new operating theatre suites to complement the hospital's high standards of nursing care and clinical excellence.

The Asiri Fertility Centre marked its fourth year of operations, transforming fertility care through a highly personalised, evidence-based and patient-centred treatment model integrating advanced reproductive technologies, individualised ovarian stimulation protocols, European-standard laboratory quality systems, psychological counselling and holistic patient support to improve reproductive outcomes, particularly for couples facing complex infertility challenges and poor-prognosis cases.

Clinical capabilities were strengthened by way of advanced reproductive technologies, including Dual Sperm Selection Technology, Physiological Intracytoplasmic Sperm Injection (PICSI), Intracytoplasmic Morphologically Selected Sperm Injection (IMSI) and personalised Mini-Stimulation IVF protocols for women with diminished ovarian reserve and poor ovarian response. The highest standards of quality assurance and laboratory governance were maintained, recording zero laboratory identification errors, zero specimen mix-ups, complete transparency throughout the treatment process, strict protection of patient confidentiality and unwavering adherence to ethical clinical practices.

The hospital remains one of the few private healthcare institutions in Colombo offering specialised inpatient psychiatric care. Its dedicated psychiatric admission facilities, equipped with secure patient rooms and remote monitoring capabilities, provide a safe, supervised environment for the management of patients experiencing acute psychiatric illnesses requiring hospitalisation.

MANAGEMENT DISCUSSION AND ANALYSIS

ASIRI HOSPITAL KANDY

Asiri Hospital Kandy is the leading private tertiary care hospital in the Central Province. Guided by its commitment to clinical excellence, patient-centred care, advanced medical technology and ethical healthcare practices, its clinical capabilities were expanded while earning the trust and confidence of patients across the region. During 2025/26, the hospital demonstrated exceptional operational performance with double digit topline and bottomline growth compared to the previous year. This strong performance was driven by rising patient volumes and the expansion of specialised clinical services.

Consultation services remained the cornerstone of the hospital's growth during the year, reaching new milestones in both patient volumes and financial performance. The sustained growth in outpatient consultations further strengthened referral pathways and more effective use of the clinical infrastructure. Radiology continued to be one of the strongest performing service areas, supported by growing demand across multiple imaging modalities.

The Wellness Centre maintained its strong growth trajectory, recording a significant year-on-year increase, driven by rising demand for preventive healthcare, corporate wellness programmes and comprehensive health screening services.

Cardiology services, a Centre of Excellence, performed strongly, reflecting growing confidence among patients and referring clinicians in the hospital's cardiac services.

The year was characterised by several important institutional milestones: the successful delivery of its 10,000th baby; the 2,000th Coronary Artery Bypass Graft surgery; and over 20,000 coronary angiography procedures since commencing operations.

Furthermore, Asiri Hospital Kandy introduced several new clinical services and infrastructure enhancements during the year. These included the establishment of a Specialised Fetal Medicine Clinic, providing advanced maternal and fetal assessment for high-risk pregnancies, together with a dedicated ENT Consultation Suite designed to enhance patient experience and improve service delivery.

Clinical infrastructure was further strengthened with the upgrading of the General Operating Theatre 05 with Laminar Flow technology, thereby enhancing infection prevention and supporting complex surgical procedures. Radiology report dispatch processes were enhanced, enabling faster turnaround times and greater operational efficiency.

The hospital expanded its community outreach through a wider portfolio of specialty clinics to strengthen access to specialised healthcare, promote early diagnosis and preventive care, and to reinforce Asiri Hospital Kandy's commitment to delivering comprehensive, patient-centred healthcare to communities across the Central Province.

ASIRI HOSPITAL GALLE

Asiri Hospital Galle remains the leading private healthcare provider in Sri Lanka's Southern Province, further distinguishing itself as the only private hospital in the Galle District accredited by the Australian Council on Healthcare Standards International (ACHSI). Guided by internationally recognised quality standards, the hospital delivered safe, patient-centred care while expanding capabilities in emergency medicine, specialised surgery and international patient services. Sustaining investment in clinical excellence and coordinated multidisciplinary care, the hospital enhanced its ability to respond to the evolving healthcare needs of both local and international patients.

A major focus during the year was the continued strengthening of the hospital's 24-hour Accident and Emergency service. Supported by round-the-clock Emergency Physician coverage, coordinated access to critical care, radiology, laboratory and operating theatre services, the hospital enhanced its capability to manage a broad spectrum of acute medical and surgical emergencies. These services proved particularly valuable in treating road traffic accidents and tourist-related medical and surgical emergencies.

The hospital also enhanced the quality and coordination of care provided to international patients through its dedicated International Patient Care Team. Structured end-to-end patient management, combined with strengthened collaboration with international insurance providers enabled the timely arrangement of cashless medical services and seamless coordination throughout the patient journey, from admission through discharge. These improvements further strengthened Asiri Hospital Galle's reputation as a preferred healthcare destination for overseas visitors requiring emergency and specialised medical treatment.

As part of its commitment to knowledge sharing and international collaboration, the hospital continued to facilitate structured clinical elective and observational programmes for international medical students, providing valuable exposure to Sri Lanka's private healthcare sector while fostering professional exchange and academic collaboration.

Continuing its strategy of expanding specialised outpatient services, Asiri Hospital Galle further strengthened its clinical portfolio through the continued operation and development of new specialised clinics.

The hospital aims to expand its advanced surgical capabilities, with emphasis on strengthening neurosurgical services and other specialised surgical disciplines. These developments form part of its long-term strategy to enhance tertiary healthcare services within the Southern Province while improving access to advanced specialist care closer to patients' homes. Asiri Hospital Galle continues to reinforce its position as a trusted regional centre for emergency medicine, specialised surgery, preventive healthcare and international patient services, while maintaining its unwavering commitment to quality, safety and clinical excellence.

MANAGEMENT DISCUSSION AND ANALYSIS

ASIRI HOSPITAL MATARA

Asiri Hospital Matara continued its strategic transformation during the 2025/26 financial year, further strengthening its position as the leading private hospital and tertiary care provider in the Matara District.

The most significant milestone during the year was the commissioning of the first Cardiac Catheterization Laboratory in the Matara District, supported by a fully-equipped Coronary Care Unit (CCU). This landmark investment has transformed the delivery of cardiovascular care within the region by enabling patients to access advanced cardiac diagnostics and interventional procedures closer to home, significantly reducing the need to travel to Colombo or other major cities for treatment. The facility has experienced strong utilisation since its commissioning, with patients from Matara, Hambantota, Embilipitiya, Tangalle, Galle and surrounding areas. This encouraging response reflects the substantial regional demand for advanced cardiac care and reinforces the hospital's growing role as a referral centre for specialised cardiovascular services in Southern Sri Lanka.

Cardiac services were improved by way of expanded consultant cardiology clinics, coronary angiography, interventional cardiology procedures and comprehensive care delivered through the newly-established Coronary Care Unit.

Recognising the importance of mental healthcare, the hospital further strengthened its psychiatric services under the leadership of its resident Consultant Psychiatrist, providing structured consultations and ongoing mental health support for patients requiring specialised care.

Paediatric services too expanded under the guidance of a resident Consultant Paediatrician, supported by 24-hour paediatric coverage to ensure timely and comprehensive care for infants and children requiring both emergency and inpatient treatment.

The hospital further enhanced its preventive and specialised outpatient services through dedicated clinics and preventive health programmes aimed at promoting early diagnosis and long-term disease management. Mother and Baby Services grew, supported by family-centred healthcare programmes designed to improve maternal and child health outcomes across the region.

Collectively, these developments represent another important milestone in Asiri Hospital Matara's evolution into a comprehensive multidisciplinary tertiary care facility, strengthening access to specialised healthcare while meeting the growing medical needs of communities throughout the Southern Province.

ASIRI LABORATORIES

Celebrating 42 years of excellence in medical diagnostics, Asiri Laboratories delivered another year of outstanding operational and financial performance despite a challenging operating environment. Continued investment in advanced diagnostic technologies, expansion of specialised testing capabilities and sustained growth in patient volumes enabled the laboratory network to further strengthen its position as a leading private diagnostic service provider. The laboratory network now comprises 94 collection centres, 17 satellite laboratories and laboratories across all six Asiri hospitals, serving patients across the length and breadth of the country.

The year was characterised by strong operational growth, with the laboratory network performing more than 15,000 diagnostic tests per day across the Group while serving over two million patients during the year, representing a significant year-on-year increase in patient volumes. The network also continued to invest in some of the most advanced diagnostic technologies available in the region.

Among the year's major technological advancements was the introduction of the BioFire® FilmArray® System, ushering in a new era of rapid multiplex molecular diagnostics capable of reducing turnaround times for infectious disease identification, supporting faster clinical decision-making and improved critical care outcomes. Asiri Laboratories further introduced South Asia's first fully automated uroflowmetry system, setting a new benchmark for urological diagnostics within the country.

The network's unwavering commitment to quality continued to be recognised through internationally accredited quality management systems. During the year, Asiri Medical, Asiri Matara, Asiri Galle, and Asiri Surgical Laboratories successfully completed ISO 15189:2022 surveillance audits, while Asiri Kandy Laboratories completed ISO 15189:2022 recertification. Asiri Central Hospital Laboratories formed part of the hospital's Joint Commission International (JCI) accreditation process, while Asiri Medical Laboratories also successfully completed surveillance and recertification audits for ISO 14001:2015 and ISO 9001:2015 across multiple laboratory locations.

The laboratory network's commitment to excellence was further recognised through several prestigious industry awards, namely, the Business Excellence Award in the Medical Diagnostic Services category at the Best Management Company Awards 2026, conducted by the Institute of Chartered Professional Managers of Sri Lanka for the fourth consecutive year; and the Overall People's Choice Best Laboratory Brand of the Year at the Pinnacle Awards 2026, together with the Pinnacle Certificate of Excellence in Sustainable Diagnostic and Testing.

Recognising that clinical excellence depends on highly skilled healthcare professionals, Asiri Laboratories continued its investment in workforce development by progressing the national certification of its phlebotomists through the NVQ Level 3 qualification while commencing the rollout of the NVQ Level 4 programme for experienced phlebotomists with more than four years of service.

Other capacity-building initiatives were continued to strengthen leadership in private diagnostic services, including a series of community-based Wellness Weeks conducted across the country to promote preventive healthcare.

MANAGEMENT DISCUSSION AND ANALYSIS

ASIRI ACADEMY OF HEALTH SCIENCES

The Asiri Academy of Health Sciences expanded its operational footprint in FY2025/26, further reinforcing its academic portfolio, while deepening transnational educational pathways. The Academy currently supports a large active student population across various courses, with delivery centred in the two primary locations of Colombo and Kandy. The Colombo campus serves as the core urban administrative hub, while the strategic expansion into Kandy has opened crucial educational opportunities for students in the Central Province and surrounding rural regions, eliminating the need to relocate to the capital. By aligning national vocational qualifications with internationally benchmarked degree pathways, the Academy addresses critical healthcare workforce demands while driving meaningful social impact across Sri Lanka.

The Academy offers a comprehensive range of healthcare qualifications designed to create clear professional pathways from foundational skills to advanced degrees. Its academic portfolio includes the Higher National Diploma (HND) in Nursing, the Higher Diploma in Biomedical Sciences, Certificate in Caregiver, the Certificate in Nursing Assistant, Certificate in Early Childhood Education and Foundation in Health Sciences.

Additionally, the Academy offers a BSc (Hons) Nursing Top-Up Degree from the London Metropolitan University, allowing diploma holders to seamlessly upgrade their qualifications into an internationally recognised Bachelor's degree.

Transnational education partnerships remain a primary catalyst for student mobility and academic quality assurance, offering several benefits:

- UK University Articulation: Through its joint work with ESOFT Metro Campus and London Metropolitan University (UK), nursing graduates gain direct progression onto UK-accredited degree qualification tracks.
- Asia-Pacific Academic Links: Formal partnership networks facilitate international academic progression and pathway opportunities with:
    - Ara Institute of Canterbury (New Zealand)
    - Sunway University (Malaysia)
    - University of Wollongong (Australia)
- Expansion Pipeline: Advanced discussions are currently underway with an additional Australian university partner to further expand articulation options, clinical exchange frameworks and global practice pathways for our graduates.

MEDICAL TOURISM

Medical tourism is emerging as a strategic growth pillar for Sri Lanka, with the potential to generate foreign-exchange earnings, extend average length of stay and increase visitor spending beyond leisure tourism. The island benefits from a strong foundation of skilled, English-speaking clinicians and internationally accredited hospitals, while its recent entry into the global top 50 medical tourism destinations signals growing international recognition. However, the opportunity remains substantially underdeveloped, creating significant potential for private healthcare providers with the scale and clinical capabilities to serve international patients.

Against this backdrop, Asiri Health is positioning itself to capture a greater share of complex-care international patients by establishing Colombo as a cost-effective, high-quality alternative to other regional destinations. Bangladesh, the Maldives and Seychelles have been identified as priority markets, alongside diaspora markets in the UK, Australia, Canada and the USA. Medical tourism is viewed as a Group-wide growth opportunity, with each international patient engaging multiple functions across the hospital ecosystem, including clinical care, patient coordination, insurance and third-party administrator (TPA) arrangements, logistics and marketing.

Bangladesh represents a particularly significant opportunity, with a population of approximately 170 million and an estimated 800,000 patients travelling overseas each year for medical treatment due to limited access to advanced healthcare facilities. Historically, approximately 50% of these patients have travelled to India, while a further 40% have travelled to Thailand and Singapore. Recent political developments have reduced travel to India, while China is increasingly positioning itself as an alternative destination. The Maldives and Seychelles also represent attractive regional markets for Sri Lanka due to geographical proximity and logistical convenience. Approximately 40% of patients from these markets travel to Sri Lanka and 30% to India, although the overall market remains relatively small.

A significant organisational milestone during the year was the establishment of the International Patient Centre (IPC) as a dedicated Group-level discipline for managing international patients. This represents the first time that the function has been formally structured across all six hospitals rather than being managed independently at individual hospital level. A two-tier organisational structure covering the Group and hospital levels was established, supported by dedicated hospital-level contact points reporting to the Group International Patient Business Development team. A Group-level sign-off model was also introduced for partnership, TPA, insurance and referral agreements, enabling negotiated terms to be applied consistently across all six hospitals.

The Group also developed supporting go-to-market capabilities, including the Lifeline health-screening package brochure and a global agency expansion strategy covering Bangladesh, Seychelles, Maldives and key diaspora markets. Plans are also underway to centralise and digitise international patient enquiries to improve response times, coordination and the overall patient journey.

During the year, a strategic planning exercise was conducted across all six Group hospitals, based on an analysis of approximately 4,700 international patients. Market development activities included the appointment of three partner outreach representatives in Dhaka and two outreach partners in Seychelles, together with participation in international medical tourism events in Bangladesh. These initiatives are intended to strengthen referral networks, improve market visibility and establish a more structured international patient acquisition pipeline.

The Group's medical tourism operations served approximately 4,700 international patients over the last 12 months, generating close to Rs. 1 billion in revenue. Germany represented the largest market by revenue, while Asiri Hospital Galle was the leading hospital by patient volume. Canada and the USA recorded the highest revenue per patient, highlighting the potential for further development of high-value international patient segments.

With its expanding network of internationally accredited hospitals, specialised clinical capabilities, established Centres of Excellence and growing international patient infrastructure, Asiri Health is well positioned to participate more actively in Sri Lanka's emerging medical tourism sector. The Group's focus going forward will be on strengthening priority-market partnerships, developing referral and agency networks, enhancing digital patient acquisition and delivering a seamless, end-to-end experience for international patients seeking advanced healthcare in Sri Lanka.

LEADERSHIP & GOVERNANCE

True leadership begins with the responsibility to protect trust at Asiri Hospital Holdings. Our approach is shaped by compassion, accountability and the belief that healthcare must serve the upliftment of lives, and not only the curing of illnesses. Through every decision, we empower our professionals, strengthen our systems and build a sustainable, prosperous future where care is deeply human.

BOARD OF DIRECTORS

> While an improving macroeconomic environment created new opportunities for growth during the period under consideration, it also presented challenges that demanded disciplined execution, prudent financial management and an unwavering commitment to delivering quality healthcare.

MR. ASHOK PATHIRAGE
Chairman/Managing Director

MR. HARESH KUMAR KAIMAL
Non-Independent Non-Executive Director

MR. HEMANTHA GUNAWARDENA
Non-Independent Non-Executive Director

MR. VISHAL BALI
Non-Independent Non-Executive Director

MR. SAAR SHAPIRA
Independent Non-Executive Director

MR. ANKUR THADANI
Independent Non-Executive Director

MR. R. SELVASKANDAN
Independent Non-Executive Director

MR. MOHAMED IMRAN FURKAN
Independent Non- Executive Director

MR. KALUM DE SILVA
Independent Non-Executive Director

BOARD OF DIRECTORS

MR. ASHOK PATHIRAGE

Chairman/Managing Director

Mr. Ashok Pathirage, recognised as a visionary leader of Sri Lanka's corporate world, is the founding member and Chairman/ Managing Director of Softlogic Group, one of Sri Lanka's leading conglomerates. He manages over 50 companies with a pragmatic vision providing employment to more than 11,000 employees. Mr. Pathirage manages and gives strategic direction to the Group which has

a leading market presence in three core verticals, namely Retail, Healthcare Services and Financial Services and in three non-core verticals namely, IT, Leisure & Automobiles.

Asiri Hospital chain is the country's leading private healthcare provider which has achieved technological milestones in medical innovation and reliability in Sri Lanka's private healthcare services.

He is the Chairman/Managing Director of Softlogic Holdings PLC, Asiri Hospital Holdings PLC, Asiri Surgical Hospital PLC and Odel PLC. He also serves as the Chairman of Softlogic Capital PLC and Softlogic Life Insurance PLC in addition to other companies of the Softlogic Group.

MR. HARESH KUMAR KAIMAL

Non-Independent Non-Executive Director

Mr. Haresh Kumar Kaimal is a co founder of Softlogic Group and has served on the Board of Directors since the company's origin in 1991. He Leads the group-wide IT division, overseeing IT initiatives, infrastructure and digital transformation across its diverse businesses. Under his guidance, Softlogic has implemented major systems such as Oracle E Business Suite and Oracle Retail applications, along with industry-specific front-end tools.

In addition to the Group wide responsibilities he is an Executive Director of Softlogic BPO (Pvt) Ltd, Managing Director of Softlogic Supermarkets (Pvt) Ltd, represents the Board of Directors of Softlogic Life Plc, Softlogic Capital PLC, Odel PLC, Asiri Hospitals Group and many other Group companies.

Mr. HEMANTHA GUNAWARDENA

Non-Independent Non-Executive Director

Mr. Hemantha Gunawardena is a Co-Founder of the Softlogic Group and has served on its Board since inception. With more than three decades of experience across technology, business development and corporate leadership, he has played an integral role in shaping the Group's strategic direction and supporting its evolution into one of Sri Lanka's leading diversified conglomerates.

Prior to co-founding Softlogic, Mr. Gunawardena led the software development division of a prominent Sri Lankan blue-chip company, building a strong foundation in technology-led business transformation.

Within the Group, Mr. Gunawardena serves as Chief Executive Officer of the Softlogic Retail Furniture Division, Managing Director of the Softlogic Automobile Sector and Chief Executive Officer of Softlogic Services. He also oversees the software operations of Softlogic Australia (Pvt) Ltd and serves as an Executive Director of Softlogic BPO Services (Pvt) Ltd.

In addition, Mr. Gunawardena serves as a Non-Executive Director on the Boards of Asiri Holdings PLC and Asiri Surgical Hospital PLC. His broad operational experience, entrepreneurial perspective and long-standing institutional knowledge continue to contribute meaningfully to the Group's governance, portfolio development and long-term value creation.

MR. VISHAL BALI

Non Independent Non Executive Director

Mr. Bali brings with more than two decades of experience in building and leading global healthcare delivery organisations through organic and M&A driven strategic growth initiatives across Asia Pacific. His experience of managing a billion-dollar integrated healthcare delivery organisation comprising Hospitals, Diagnostics, Primary Care and Day Care Speciality in diversified geographies of India, Australia, New Zealand, Hong Kong, Singapore, Vietnam, Sri Lanka and Dubai has given him the exceptional opportunity to transform healthcare businesses in both developing and developed countries. Mr. Bali is currently Asia Head - Healthcare, TPG Growth, which is amongst the leading private equity firms globally. He is also Executive Chairman, Asia Healthcare Holdings. Prior to his current assignment he was the Group CEO for Fortis Healthcare Limited which is the leading provider of healthcare services in India with a network of 68 hospitals and had earlier built Asia's leading integrated healthcare delivery system with presence across 12 countries and a human capital base of more than 20,000 people and $1.2 Bn. annualised revenues. His earlier roles also include CEO for Fortis Healthcare International in Singapore and CEO for Fortis Hospitals in India. His past assignment also includes spearheading the growth and transformation of Wockhardt Hospitals from a single hospital to one of India's largest speciality hospital chains as its CEO and Managing Director. He has successfully led post-merger integration and divestments of multiple healthcare delivery assets in different countries. His expertise in integrating healthcare strategy with operations and management has set industry benchmarks. Mr. Bali completed his Bachelors in Science and Post-graduation in Business from Bombay University and completed an advance programme in hospital management from Harvard Medical, Boston. He sits on the Board of leading healthcare organisations and has been an invited member of the Strategic Initiatives Group of Joint Commission International, US and a past member of the Global Agenda Healthcare Council of the World Economic Forum. His keen interest in education and globalisation of healthcare takes him to leading Healthcare Education Institutes and Business Schools globally which include case studies at the Harvard Business School. He is an active member of various Industry bodies and globally recognised industry public speaker.

MR. SAAR SHAPIRA

Independent Non-Executive Director

Mr. Saar Shapira is a seasoned Director, who has overseen both Section 16 and Section 17 B.O.I-approved companies. With a robust background in trademark protection, he has successfully guided numerous clients through the intricacies of domain-name recovery and prevention of cyber-squatting. His prior experience further extends to internal auditing, ensuring compliance and integrity of records within large scale organisations. Furthermore, Mr. Shapira is well-versed in international arbitration/ mediation protocols, providing valuable insights into cross-border dispute resolution matters.

He has also undergone rigorous training in financial and forensic accounting, enhancing his ability to analyse and interpret complex financial data, and allowing him to detect and prevent wasteful activities. Mr. Shapira has cultivated significant business and government contacts abroad, enhancing his ability to navigate international markets and regulations. Further, he has been awarded military excellence honours twice, reflecting his leadership and performance in demanding environments.

MR. ANKUR THADANI

Independent Non-Executive Director

Mr. Ankur Thadani is Partner and Head of India at TPG Growth and RISE Funds. He joined TPG in 2013 and has worked on multiple investments in Healthcare, Energy and Consumer sectors across India and the broader South-Asia region. Mr. Ankur also serves on the Board of API Holdings, Tata Electric Passenger Vehicles, Campus Activewear, Solara Active Pharma, Stelis Biopharma, Rhea Healthcare, Nova IVF and Fourth Partner Energy. Prior to joining TPG, he worked with an Indian private equity fund, India Equity Partners, focusing on investments in consumer and healthcare sectors. Mr. Ankur received his MBA from IIFT, where he was awarded a Gold Medal for all-round achievement.

BOARD OF DIRECTORS

MR. R. SELVASKANDAN

Independent Non-Executive Director

Mr. Rajaratnam Selvaskandan is a Senior Partner at Varners. Raj, as he is known in the industry, was called to the Bar as Attorney-at-Law of the Supreme Court of Sri Lanka in 1982. After a brief stint in Private practice, he was invited to join the prestigious Attorney General's Department of Sri Lanka as a State Counsel. Raj is one of Sri Lanka's leading M&A lawyers with a wealth of experience and industry insights and is highly regarded for his strategic vision and multidimensional expertise.

MR. MOHAMED IMRAN FURKAN

Independent Non-Executive Director

Imran advises Boards and CEOs on Strategy, Market Expansion as well as Geo Political, Economic, Climate and Technology Risk Management. Currently serving as CEO of Tresync, Australia and as Chairman, Maharaja Foods PLC, Imran is passionate about one thing - fostering collaboration. This is evidenced by his achievements in Senior management and Board Directorship roles in industries such as Finance, Health, Food, Insurance, Retail, Regulatory and Industry Bodies, IT/GBS, Education, Commodities, Media, Not for Profit and Professional Services in the Asia-Pacific region. He is Senior Independent Director of Asiri Health PLC and Asiri Surgical Hospital PLC, and an Independent Non-Executive Director of Odel PLC, Softlogic Capital PLC as well as Softlogic Holdings PLC and the Diamond Life Insurance Company in Bangladesh.

He is a Board of Management member of the Lakshman Kadirgamar Institute and an Executive Committee member of The Interfaith Network (IFN), City of Greater Dandenong, Australia. He was an Independent Non-Executive Director of Trade Finance and Investments PLC in Sri Lanka. He also served as the CEO of SLASSCOM and the Sri Lanka Press Institute. Imran is a member of the Sri Lanka Institute of Directors and has also served on the Director Training Committee and Media and Public Relations Committees of the Sri Lanka Institute of Directors.

Imran is a Fellow Member of both CPA Australia and CIMA UK, has an MBA from Australia, and a BA (Hons) Sustainable Performance Management from the UK.

MR. KALUM DE SILVA

Independent Non-Executive Director

Kalum De Silva is a seasoned investor, strategist, and board advisor with more than 20 years of experience across private equity, M&A, and growth advisory. His career spans leadership roles in Australia and South Asia, including as a Partner at an AU$230M private equity fund and Director at a leading M&A advisory firm, where he specialised in scaling high-potential businesses through innovative capital structuring and value creation initiatives. Kalum brings particular strength in unlocking smart, sustainable funding models to drive business expansion—ranging from growth-stage equity to strategic partnerships.

In the healthcare and education sectors, he has demonstrated a long-term commitment to capability development and system uplift. He co-founded the Australasian Academy, a Sri Lankan higher education institute that delivers globally benchmarked programs in Aged Care, Hospitality, and Business Management—addressing talent pipeline gaps in key industries. As President of the Sri Lanka and Australia Chamber of Commerce, Kalum plays a strategic role in fostering bilateral trade and investment. He is a Certified Practicing Accountant (CPA), holds an MBA and MPA from QUT, and is a Graduate Member of the Australian Institute of Company Directors (GAICD), with a deep grounding in governance, risk, and capital strategy. He is member of the Sri Lanka Institute of Directors.

Kalum's board contributions are marked by a forward-thinking approach to funding and scale—balancing strong financial oversight with creativity in growth. He offers a distinctive blend of local insight and global fluency, making him a catalyst for innovation in any boardroom.

DR. MANJULA KARUNARATNE
Advisor/Consultant - Asiri Health

> Advances in digital technologies, artificial intelligence, precision medicine and minimally invasive procedures are redefining how healthcare is delivered around the world.

SENIOR MANAGEMENT

DR. SAMANTHI DE SILVA
Chief Operating Officer - Asiri Central Hospital, Asiri Surgical Hospital, Asiri Medical Hospital

DR. PRASAD MEDAWATTE
Chief Operating Officer - Asiri Hospital Kandy

MS. MIHIRI CABANDUGAMA
Director - Strategic Planning & Laboratory Development

DR. SANDUN YAPA
Director Operations - Asiri Hospital Galle, Asiri Hospital Matara

DR. HARRY PRASAD
Director Operations - Asiri Surgical Hospital

DR. KUSHAN WIJEWEERA
Director Operations - Asiri Medical Hospital

SENIOR MANAGEMENT

MS. BUDDHIKA MANAGE
Group Director - Human Resources

MR. S. L. R. PIYAL
Director Finance

MR. N. P. JOHN
Director Laboratories

MR. KEVIN CHANG
Chief Officer - Business Development

MR. DEEPTHI WIJERATHNE
Group Director - Engineering, Maintenance & Projects

MRS. ROSHANI SENANAYAKE
Group Head of Marketing

MR. SUDATH HEWAGE
Director Pharmacy Operations

MRS. NADEEKA JAYASINGHE
Director - Asiri Academy of Health Sciences

SENIOR MEDICAL MANAGEMENT

DR. RUWAN SENATILLEKE
Medical Director - Asiri Medical

DR. HASANTHIE IDDAMALGODA
Medical Director - Asiri Surgical Hospital

DR. UTHPALA MALAWARA ARACHCHI
Medical Director - Asiri Hospital Galle, Asiri Hospital Matara

DR. RAJEEVE DE SILVA
Medical Director - Asiri Central Hospital

DR. THARINDA DALPETHADO
Medical Director - Asiri Hospital Kandy

CORPORATE GOVERNANCE

The fundamental relationship between the Board, Management, Shareholders and other Stakeholders are established by our governance structure.

Corporate Governance (CG) is a framework of rules and practices by which an organisation is directed, controlled and managed. The CG framework provides an overview of the Corporate Governance structures, principles, policies and practices of the Board of Directors of Asiri Hospital Holdings PLC (AHH). At Asiri, the approach to CG is guided by ethical culture, stewardship, accountability, independence, continuous improvement, oversight of strategy and risk. The fundamental relationship between the Board, Management, Shareholders and other Stakeholders are established by our governance structure, through which the ethical values and corporate objectives are set and plans for achieving those objectives and monitoring performances are determined. To serve the interests of shareholders and other stakeholders, the Company's Corporate Governance system is subject to ongoing review, assessment and improvement. The Board of Directors proactively adopts good governance policies and practices designed to align the interests of the Board and Management with those of shareholders and other stakeholders and to promote the highest standards of ethical behaviour and risk management at every level of the organisation.

BOARD OF DIRECTORS

The Board of Directors is responsible for setting the strategic direction of the Group, safeguarding assets, managing risks and setting the tone at the top. They have set in place governance frameworks to facilitate achievement of strategic goals and compliance with regulatory frameworks while balancing stakeholder interests. Composition of the Board is set out graphically on the previous page while profiles of the Directors are given on pages 24 to 28 Directors provide annual declarations of their independence in accordance with the stipulations of the Listing Rules of the CSE and the guidelines of the Code of Best Practice. Board balance is facilitated with five Non-Executive Independent Directors who are reputed leaders in their fields of expertise. A sufficiency of financial acumen within the Board is assured with the presence of Two Directors who are experienced accounting and finance professionals. The skills, experience and standing of the individual Board members ensures sufficient deliberation on matters set before the Board and exercise of independent judgement. Directors can also seek independent professional advice when deemed necessary, for which the expenses are borne by the Group.

The role of the Board is to provide entrepreneurial leadership of the Company within a framework of prudent and effective controls facilitating effective risk management. They are collectively responsible for the following:

- Providing strategic direction and establishing performance objectives to monitor the achievement of strategic goals
- Establishing an effective management team
- Establishing appropriate systems of corporate governance in the Group
- Ensuring the adequacy and effectiveness of internal controls, Code of Business Conduct and other policies to facilitate regulatory compliance and risk management.

Executive Chairman **(1)**

Senior Independent Directors **(1)**

Independent Non-Executive Directors **(5)**

Non- Independent Non- Executive director **(3)**

Non- Executive Directors **(8)**

Alternate Director **(1)**

COMMITTEES OF THE BOARD

The Board is supported by the following committees which facilitate effective discharge of its responsibilities. Minutes of the sub-committee meetings are circulated to the Board ensuring awareness of the activities of the sub-committees by all Board members.

GOVERNANCE OF THE BOARD SUB COMMITTEES

Sub-Committee	Composition	Mandate
Audit Committee	Mr. M.I. Furkan Independent Non-Executive Director – Chairman Mr. G.D.K.L. De Silva – Independent Non-Executive Director Mr. H.K. Kaimal – Non-Independent Non-Executive Director	Responsible for ensuring the integrity of the Company's and Group's Financial Statements, appropriateness of accounting policies and effectiveness of internal control over financial reporting. Periodically approve and review the appointment and retirement of External Auditors and their relationship with the Group. **Frequency of Meetings:** Committee meets quarterly
Remuneration Committee	Mr. M.I. Furkan Independent Non-Executive Director – Chairman Mr. G.D.K.L. De Silva – Independent Non-Executive Director Mr. H.K. Kaimal – Non-Independent Non-Executive Director	Responsible for determining remuneration policy and the terms of engagement and remuneration of the Chairman, the Board of Directors and the Executive Committees. **Frequency of Meetings:** Committee meets annually.
Related Party Transactions Review Committee	Mr. M.I.Furkan Independent Non-Executive Director – Chairman Mr. G.D.K.L. De Silva – Independent Non-Executive Director Mr. H.K. Kaimal – Non-Independent Non-Executive Director	To assist the Board in reviewing all related party transactions carried out by the Company and its listed companies in the Group in terms of the CSE Listing Rule 9 **Frequency of Meetings:** Committee meets quarterly
Nomination and Governance Committee	Mr. M.I. Furkan Independent Non-Executive Director – Chairman Mr. H.K. Kaimal – Non-Independent Non-Executive Director Mr. V. Bali – Independent Non-Executive Director	Responsible for evaluate of the appointment of Directors to the Board of Directors and Board Committees of the Company **Frequency of Meetings:** Committee meets once each year or as required

MEETINGS

The Board meets on a frequent basis and dates for Board meetings are determined and communicated in advance at the beginning of the year with additional meetings being scheduled whenever deemed necessary. Meeting agenda and relevant papers are circulated to all Directors at least 7 days prior to the meeting providing sufficient time for review facilitating the conduct of an effective meeting. Attendance at Board meetings and Sub Committee meetings during the year under review is given below;

CORPORATE GOVERNANCE

Name of Director	Board	Board Sub Committees		
		Audit Committee	HR & Remuneration Committee	Related Party Transactions Review Committee
Mr. A.K. Pathirage	1/1	-		-
Mr. V. Bali	-	-		-
Mr. A.N. Thadani	-	-		-
Mr. H. K. Kaimal	1/1	4/4		4/4
Mr. R. Selvaskandan	1/1	-	-	-
Mr. G.W.D.H.U. Gunawardena	1/1	-	-	-
Mr. S. Shapira	-	-	-	-
Mr. M.I Furkan	-	4/4	-	4/4
Mr. G.D.K.L.De Silva	-	3/3	-	3/3

COMPANY SECRETARIES

Messrs. Softlogic Corporate Services (Pvt) Ltd. function as Company Secretaries to the Group. The Company Secretaries provide guidance to the Board as a whole and to individual Directors with regard to discharging of responsibilities. The Company Secretaries are responsible to ensure that the Board complies with the applicable rules, regulations and procedures and all activities relating to the Board.

RE-APPOINTMENT AND RE-ELECTION TO THE BOARD

- Directors are appointed by the Board in a structured and transparent manner.
- Appointments are made with due consideration given to the diversity of skills and experience within the Board.
- As per the Company's Articles of Association, one third of the Directors for the time being subject to retirement by rotation shall retire from office. Provided however that the Managing Director appointed to the office shall not, whilst holding that office be subject to retirement by rotation.
- The following Directors thus retire and offer themselves for re-election:

  1. Mr. V. Bali
  2. Mr. A. N. Thadani
  3. Mr. R. Selvaskandan

CHAIRMAN & MANAGING DIRECTOR

The roles of the Chairman and the Managing Director are combined in one person due to the diversity of the Group's business.

DIRECTORS' REMUNERATION

The Remuneration Committee makes recommendations to the Board on remuneration policy and remuneration of the Chairman and Managing Director, Executive Directors, Non-Executive Directors and Key Management Personnel in line with the business goals of the Company.

The Group's Remuneration policy is designed to attract and retain talent which comprises of fixed income and a variable income which is linked to their performance. Non-Executive Directors' remuneration comprises only a fixed fee and does not have any variable component. No Director is able to determine his/her own remuneration as Directors' Remuneration is a matter reserved for the Board as a whole with due consideration given to the recommendations of the Remuneration Committee of the Board.

The Report of Board Remuneration Committee is on page 50 provides further information. The aggregate remuneration paid to the Directors is disclosed in the Notes to the Financial Statements on page 104 of this Report.

SHAREHOLDER RELATIONS

Shareholder relations are managed through a structured process with multiple platforms facilitating shareholder engagement and timely dissemination of information. The Annual General Meeting is the key platform for engagement and notice of the AGM and all relevant documents are circulated among shareholders at least 15 working days prior to the AGM. The Chairman/ Managing Director and Board Directors and External Auditors attend the Annual General Meetings to respond to queries that may be raised by the shareholders. In addition to the AGM, shareholder engagement is also facilitated by the Group's investor relations department which maintains a continuous dialogue with shareholders through dissemination of announcements on material developments and quarterly performance. They are also a point of clarification for shareholders.

ACCOUNTABILITY AND AUDIT

Board responsibilities include presenting a balanced assessment of the Group's financial performance, position and prospects on a quarterly and annual basis. This Annual Report has been prepared in discharge of this responsibility and includes the following declarations/ further information required by regulatory requirements and voluntary codes:

- Audited Financial Statements – pages 80 to 161
- Statement of Director's Responsibilities - page 53
- Annual Report of the Board of Directors on the Affairs of the Company – pages 54 to 56
- Management Discussion & Analysis – pages 13 to 21

The Audit Committee has oversight responsibility for monitoring and supervising financial processes to ensure integrity, accurate and timely financial reporting. It is also responsible for ensuring adequacy and effectiveness of the Internal Control and Risk Management processes and receives reports from Group Internal Audit and Group Risk Management in this regard. The Audit Committee comprises 3 Non-Executive Directors out of which two Independent and one non-independent director during the period under review. The Chairman of the Audit Committee is a Finance professional with extensive experience in the relevant areas whose profile is given on page 28. The Terms of Reference of the Audit Committee complies with the recommendations of the Code of Best Practice on Board Audit Committees issued by ICASL and guidelines stipulated by the SEC.

The Audit Committee is responsible for approving the terms of engagement of the external auditors including audit fees. The principal auditor has not provided any services which are stipulated as restricted by the SEC and the audit fees and non-audit fees paid by the Company to its auditors are separately disclosed on page 104 of the Notes to the Financial Statements.

The Board holds overall responsibility for determining the Group's risk appetite and implementing sound risk management and internal control systems to ensure that risk exposures are maintained within defined parameters. The Group's internal control systems are aimed at safeguarding shareholders investments and effectively managing risks that may impact the achievement of its strategic objectives. A discussion on the Company's key risk exposures and mitigation mechanisms are given in the Risk Management Report on pages 42 to 46 of this Report. The Audit Committee annually reviews the effectiveness of the Group's risk and internal control systems.

A formalised whistle-blowing policy is in place enabling employees to raise concerns anonymously on unethical behaviour, breach of regulations and/ or violations of the Group's Code of Conduct. Such complaints are investigated and addressed through a formalised procedure and brought to the notice of the Board, serving as an overriding control mechanism.

The Board Related Party Transactions Review Committee has been set up in compliance with guidelines stipulated by the CSE. Directors individually declare their relevant transactions with the Company and its subsidiaries on a quarterly basis. A formalised process is in place for identifying related party transactions and avoiding conflicts of interest. All Related Party Transactions as defined by the applicable accounting standards are disclosed on Note 31 of the Financial Statements on pages 153 to 155 of this Report.

SHAREHOLDERS

All shareholders are encouraged to attend the Annual General Meeting of the Company and vote on the resolutions which form part of the agenda in accordance with matters reserved for shareholders. Extraordinary General Meetings are also called to inform shareholders on material developments that impact their interests and their consent is obtained for the same in accordance with the provisions of the Companies Act.

SUSTAINABILITY REPORTING

The Group continues its efforts to embed Sustainability in to its operations and report on how the Group manages risks stemming from economic, environmental and social factors. The Group's Annual Report is used as a platform to provide comprehensive sustainability communication to all stakeholders.

CORPORATE GOVERNANCE

COMPLIANCE WITH CORPORATE GOVERNANCE RULES OF THE CSE

The following disclosures are made in conformity with Section 9 of the Listing Rules of the Colombo Stock Exchange:

Principle	Compliance and Implementation	Effective Date	Status
9	Corporate Governance		
9.1	Applicability of Corporate Governance Rules		
	The Company has to comply with CSE Listing Rule 9 by verifying its adherence to Corporate Governance Rules.	1st October 2023 to 1st October 2024	Complied
9.2	Policies		
9.2.1	The Company has to implement the policies below, and disclose on the Company website along with information regarding their existence and implementation details. a) Policy on the matters relating to the Board of Directors b) Policy on Board Committees c) Policy on Corporate Governance, Nominations and Re-election d) Policy on Remuneration e) Policy on Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities f) Policy on Risk Management and Internal Controls g) Policy on Relations with Shareholders and Investors h) Policy on Environmental, Social and Governance Sustainability i) Policy on Control and Management of Company Assets and Shareholder Investments j) Policy on Corporate Disclosers k) Policy on Whistleblowing l) Policy on Anti-Bribery and Corruption	1st October 2024	Complied
9.2.2	The Company has to comply with the Internal Code of Business Conduct and ethics	1st October 2024	Status is in progress
9.2.3 - 9.2.4	The policies have to be disclosed on the company website, and be updated on changes made to them throughout the year. All policies are accessible to shareholders upon a written request.	1st October 2024	Complied
9.3	Board Committees		
9.3.1 - 9.3.2	The Company has to maintain 4 mandatory committees required by CSE listing rules. a) Nominations and Governance Committee b) Remuneration Committee c) Audit Committee d) Related Party Transactions Review Committee The composition, responsibilities, and disclosures required in respect of the above-Board committees have been disclosed.	1st October 2023	Complied
9.3.3	The Chairperson of the Board of Directors is not the Chairperson of any Board Committees referred to in Rule 9.3.1 above.	1st October 2024	Complied

Principle	Compliance and Implementation	Effective Date	Status
9.4	Adherence to principles of democracy in the adoption of meeting procedures and the conduct of all General Meetings with shareholders.		
9.4.1	The Company must maintains information required by 9.4.1 and the required information has been provided to the Exchange and/or the SEC upon request.	1st October 2023	Complied
9.4.2	The company shall have established a policy to effectively communicate with shareholders and investors, which is outlined in both the annual report and on the website. Additionally, a designated contact person must be provided for communication purposes. This policy should ensure that all Directors are informed of any significant concerns or issues raised by shareholders. Furthermore, these concerns must be transparently addressed in the annual report and on the website.		Status is in progress
9.5	Policy on matters relating to the Board of Directors		
9.5.1	The Company has to adopt policies, along with information regarding the Board composition, the roles of the Chairperson and CEO, as well as other requirements as per Rule No 9.5.1	1st October 2023	Complied
9.5.2	The Company has to adopt the Policy on matters relating to the Board of Directors. Annual Report shall provide on any non-compliance and propose remedial action		Complied
9.6	Chairperson and CEO		
9.6.1-9.6.4	The roles of Chairperson and CEO are occupied by distinct individuals; however as the Chairperson of the Company is not a Non-Executive Director the Company has designated a Senior Independent Director (SID)	1st October 2023	Complied
9.7	Fitness of Directors and CEOs		
9.7.1 – 9.7.2	Every member of the Director Board should be a fit and proper person to act as Director, CEO/MD as specified in the 'Fit and Proper Assessment Criteria' set out in Rule 9.7.3	1st October 2023	Complied
9.7.3 – 9.7.5	The entity shall ensure that the Board of Directors are fit and proper persons to act as a Director.	1st April 2024	Complied
9.8	Board Composition		
9.8.1- 9.8.2	The Director Board should consist of a minimum of 05 directors and a 1/3 of the Board should be independent.	1st October 2024	Complied
9.8.3- 9.8.4	The criteria for determining independence should be disclosed.	1st October 2023	Complied
9.8.5	Directors have to submit the formal declaration of independence annually. The Board has to review these annual declarations and other available information to verify adherence to the criteria for assessing independence.		Complied
9.9	Alternate Director		
	The Company should follow the requirements in appointing an Alternate Director.	1stJan 2024	Status is in progress
9.10.	Disclosures relating to Directors		
9.10.1	The maximum no of Directorships should be in line with the policy on matters relating to the Board of Directors as per Rule No 9.5.1	1st October 2023	Complied
9.10.2	The company should set out an immediate Market Announcement when making new appointments to the Board setting out the required information on the new appointment.		Complied
9.10.3	An immediate Market Announcement should be made with regard to the changes to the composition of the Board Committees referred to in Rule 9.3		Complied

CORPORATE GOVERNANCE

Principle	Compliance and Implementation	Effective Date	Status
9.10.4	Director information required to rule no. 9.10.4 has to be disclosed in the Annual Report.		Complied
9.11	Nominations and Governance Committee		
9.11.1-9.11.3	The Company should have a Nominations and Governance Committee and maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board. The Committee should operate under a set of written terms of reference that clearly outline its scope, authority, duties.	1st October 2024	Complied
9.11.4	Composition of the Committee: The Nominations and Governance Committee must comprise of minimum two [2] Independent Directors. An Independent Director should serves as the Chairperson.		Complied
9.11.5	Functions of the Committee: The Committee must fulfil its duties by evaluating and recommending Director appointments, establishing selection criteria, reviewing the Board's structure, and updating governance policies in accordance with the stipulations outlined in Section 9.11.5, thereby ensuring compliance with regulatory requirements. The re-elections and new appointments have to be disclosed.		Complied
9.11.6	Disclosures: During the year, the Company has demonstrated compliance with the necessary disclosure requirements, as follows. a) The names of Chairperson, Committee members and Directors; b) Committee appointment date; c) Nominating Director policy existence; d) Directors' periodic re-election requirement; e) Board diversity disclosure; f) Effective Director appointment policy demonstration; g) Re-elected Directors' details; h) Board and CEO performance evaluations; i) Independent Directors' major entity issues awareness; j) New Directors' induction on governance; k) Annual updates on governance for Directors; l) Directors' independence confirmation; m) Listing Rules compliance statement, non-compliance explanation, and remedial actions. This rule is applicable with effective from 1st October 2024. All the relevant details available has been disclosed in the Committee Report.		Complied

Principle	Compliance and Implementation	Effective Date	Status
9.12	Remuneration Committee		
9.12.1 – 9.12.5	The Company should have a Remuneration Committee and maintain a formal and transparent procedure for developing policy on Executive Directors' remuneration and for fixing the remuneration packages of individual Directors. No Director shall be involved in fixing his/her remuneration. The Committee should operate under a set of written terms of reference that clearly outline its scope, authority, duties, and requirements for meeting quorum. Refer Remuneration Committee Report	1st October 2023	Complied
9.12.6	Composition of the Committee: The Nominations and Governance Committee must comprise of minimum two [2] Independent Directors. An Independent Director serves as the Chairperson. Refer Remuneration Committee Report	1st October 2024	Complied
9.12.7	Functions of the Committee: The committee should, recommend and assess the relevance of the remuneration payable to the Executive Directors of the Company.	1st October 2023	Complied
9.12.8	Disclosures: The Company should disclose that during the year, the Company has demonstrated compliance with the necessary disclosure requirements, as follows. a) Chairperson and members of the Remuneration Committee and their Directorships. b) Statement on remuneration policy. c) Aggregate remuneration of Executive and Non-Executive Directors. For (a) and (b) refer Committee Report For (c) refer Financial Statement disclosure		Status is in progress
9.13	Audit Committee		
9.13.1	The Company has to establish a separate Board sub committee for Risk Management as Risk Committee. The Risk Committee report has to be provided	1st October 2023	Complied
9.13.2	The Committee has to operate under a set of written terms of reference that clearly outline its scope, authority, duties.		Complied
9.13.3	Composition of the Committee: The Audit Committee should comprise of Two [2] Independent Non- Executive Directors and One [1] Non-Executive Director. During the year the Committee should compulsorily meet quarterly. Unless otherwise determined by the Audit Committee the Chief Executive Officer and the Chief Financial Officer shall attend by invitation. The Chairperson of the Committee shall be a member of a recognised professional accounting body. Refer Audit Committee Report.	1st October 2024	Complied
9.13.4	Functions of the Committee: The committee should oversee the entity's compliance with financial regulations, reviewing financial statements and accounting policies, recommending external auditor appointments, ensuring assurance on financial records and risk management, overseeing compliance with auditing standards and risk management, evaluating risk policies, taking corrective actions on excessive risks, reviewing audit effectiveness, establishing policies for external auditor engagement, justifying auditor changes when necessary, and promptly reporting breaches to the Board and relevant authorities.		Complied

CORPORATE GOVERNANCE

Principle	Compliance and Implementation	Effective Date	Status
9.13.5	Disclosures: 1) Audit Committee Report. 2) Disclosure requirement: a) Chairperson and Audit Committee members' details, b) Risk management status for Listed Entity and Group. c) CEO and CFO assurance statement. d) Compliance opinion on financial reporting requirements. e) Confirmation of Audit Charter existence. f) Summary of internal audit method. g) Details of functions discharged for the financial year. h) Confirmation of external auditors' independence. i) Auditor independence determination and engagement details.		Complied
9.14	Related Party Transactions Review Committee		
9.14.1	The Company possesses a Related Party Transactions Review Committee and conforms to the requirements set out in Rule 9.14 of these Rules The Committee operates under a set of written terms of reference that clearly outline its scope, authority, duties.	1st October 2023	Complied
9.14.2	Composition of the Committee: The Related Party Transactions Review Committee must comprise of minimum two [2] Independent Directors. An Independent Director shall serve as the Chairperson.		Complied
9.14.3	Functions of the Committee: The Company has to set up a Related Party Transactions Review Committee to oversee such transactions, with the aim of safeguarding shareholders' interests and preventing abuse by Directors, CEOs, or Substantial Shareholders. The rules prioritise the economic and commercial substance of transactions over the legal form or technicalities. The committee is tasked with establishing and maintaining clear policies, procedures, and processes for identifying, clarifying, and reporting related party transactions across the Company's operations. Refer the Related Party Transaction Review Committee Report		Complied
9.14.4	General Requirements: The Committee shall meet quarterly, ensuring thorough documentation of meeting minutes for the Board of Directors. Committee members shall have access to adequate expertise to evaluate proposed transactions, seeking professional advice when necessary. Approval from the Board of Directors is requirement for reviewed transactions as mandated by Rule 9.14.4. Directors with personal interests in such matters must abstain from participation and voting during relevant Board Meetings. Refer the Related Party Transaction Review Committee Report		Complied

Principle	Compliance and Implementation	Effective Date	Status
9.14.5 – 9.14.6	The Related Party Transactions Review Committee, shall review all related party transactions, while also considering any material changes to previously reviewed transactions under Rule 9.14.5. They may assess transaction details, and Director independence, and may establish guidelines for ongoing deals, conducting annual compliance reviews. The Company shall obtain shareholder approval in the way of a special resolution when related party transactions listed in 9.14.6 occur		Complied
9.14.7	Disclosures: The non-recurrent related party transactions which exceeded the aggregate value of 10% of the Equity or 5% of the Total Assets, the latest related party transactions which exceeded the aggregate value of 10% of the Equity or 5% of the Total Assets, the subsequent non-recurrent related party transactions which exceeded 5% of the Equity of the entity shall be disclosed by an immediate market announcement in accordance with rule 9.14.7		Complied
9.14.8	Disclosures in the Annual Report: The transactions in the aggregate value of the non- recurrent Related Party Transactions exceeding 10% of the Equity or 5% of the Total Assets of the Company, as per the latest Audited Financial Statements shall be disclosed in the Annual return in the given format in rule 9.14.8.		Complied
9.14.9	Acquisition and Disposal of Assets from/to related parties except for transactions in 9.14.10 shall follow the requirements as per rule 9.14.9.		Complied
9.14.10	Exempted Related Party Transactions: The Company shall note the definition given under exempted related party transactions when determine the related party transactions of the Company.		
9.16	**Additional disclosures**		
	i) The Board of Directors shall disclose all material interests in Entity contracts and refrained from voting on such matters. Please refer annual report of the Board of Directors	1st October 2023	Complied
	ii) The Board shall review internal controls and obtained reasonable assurance of effectiveness and any inability to declare shall be explained. Please refer annual report of the Board of Directors		Complied
	iii) The Board shall stay informed about applicable laws, rules, and regulations. Refer Annual report of Board of Directors		Complied
	iv) The Board shall disclose instances of non-compliance and material fines in Entity-operated jurisdictions. Refer Annual Report of Board of Directors		Complied

RISK MANAGEMENT

INTEGRATED RISK MANAGEMENT

Risk management is a fundamental responsibility of Board of Directors. The Asiri Group Board of Directors has established a robust Risk Management framework which empowers all employees of the group to effectively manage risk in their day-to-day business activities. Being the key player in the private Healthcare industry in Sri Lanka, our main focus is on health & safety of patients and well-being of our employees, where we strive to improve the quality of human life, through the provision of ethical healthcare solutions together with cutting-edge technology. Driving towards a culture of safety, the Board regularly reviews the adequacy of risk management controls in line with the defined risk appetite and to determine the group's ability to fulfil operational and clinical compliance requirements. These risk assessments provide greater insights on the areas of improvements while the Risk scoring matrix helps top priorities the Group's key risks.

The Asiri Group keeps a keen eye on emerging Risks and has adopted number of Risk mitigation strategies to strengthen the Group's resilience. This includes ensuring the highest level of industry standards and best practices are followed to eliminate expensive lawsuits and undue damages to the Group's reputation.

The Asiri Group has adopted an integrated Risk Management framework to identify, assess, prioritise the significant risks and manage those with appropriate risk mitigation actions. In this regard, the Risk Management Committee is assisted by special sub-committees that focus on Quality & Patient safety, Facility management, Incident review, patient feedback & complaints review and Mortality & Morbidity review. Heads of the business unit act as the first line of defense, while financial controls, Information Security practices and Compliance functions serve as the second line of defense. The third line of defense comprises of Assurance services and internal controls as well as the Internal & External Auditors. Adequacy and effectiveness of the Risk management framework is periodically reviewed by the Board Audit Committee and required changes are recommended to Board of Directors.

During the financial year 2025/26, Asiri Hospital Holdings PLC continued to strengthen its enterprise-wide risk management framework, recognising risk management as an integral component of governance, strategic decision-making and operational management. The Group's framework, aligned with ISO 31000 principles and applicable healthcare accreditation standards, provides for the systematic identification, assessment, treatment, monitoring and reporting of financial and non-financial risks across the Group. During the year, the Group commenced formal integration of climate-related and broader sustainability risks and opportunities into this risk management policy, in support of the Group's sustainability-related and climate-related financial disclosures under SLFRS S1 and SLFRS S2.

The risk environment during the year remained challenging, with the Group operating against a backdrop of economic pressures, regulatory changes, supply-chain constraints and natural disasters. The economic environment in Sri Lanka continued to influence healthcare affordability, operating costs, foreign exchange exposure and demand patterns. In addition, the impact of Cyclone Ditwah highlighted the importance of business continuity, emergency preparedness, infrastructure resilience and the ability to maintain essential clinical services during disruptive events. The financial impact of this event was assessed as significant under the Group's climate risk assessment methodology, estimated at approximately 0.58% of Group revenue, underscoring the material nature of physical climate risk to the Group's operations.

PERCEIVED RISKS

Below table presents the key risks identified by Asiri Group of Hospitals together with potential impact and measures taken to mitigate those risks.

Risk	Potential Impact	Mitigation Strategy
1. Macroeconomic Conditions, Healthcare Affordability and Financial Sustainability The Group operates within an economic environment that can directly influence healthcare affordability, patient demand, operating costs, liquidity, foreign exchange exposure and the availability and cost of essential resources. Changes in inflation, exchange rates, interest rates, household purchasing power and overall economic activity may affect both the demand for healthcare services and the cost base of hospital operations.	Persistent economic pressures may reduce patients' ability or willingness to spend on healthcare services and may influence the timing and type of treatments sought. Increases in the cost of medicines, consumables, utilities, manpower, transportation and other operating inputs can place pressure on operating margins. Foreign exchange volatility may increase the cost of imported medical supplies and equipment, while adverse market conditions may create liquidity pressures or increase the cost of financing. Collectively, these factors could affect profitability, cash flows, investment capacity and the Group's ability to maintain sustainable service delivery.	The Group continues to monitor macroeconomic and financial developments and their potential impact on demand, costs and liquidity. Cost efficiency, prudent resource utilisation and procurement discipline remain key areas of focus. Management continues to monitor financial exposures, liquidity requirements and cost movements and takes appropriate measures to manage financial risks. The Group also seeks to optimise operational efficiency while maintaining the quality and accessibility of essential healthcare services.
2. Regulatory, Licensing and Healthcare Compliance The Group operates within a highly regulated healthcare environment and is subject to requirements imposed by the Ministry of Health, National Medicines Regulatory Authority (NMRA), Private Health Services Regulatory Council (PHSRC), Consumer Affairs Authority and other relevant regulatory bodies. The regulatory environment covers licensing, clinical governance, medication management, pricing, documentation, patient safety, quality of care and statutory compliance.	Failure to comply with applicable laws, regulations, license conditions or regulatory requirements could result in regulatory sanctions, financial penalties, reputational damage, operational restrictions or loss of operating authorisations. Non-compliance may also adversely affect patient and stakeholder confidence and increase the Group's exposure to legal, financial and operational consequences.	The Group maintains established regulatory monitoring and compliance mechanisms covering applicable healthcare and statutory requirements. Licensing obligations, regulatory inspections, clinical requirements, medication management, pricing and documentation are monitored through established governance structures. Identified compliance gaps are subject to corrective and remedial actions, with significant matters escalated through appropriate management and governance channels.
3. Medicine Availability, Procurement and Critical Supply-Chain Resilience The availability of medicines, medical devices, consumables and other essential supplies is critical to the uninterrupted delivery of healthcare services. During the year, intermittent scarcity of medicines and other essential medical supplies increased supply-chain risk.	Disruptions to the supply of critical medicines and medical supplies could delay or interrupt treatments, affect patient care and increase procurement costs. Extended shortages may require alternative sourcing, substitutions or emergency procurement, potentially resulting in higher costs and operational complexity. Supply-chain disruption may also affect the Group's ability to maintain normal hospital capacity and service levels.	The Group continues to strengthen procurement planning, inventory monitoring and supplier management, with increased focus on critical medicines and essential medical supplies. Critical inventory levels are monitored to enable early identification of potential shortages. Supplier relationships and performance are reviewed, while alternative suppliers and logistics arrangements are considered here appropriate. Contingency arrangements and resource prioritisation measures are maintained to support continuity of essential clinical services.

RISK MANAGEMENT

Risk	Potential Impact	Mitigation Strategy
4. Regulated Pricing, Cost Inflation and Margin Pressure The Group operates in an environment where certain healthcare prices are subject to regulatory requirements and controls imposed by the Ministry of Health, PHSRC and Consumer Affairs Authority. At the same time, the cost of medicines, consumables, manpower, utilities, transportation and other operating inputs may increase due to inflation, supply constraints, foreign exchange movements and broader economic conditions.	Where regulated or market-sensitive prices do not increase in line with underlying costs, the Group may experience pressure on gross and operating margins. Sustained margin pressure could reduce the Group's ability to absorb rising operating costs and may constrain investment in infrastructure, technology, clinical capabilities and other initiatives required to support sustainable service delivery.	The Group continues to monitor the relationship between regulated pricing and underlying cost movements. Management focuses on procurement discipline, cost efficiency, productivity improvements and appropriate resource utilisation. Operating costs are monitored to identify opportunities for efficiency improvement while maintaining clinical quality and patient safety. The financial implications of pricing requirements are also considered within the Group's broader financial and operational risk management processes.
5. Clinical Governance, Patient Safety and Quality of Care Clinical and patient safety risk remains a principal area of exposure given the nature of the Group's healthcare operations. Risks may arise from clinical incidents, medication errors, infections, surgical procedures, falls, diagnostic or treatment-related events and other failures in clinical processes.	Clinical incidents may result in patient harm, adverse clinical outcomes, additional treatment requirements and increased healthcare costs. Significant incidents may also result in regulatory scrutiny, litigation, reputational damage and loss of patient and stakeholder confidence. Repeated or systemic clinical failures could adversely affect the quality of care and the Group's ability to maintain its standards of clinical governance.	Clinical governance remains a key priority across the Group. The Group continues to strengthen incident and near-miss reporting, Root Cause Analysis and Failure Mode and Effects Analysis to identify underlying causes and prevent recurrence. Controls include infection prevention and control, medication safety, medication reconciliation, clinical pharmacist review, surgical safety, falls prevention and monitoring of key clinical quality indicators. High-risk and significant clinical matters are escalated through established governance structures, including discussion at Group-level Quality and Patient Safety Committee meetings. Corrective and preventive actions are monitored to support continuous improvement in patient safety.

Risk	Potential Impact	Mitigation Strategy
6. Business Continuity, Disaster Preparedness and Operational Resilience Hospital operations depend on the continuous availability of infrastructure, utilities, medical supplies, transportation, information technology, staffing and other critical resources. Natural disasters, infrastructure failures, utility interruptions, supply-chain disruptions, transportation constraints or other unexpected events may affect the Group's ability to maintain healthcare services.	A significant disruption could reduce hospital operating capacity and affect the Group's ability to provide essential healthcare services. Disruptions to electricity, water, oxygen, information systems, transportation or medical supplies could have immediate implications for patient safety and clinical operations. Prolonged disruption could result in financial losses, increased emergency operating costs, infrastructure damage and reputational consequences.	The Group maintains and continues to strengthen Business Continuity Plans (BCPs) covering critical hospital functions and key operational dependencies. The BCP framework incorporates contingency planning, critical resource monitoring, emergency response arrangements and escalation mechanisms. The Group is also enhancing preparedness through regular testing, scenario-based exercises and reviews of critical dependencies. Alternative suppliers, logistics arrangements and resource prioritisation measures are considered to support continuity during periods of disruption.
7. Physical Climate Risk and Climate-Related Business Disruption Risk Climate change presents an increasing physical risk to healthcare infrastructure, operations and supply chains. Extreme weather events, flooding, storms and other climate-related hazards may directly or indirectly affect hospital facilities, utilities, transportation, workforce availability and access to essential supplies. The occurrence of Cyclone Ditwah during the year reinforced the importance of assessing physical climate risks within the Group's overall risk management framework.	Climate-related events may result in physical damage to infrastructure, interruption of hospital services, disruption to supply chains and increased expenditure on emergency response, repairs and business recovery. The financial impact of Cyclone Ditwah was assessed as significant under the Group's climate risk assessment methodology, at approximately 0.58% of Group revenue. Climate-related disruptions may also affect staff mobility, patient access, utilities and the availability of essential medical supplies.	The Group maintains a dedicated Climate-Related Risks and Opportunities (CRRO) Register to identify and assess physical climate risks. Climate-related risks are progressively being integrated into the enterprise risk register and the Group's existing risk assessment methodology. Hazard Vulnerability Analysis (HVA) is also being incorporated into disaster management and Business Continuity Planning to enable systematic identification and prioritisation of climate and disaster-related hazards. Infrastructure resilience, emergency preparedness, critical dependency assessment and disaster response capabilities continue to be strengthened.
8. Geopolitical, Fuel, Energy and Transportation Disruption Geopolitical developments, particularly in the Middle East, contributed to uncertainty in fuel supply and increases in fuel, transportation and essential commodity costs during the year. Hospitals depend on reliable access to fuel, energy and transportation to support clinical operations, staff mobility, logistics and the movement of essential supplies.	Fuel and energy shortages or significant price increases could increase operating costs and disrupt transportation and logistics. Disruptions could affect the delivery of medicines, medical supplies, food, oxygen and other essential consumables. Restrictions on staff mobility could also affect workforce availability and the continuity of critical clinical functions.	The Group continues to monitor critical supplies, utilities and logistics dependencies and maintains contingency arrangements to reduce the potential impact of disruption. Supplier and logistics coordination is strengthened, while critical resources are prioritised during periods of constrained availability. Alternative supply and logistics arrangements are considered where appropriate.

RISK MANAGEMENT

Risk	Potential Impact	Mitigation Strategy
9. Information Technology, security and Data Protection Healthcare is increasingly dependent on information technology and digital systems. Disruption to critical IT systems, information security incidents, data loss, unauthorised access or technology failures could affect both clinical and administrative operations.	9. Information Technology, security and Data Protection Healthcare is increasingly dependent on information technology and digital systems. Disruption to critical IT systems, information security incidents, data loss, unauthorised access or technology failures could affect both clinical and administrative operations.	The Group continues to strengthen information technology, data protection and information security controls. Technology-related dependencies are incorporated into business continuity planning and enterprise-wide risk assessments. Critical systems and technology risks are monitored, with appropriate controls and contingency arrangements maintained to support the continuity of essential operations.
10. Legal, Litigation and Corporate Reputation The Group may be exposed to legal, contractual, regulatory and reputational risks arising from patient matters, regulatory requirements, operational incidents, disputes or other events affecting stakeholder confidence.	Legal disputes, claims or regulatory actions may result in financial costs, operational disruption and increased management attention. Reputational damage may adversely affect patient confidence and relationships with healthcare professionals, employees, regulators, suppliers, investors and other stakeholders.	The Group maintains established legal, compliance and governance processes to identify and manage legal and reputational exposures. Significant matters are escalated through appropriate management and governance structures. Strong clinical governance, regulatory compliance, internal controls and appropriate incident management contribute to protecting the Group's reputation and stakeholder confidence.
11. Workforce availability and human resource The delivery of healthcare services is heavily depending on the availability of appropriately skilled clinical, technical, administrative and support personnel. Risk may arise from employee negligence, conflict of interest, fraud or misappropriation and due to poorly trained employees.	Human resource issues could affect the continuity of business operations. The consequences could be serious, when loss of key executives without suitable replacements. Thus, the ability to recruit and retain qualified and skilled healthcare professionals are crucial for the Group's success.	The group has introduced a comprehensive recruitment and retention process. Clinical staff are recruited following a thorough evaluation of their credentials and regulatory requirements. While ensuring the safety and welfare of the employees, our risk management approach is directed towards minimising the human related concerns. A succession planning program is in place which includes regular trainings, developments, promotions, KPI and supervision. Recognition and rewards schemes to encourage and promote desirable behaviour is in place. Retaining key talent with appropriate incentive schemes and periodic review of performance.

ETHICS COMMITTEE REPORT

RESEARCH ETHICS COMMITTEE

The Ethics Committee of the Asiri Group of Hospitals was constituted to serve as an advisory body on matters relating to conduct of research and clinical trials within the Asiri Group of Hospitals. Also, the matters concerning ethics issues around patient care referred to it by the Management and visiting & resident staff. The committee is responsible to report its decisions to Management.

The committee is entrusted with the task of peruse, on behalf of the Management, all proposals for research that is proposed to be carried out on Asiri Hospital patients submitted to the hospital for permission:

- To verify that the proposed investigators have obtained ethics approval from a SIDCER recognition by FERCAP Ethics Committee/s;
- To verify that the proposed investigators have obtained all other approvals and permissions necessary depending on the nature of the research and the proposed research subjects; and
- Also to verify that it meets other requirements that may be decided from time to time and set out as Committee Decisions.

The committee has so far reviewed experimental therapy and clinical trial protocols submitted to it by clinicians at Asiri. These include protocols on experimental stem cell therapy for Parkinson Disease and spinal cord transaction and a phase II trial for rheumatoid arthritis using an anti TNF alpha antibody. Also, the committee has reviewed the proposal for "Dialog m Health Trial with Asiri – (Evaluation of ambulant remote monitoring technology for investigating cardiac arrhythmias) ".

The committee will Consider and advise the Management regarding ethics issues that arise around patient care as described in Standard Operating Procedures.

The committee is constituted and operates in accordance with an SLMA Ethics Committee proposal for the establishment of Hospital Ethics Committees in Sri Lanka.

Members:

Prof. Rohan W Jayasekara, (Chairperson)
(Emeritus Professor of Anatomy / Medical Geneticist, Faculty of Medicine, University of Colombo.)

Dr. Malik Fernando
(Retired Physician /Member of Ethics Review Committee of Sri Lanka Medical Associations one-time Chair Ethics Committee SLMA)

Dr. Arittha Wickramanayake
(Attorney at Law /Precedent Partner, Nithya Partners)

Prof. Kemal I Deen
(Consultant General Surgeon –Intestinal)

Dr. Indrani Amarasinghe
(Consultant Oncologist)

Prof. Chandani Wanigatunga
(Professor in Pharmacology and Consultant Physician)

Prof. Shalini Sri Ranganathan
(Professor in Pharmacology and Specialist Paediatrician)

Sgd.
Prof. Rohan Jayasekara
Chairman – Research Ethics Committee

31st August 2026
Colombo

CLINICAL ETHICS COMMITTEE FOR TISSUE TRANSPLANTATION

ASIRI SURGICAL HOSPITAL	ASIRI CENTRAL HOSPITAL	ASIRI KANDY HOSPITAL
Dr. Hasanthie Iddamalgoda, Chairperson Director Medical Services	**Dr. Rajeeve De Silva, Chairperson** Director Medical Services	**Dr. Tharinda Dalpethado, Chairperson** Director Medical Services
Dr. Ajith Tennakoon Senior Lecturer / Head of Forensic Medicine	**Dr. Ajith Tennakoon** Senior Lecturer / Head of Forensic Medicine	**Prof. Udaya Ralapanawa** Consultant Physician
Dr. N.D.N. Asela Mendis Forensic Pathologist	**Dr. Thurul Attygalle** Consultant Physician	**Prof. Amal Vadysinghe** Professor in Forensic Medicine
Dr. Thurul Attygalle Consultant Physician	**Mrs. Savithri Fernando** Attorney-at-Law	**Mrs. Badra Kodithuwakku** Attorney-at-Law & Commissioner for Oaths
Mrs. Savithri Fernando Attorney-at-Law	**Mr. K.A.D.S. Kuruppu** Senior Staff Assistant (PGIM) / Justice of the Peace (Whole Island)	**Mr. M. A. Edmund Mahindra** Retired DIG, Sri Lanka Police
Mr. S.D.S. Kuruppu Justice of the Peace (Whole Island)		

AUDIT COMMITTEE REPORT

ROLE AND MANDATE

The Audit Committee of Asiri Hospital Holdings PLC (the "Company") assists the Board of Directors in fulfilling its oversight responsibilities in respect of the integrity of financial reporting, the effectiveness of the internal control and risk management framework, the independence and effectiveness of the internal and external assurance functions, and compliance with applicable laws, regulations and the Company's policies.

The Committee operates within its Board-approved Audit Committee Charter, which defines its scope, authority, responsibilities and reporting arrangements.

The Committee reports on its deliberations, significant matters considered and recommendations to the Board on a quarterly basis.

COMPOSITION, INDEPENDENCE AND EXPERTISE

During the financial year, the Audit Committee comprised three Non-Executive Directors, with a majority being Independent Non-Executive Directors. The Committee was reconstituted on 3 July 2025 following the appointment of Mr. Kalum De Silva as an Independent Non-Executive Director to the company.

The Board is satisfied that the members of the Committee collectively possess appropriate financial, accounting, governance and business experience to discharge the Committee's responsibilities effectively. The profiles of the directors to the Audit Committee are given on pages 24 to 28.

The Committee's composition during the year was as follows:

Member	Board status	Audit Committee role
Mr. M.I. Furkan	Independent Non-Executive Director	Chairman
Mr. Kalum De Silva	Independent Non-Executive Director	Member
Mr. H.K. Kaimal	Non-Executive Non-Independent Director	Member

MEETINGS AND ATTENDANCE

The Committee met four times during the financial year. The attendance of members was as follows:

Name of Director	Category	Attended/ Eligible to attend
Mr. M.I. Furkan	4/4	100%
Mr. Kalum De Silva	3/3	100%
Mr. H.K. Kaimal	4/4	100%

The Director – Finance and the Group Manager – Audit together with the Group Head of Risk & Audit of Softlogic Holdings Plc attended meetings as permanent invitees, while the External Auditors attended as required. The Company Secretary, Softlogic Corporate Services, served as Secretary to the Committee. The Committee also held a closed-door session with the External Auditors during the year.

KEY AREAS OF OVERSIGHT DURING 2025/26

Financial Reporting

The Committee reviewed the Company's annual and interim financial reporting processes and considered the adequacy and integrity of the financial statements, accounting policies, significant accounting estimates and judgements, transaction recording processes, management accounts and financial systems.

The Committee considered the financial statements with reference to applicable Sri Lanka Accounting Standards and the Companies Act No. 7 of 2007 and reviewed the adequacy of the related disclosures.

The committee assessed the significant financial reporting matters considered during the year, such as revenue recognition, impairment, inventory valuation, provisions, taxation, fair-value measurements and going concern, where material and applicable.

Internal Control and Risk Management

The Committee reviewed the effectiveness of the Company's internal control environment and risk management practices and monitored significant control deficiencies and management's remedial actions. Internal and external assurance reports were considered in assessing whether identified control weaknesses were being addressed in a timely manner.

Internal Audit

The Committee supervised the Internal Audit Department and reviewed and approved its annual risk-based audit plan. The Committee considered the adequacy of Internal Audit resources and evaluated the performance of the Group Manager-Audit.

Internal Audit reports and significant control findings were reviewed by the Committee, and management responses and follow-up actions were monitored. Where appropriate, re-audits and further assurance procedures were initiated to assess the effectiveness of corrective actions.

External Audit

The Committee reviewed the proposed scope, audit strategy and audit fees of Messrs. Ernst & Young, Chartered Accountants, prior to commencement of the annual audit. The Committee also considered the auditor's independence and objectivity and held a closed-door session with the External Auditors without management present.

The Committee reviewed the External Auditors' management letter and management's responses and monitored the implementation of agreed corrective actions.

The Committee recommended the reappointment of Messrs. Ernst & Young, Chartered Accountants as External Auditors for the financial year ending 31 March 2027, subject to shareholder approval.

Fraud Risk, Cybersecurity and Data Governance

The Committee's oversight of fraud risk management and the Company's whistleblowing mechanism. The committee reviewed the information technology general controls, cybersecurity, data protection and disaster recovery/business continuity.

Going Concern and Liquidity

The Committee's reviewed the management's going-concern assessment, cash-flow forecasts, liquidity, financing arrangements, debt maturities, covenant compliance and statutory payments.

Related Party Transactions

The Committee considered matters relating to related party transactions as relevant to the financial reporting and governance oversight.

Corporate Governance and Regulatory Compliance

The Committee reviewed statutory and regulatory compliance reports, including tax compliance, and monitored material compliance matters and related corrective actions. The Committee also considered the Company's compliance with applicable financial reporting, corporate governance and internal policy requirements.

COMMITTEE EFFECTIVENESS

The Committee conducted an annual self-assessment of its performance and submitted the results to the Board. The assessment considered the Committee's composition, expertise, meeting effectiveness, quality and timeliness of information received, interaction with Internal Audit and External Audit, and fulfilment of its responsibilities under the Audit Committee Charter.

The Board noted the assessment and the Committee's continuing effectiveness in discharging its mandate.

COMMITTEE CONCLUSION

Based on the reviews, discussions and assurance received during the year, the Audit Committee is satisfied that it has discharged its responsibilities under its mandate and has provided appropriate oversight of the Company's financial reporting, internal control, risk management, Internal Audit and External Audit functions.

Subject to the matters and confirmations identified in this report, the Committee is satisfied that the annual financial statements for the year ended 31 March 2026 have been prepared in accordance with the applicable financial reporting framework and relevant statutory requirements and recommends their consideration and approval by the Board.

COMPLIANCE WITH GOVERNANCE REQUIREMENTS

The Committee has performed its functions with reference to its Board-approved Terms of Reference and the applicable requirements of Section 9.13 of the Listing Rules of the Colombo Stock Exchange and the principles of the Code of Best Practice on Corporate Governance 2023 issued by CA Sri Lanka.

The Company should cross-reference the separate Corporate Governance Report for the detailed Rule 9.13 compliance matrix and other governance disclosures required under the CSE Listing Rules.

APPROVAL

The Audit Committee Report was reviewed and approved by the Audit Committee for inclusion in the Annual Report of Asiri Hospital Holdings PLC for the financial year ended 31 March 2026.

Sgd.
Mr. M.I. Furkan
Chairman – Board Audit Committee

31st August 2026
Colombo

REMUNERATION COMMITTEE REPORT

PURPOSE
The principal purpose of the Committee is to consider, agree and recommend to the Board a remuneration policy that is aligned with its long-term business strategy, objectives, risk appetite, values and the long-term interests of the Group whilst also recognising the interests of stakeholders. The responsibilities of the Committee are laid out in its written Terms of Reference (TOR).

COMMITTEE COMPOSITION
During the year, the Remuneration Committee consisted of three Non-Executive Directors, a majority of whom are independent, in line with the composition requirements specified by the regulators

Name	Position
Mr. M. I. Furkan	Independent Non-Executive Director
Mr. G. D. K. L. De Silva	Independent Non-Executive Director
Mr. H. K. Kaimal	Non-Executive Non- Independent Director

REMUNERATION PACKAGE OF DIRECTORS
a) Remuneration of Directors

No remuneration is paid to Non-Executive Directors other than the Directors' fees paid based on their participation at Board meetings and other Sub-Committee meetings.

b) Retirement Benefits

Non-Executive Directors are not entitled to retirement benefits.

c) Share Option Plans for Directors

The Company does not have a share option plan for Directors.

d) Personal Loans for Directors

No Director is entitled to Company loans.

Total fees and remuneration paid to all Directors including the Managing Director and the Chairman are disclosed in Note 5 on page 104 in this report

ACTIVITIES OF THE YEAR
We continued to ensure that our remuneration policies were consistent with our strategic objectives, and were designed with the long -term success of the Group in mind. This was particularly so when considering how our remuneration schemes can drive behaviour in line with our chosen objectives and in line with industry best practices.

Our investment in a renowned HR platform, will continue to strengthen the effectiveness and efficiency of the systems and processes.

OUR REWARD FRAMEWORK
The Committee focused on delivering a reward framework that is transparent, tailored to individual roles and provide a clear link to the Company's strategic objectives. The objective is to drive performance to the highest standards while rewarding both performance and value behaviours. It seeks to be sufficiently competitive in order to attract, retain and motivate employees of the highest calibre.

THE YEAR AHEAD
The Remuneration Committee will continue to monitor the remuneration policy to ensure that it is correctly aligned with the Group's strategy. The Committee's policy aims to properly reward performance in line with the Company's business objectives and growth to enrich shareholder value.

Sgd.
Mr. M.I. Furkan
Chairman - Remuneration Committee

31st August 2026
Colombo

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE REPORT

PURPOSE

The purpose of the Related Party Transactions Review Committee is to conduct an appropriate review of Asiri Hospital Holdings and its subsidiaries related party transactions and to ensure that interests of shareholders and other stakeholders are considered when engaging in related party dealings, hence preventing Directors, Key Management Personnel or substantial shareholders taking advantage of their positions. The Committee ensures adherence to the Rule 9 of the Listing Rules and guided by the Code of Best Practices on related party transactions issued by the Securities & Exchange Commission of Sri Lanka (SEC) and CA Sri Lanka. The Committee states opinions in accordance with the charter of the Related Party Transaction Review Committee. It reviews the charter and policies while making recommendations to the Board as and when deemed necessary.

COMPOSITION OF THE COMMITTEE AND ATTENDANCE

During the year, the Related Party Transactions Review Committee consisted of three Non-Executive Directors, a majority of whom are independent, in line with the composition requirements specified by the regulators

Name of Director	Category	Attendance
Mr. M. I. Furkan	Independent Non-Executive Director	4/4
Mr. G. D. K. L. De Silva	Independent Non-Executive Director	3/3
Mr. H. K. Kaimal	Non-Executive Non-Independent Director	4/4

The Director Finance attends the meeting by invitation. Softlogic Corporate Services (Pvt) Ltd, serves as Secretaries to the Committee.

ROLES AND RESPONSIBILITIES

1. Reviewing in advance all proposed related party transactions of the Company in compliance with the Code.
2. Adopting policies and procedures to review related party transactions of the Group and reviewing and overseeing existing policies and procedures.
3. Determining whether related party transactions that are to be entered into by the Company require the approval of the Board or Shareholders of the respective Companies.
4. If related party transactions are ongoing (recurrent related party transactions) the Committee establishes guidelines for senior management to follow in its ongoing dealings with the relevant related party.
5. Ensuring that no Director of the Company shall participate in any discussion of a proposed related party transaction for which he or she is a related party, unless such Director is requested to do so by the Committee for the express purpose of providing information concerning the related party transaction to the Committee.
6. If there is any potential conflict in any related party transaction, the Committee may recommend the creation of a special committee to review and approved the proposed related party transaction.
7. Ensuring that immediate market disclosures and disclosures in the Annual Report as required by the applicable rules/ regulations are made in a timely and detailed manner.

REVIEW OF THE RELATED PARTY TRANSACTIONS DURING THE YEAR

The Committee reviewed all proposed Related Party Transactions of Asiri Hospital Holdings PLC and scrutinised such transactions to ensure that they are no less favourable to the Group than those generally available to an unaffiliated third party in a similar circumstance. The activities of the Committee have been communicated to the Board quarterly through tabling minutes of the meeting of the Committee at Board Meetings. Relevant disclosures have been made to the Colombo Stock Exchange in compliance with regulations. Details of Related Party Transactions entered by the Group during the above period are disclosed in Note 31 to the Financial Statements.

During the year 2025/2026 there were no non- recurrent or recurrent related party transactions that exceeded the respective thresholds mentioned in the Listing Rules of the Colombo Stock Exchange.

Sgd.
Mr. M.I Furkan
Chairman
Related Party Transactions Review Committee

31st August 2026
Colombo

NOMINATION AND GOVERNANCE COMMITTEE REPORT

The Nominations and Governance Committee of Asiri Hospital Holdings PLC is appointed by the Board of Directors of the Company and reports directly to the Board.

POLICY FRAMEWORK

The policy framework for the functioning of the Nomination and Governance Committee of the Company and its subsidiaries is set out in the Group Policies adopted across the Group. Asiri Hospital Holdings PLC and subsidiaries are subject to the Nominations and Governance Committee of Asiri Hospital Holdings PLC. Nominations to the Boards of all Group Companies shall be reviewed and approved by this Committee prior to appointment.

COMMITTEE COMPOSITION AND ATTENTION

The Nominations and Governance Committee of Asiri Hospital Holdings PLC comprise of three Non-Executive Directors, a majority of whom are independent, in line with the composition requirements specified by the regulators.

Name	Position	Attendance
Mr. M.I Furkan	Chairman/Independent Non-Executive	1/1
Mr. G.D.K.L. De Silva	Independent Non-Executive	1/1
Mr. V. Bali	Independent Non-Executive Director	1/1

SCOPE

The scope of the Nominations Committee would be to review all appointments to the Board of Group companies and recommend to the respective Board of Directors of the relevant company for appointment.

MEETINGS

The Nominations Committee shall meet once each year or as required.

Sgd.
Mr. M. I. Furkan
Chairman
Nominations and Governance Committee

31st August 2026
Colombo

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The responsibilities of the Directors, in relation to the financial statements of the Company differ from the responsibilities of the Auditors, which are set out in the Report of the Auditors on pages 80 to 82. The Companies Act No. 07 of 2007 stipulates that the Directors are responsible for preparing the Annual Report and the financial statements. Company law requires the Directors to prepare financial statements for each financial year, giving a true and fair view of the state of affairs of the Company at the end of the financial year, and of the Statement of Comprehensive Income of the Company and the Group for the financial year, which comply with the requirements of the Companies Act.

The Directors consider that, in preparing financial statements set out on pages 83 to 161 of the Annual Report, appropriate accounting policies have been selected and applied in a consistent manner and supported by reasonable and prudent judgments and estimates, and that all applicable accounting standards have been followed. The Directors confirm that they have justified in adopting the going concern basis in preparing the financial statements since adequate resources are available to continue operations in the foreseeable future.

The Directors are responsible for keeping proper accounting records, which disclose reasonable accuracy, at any time, the financial position of the Company and to enable them to ensure the financial statements comply with the Companies Act No. 07 of 2007 and are prepared in accordance with Sri Lanka Accounting Standard (SLFRS/ LKAS).

They are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities. In this regard the Directors have instituted an effective and comprehensive system of internal control.

The Directors are required to prepare financial statements and to provide the external auditors with every opportunity to take whatever steps and undertake whatever inspections they may consider to be appropriate to enable them to give their independent audit opinion.

The Directors are of the view that they have discharged their responsibilities as set out in this statement.

COMPLIANCE REPORT

The Directors confirm that to the best of their knowledge, 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 and other known statutory dues as were due and payable by the Company as at the date of the Statement of Financial Position have been paid or, where relevant provided for, in arriving at the financial results for the year under review except as specified in Note 29.2 to the Financial Statements covering contingent liabilities.

Sgd.
Mr. A. K. Pathirage
Chairman/Managing Director

Sgd.
Mr. H. K. Kaimal
Director

31st August 2026

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

The Directors of Asiri Hospital Holdings PLC have pleasure in presenting to the members of their report together with the Audited Financial Statements of the Company and the Audited Consolidated Financial Statements of the Group for the year ended 31 March 2026.

GENERAL

Asiri Hospital Holdings PLC is a public company incorporated in Sri Lanka on 29th September 1980, under the Companies Act No.17 of 1982, with limited liability. The Ordinary Shares of the Company have been listed with the Colombo Stock Exchange since 1986.

Re- registered on 30th September 2008 under the Companies Act No. 07 of 2007.

PRINCIPAL ACTIVITIES AND NATURE

The principal activity of the Company continues to be carrying out Healthcare and Hospital Services. There has been no significant change in the nature of the Group's/Company's principal activities during the year.

FUTURE DEVELOPMENTS

An indication of likely future developments is set out in the Chairman's Review on pages 10 to 12 In the ordinary course of business the Group develops new products and services

PERFORMANCE REVIEW

The Financial Statements reflect the state of affairs of the Company and the Group. This report forms an integral part of the Annual Report of the Board of Directors.

FINANCIAL STATEMENTS

Section 168 (b) of the Companies Act require that the Annual Report of the Directors include financial statements of the Company, in accordance with Section 151 of the Companies Act and Group financial statements for the accounting period, in accordance with section 152 of the Companies Act. The requisite financial statements of the Company are given on pages 80 to 161 of the Annual Report.

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Directors are responsible for the preparation of the Financial Statements of the Company to reflect a true and fair view of the state of affairs. The Directors are of the view that these Financial Statements have been prepared in conformity with the requirements of the Companies Act No. 07 of 2007 and the Sri Lanka Accounting Standards. A statement in this regard is given on page 53.

AUDITOR'S REPORT

The Auditor's Report on the financial statements is given on pages 80 to 82 of the Annual Report.

SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial statements are given on pages 89 to 101 of the Annual Report. There was no change in the accounting policies adopted from the previous year except for the standards listed in Note 2.5.

PROPERTY, PLANT & EQUIPMENT

The details and movement of property, plant and equipment during the year under review is set out in Note 9 to the Financial Statements on pages 106 to 111.

CAPITAL EXPENDITURE

The total capital expenditure incurred on the acquisition of property, plant and equipment for the Company and the Group amounted to Rs. 328 Mn (2025 –476Mn) and Rs. 1,361 Mn (2025 – Rs. 1,581Mn) respectively. Details of capital expenditure and their movements are given in Note 9 to the Financial Statements on pages 106 to 111 of the Annual Report.

RESERVES

The reserves for the Company and Group amounted to Rs. 32,676 Mn (2025 Rs. 29,249Mn) and Rs. 18,987 Mn (2025 Rs. 14,916, Mn) respectively. The movement and composition of the Capital and Revenue reserves is disclosed in the Statement of Changes in Equity.

DONATIONS

During the year, donations made by the Company and Group amounted to Nil (2025 -Nil) and Rs.2 Mn (2025–Rs. 65,000) respectively.

STATED CAPITAL

The stated capital of the Company as at 31 March 2026 was Rs. 4,748,108,334 (2024/2025- LKR. 4,748,108,334/-) represented by 1,137,533,596 ordinary shares. There was no change in the stated capital of the Company during the year under review.

EVENTS AFTER THE DATE OF THE STATEMENT OF FINANCIAL PERFORMANCE

No circumstances have arisen, and no material events have occurred after the date of the Statement of Financial Position, which would require adjustments to, or disclose in the accounts other than those disclosed in Note 30 to the Financial Statements.

TAXATION

The information relating to income tax and deferred taxation is given in Note 6 to the Financial Statements.

STATUTORY PAYMENTS

The Directors, to the best of their knowledge and belief are satisfied that all taxes, duties and levies payable by the Company and the Group, all contributions, levies and taxes payable on behalf of, and in respect of, the employees of the Company and the Group, and all other known statutory dues as were due and payable by the Company and the Group as at the date of the Statement of Financial Position have been paid or, where relevant provided for, except as specified in Note 29.2 to the Financial Statements, covering contingent liabilities.

RELATED PARTY TRANSACTIONS

The Company's transactions with Related Parties, given in Note 31 to the Financial Statements.

DIRECTORATE

The following Directors held Office during the year under review. The biographical details of the Board members are set out on pages 24 to 28.

Mr. A.K. Pathirage - (Chairman/ Managing Director)
Mr. H.K. Kaimal
Mr. G.W.D.H.U. Gunawardena
Mr. M.I. Furkan
Mr. V Bali
Mr. A.N Thadani (Also Alternate Director to Mr. V Bali)
Mr. R. Selvaskandan
Mr. S. Shapira
Mr. G. D. K. L. De Silva

DIRECTORS' SHAREHOLDING

The relevant interests of Directors in the shares of the Company are as follows:

Name of Director	No. of Shares as at 31/03/2026	No. of Shares as at 31/03/2025
Mr. A. K. Pathirage	371,664	371,664
Mr. H.K. Kaimal	-	-
Mr. G.W.D.H.U. Gunawardena	-	-
Mr. M. I. Furkan	-	-
Mr. V. Bali	-	-
Mr. A.N. Thadani	-	-
Mr. R. Selvaskandan	-	-
Mr. S. Shapira	-	-
Mr. G.D.K.L.De Silva	-	-

DIRECTORS' REMUNERATION

Directors' remuneration in respect of the Company for the financial year ended 31 March 2026 was Rs. 7.2 Mn (2025 – Rs. Mn62). The remuneration of the Directors is determined by the Board.

DIRECTORS' INTERESTS IN CONTRACTS AND PROPOSED CONTRACTS WITH THE COMPANY

Directors' interests in contracts, both direct and indirect are referred to in Note 31 to the Financial Statements. The Directors have no direct or indirect interest in any other contract or proposed contract with the Company.

INTERESTS REGISTER

The Interests Register is maintained by the Company as per the Companies Act No. 07 of 2007. All Directors have disclosed their interests pursuant to Section 192(2) of the said Act.

FIT AND PROPER ASSESSMENT CRITERIA AND PROPOSED CONTRACTS WITH THE COMPANY

The Directors hereby confirm that the Directors of the Company satisfy the Fit and proper Assessment Criteria stipulated in section 9.7 of the Listing Rules of the Colombo Stock Exchange for the year.

SHAREHOLDERS' INFORMATION

The distribution of shareholders is indicated on pages 162 to 163 of the Annual Report. There were 6,557 registered shareholders as at 31 March 2026 (31 March 2025 – 5,707).

SHARE INFORMATION

Information on share trading is given on pages 162 to 163 of the Annual Report.

INTERNAL CONTROL

The Directors are responsible for the governance of the Company including the establishment and maintenance of the Company's system of internal control. Internal control systems are designed to meet the particular needs of the organisation concerned and the risk to which it is exposed and by their nature can provide reasonable, but not absolute assurance against material misstatement or loss. The Directors are satisfied that a strong control environment is prevalent within the Company and that the internal control systems referred to above are effective.

ANNUAL REPORT OF THE BOARD OF DIRECTORS ON THE AFFAIRS OF THE COMPANY

EMPLOYEES & INDUSTRIAL RELATIONS

There have been no material issues pertaining to the employees and industrial relations of the Company.

RISK MANAGEMENT

The Group's risk management objectives and policies and the exposure to risks, are set out in pages 42 to 46 of the Annual Report.

CORPORATE GOVERNANCE

The Directors have declared all material interests in contracts involving the Company and refrained from voting on matters in which they were materially interested.

The Company complied with all applicable laws and regulations in conducting its business and has not engaged in any activity contravening the relevant laws and regulations.

All endeavours have been made to ensure that shareholders in each category have been treated equitably in accordance with the original Terms of Issue.

The business is a Going Concern with supporting assumptions or qualifications as necessary, and that the Board of Directors has reviewed the Company's Corporate/ Business plans and is satisfied that the Company has adequate resources to continue its operations in the foreseeable future. Accordingly, the Financial Statements of the Company are prepared based on the Going Concern assumption.

The report on Corporate Governance is given on pages 32 to 41 of the annual Report.

DIVIDENDS

There were no Dividend declared during the period.

THE AUDITORS

The Board Audit Committee reviews the appointment of the external auditors, as well as their relationship with the Group, including monitoring the Group's use of the auditors for non-audit services and the balance of audit and non-audit fees paid to the auditors.

The Auditors of the Company, Messrs. Ernst & Young, Chartered Accountants were paid Rs. 4.3 Mn as audit fees for the financial year ended 31 March 2026 (2025 – 3.8 Mn) by the Company. Details of which are given in Note 5 to the Financial Statements.

As far as the Directors are aware, the Auditors do not have any relationship (other than that of an auditor) with the Company that would have an impact on their independence. The Auditors also do not have any interest in the Company.

Having reviewed the independence and effectiveness of the external auditors, the Audit Committee has recommended to the Board that the existing auditors, Messrs. Ernst & Young, Chartered Accountants be reappointed. Ernst & Young have expressed their willingness to continue in office and ordinary resolution reappointing them as auditors and authorising the Directors to determine their remuneration will be proposed at the forthcoming AGM.

RELATED PARTY TRANSACTIONS

Transaction of the related parties (as defined in LKRS 24- Related Parties Disclosure) with the Company are set out in Note No 31 to the Financial Statements. There are no any other related party transaction which exceed the threshold of 10% of the equity or 5% of the total assets, whichever is lower than in relation to non-recurrent related party transactions or 10% of the gross revenue in relation to recurrent related party transactions. The Company has complied with the requirements of the Listing Rules of the Colombo Stock Exchange on Related Party Transactions.

GOING CONCERN

The Directors having assessed the environment within which it operates, the Board is satisfied that the Company and the Group have adequate resources to continue its operations in the foreseeable future. Therefore, the Directors have adopted the going-concern basis in preparing the financial statements.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held on Friday, 25th September 2026 at 10.00 a. m. The Notice of the Annual General Meeting is on page 166 of the Annual Report.

Sgd
Mr. A. K. Pathirage
Chairman/Managing Director

Sgd
Mr. H. K. Kaimal
Director

Sgd
Softlogic Corporate Services (Pvt) Ltd
Secretaries

31st August 2026
Colombo

REPORT OF SENIOR INDEPENDENT DIRECTOR

This report is presented in compliance with the requirement set out in Section 9.6.3 (e) of the revised Listing Rules on Corporate Governance of the Colombo Stock Exchange which came into effect on 01st October 2023. The requirement of appointing a "Senior Independent Director" (SID) to Asiri Hospital Holdings PLC is in accordance with Section 9.6.3 (a) ii of the revised Listing Rules on Corporate Governance of the Colombo Stock Exchange.

ROLE AND RESPONSIBILITIES OF SENIOR INDEPENDENT DIRECTOR

In terms of the role and responsibilities of the SID, the principal role of the SID is to support the Chairman in his role and duties, acting as an intermediator for the Non-Executive Directors and to facilitate the due exercise of the functions of the Chairman with the Non Executive Directors as and when necessary.

The role and the responsibilities vested on the SID of the Board is relevant in the current context of Corporate Governance regulations, standards, and best practices which are frequently reviewed and revised by regulators. My role is to ensure requisite governance standards are complied with while providing necessary assistance to the Chairman of the Board through discussion and communication between Non-executive and Independent Directors of the Company in addressing matters relevant to the Board as a whole to enhance the overall effectiveness of the Board.

Serving as the Senior Independent Director has been a privilege, as it has allowed me to ensure sharing collective opinions of independent directors with Chairman relating to key decisions and actions taken by the board of Directors. I believe it is crucial for maintaining transparency of our governance processes.

IMPLEMENTATION ACTIVITIES

During my tenure, I presided over the meeting of the Non-Executive Directors, where the Directors expressed their satisfaction with the Company's governance practices and commended the overall leadership demonstrated by the Board. Additionally, I convened a meeting with the Independent Directors, during which we engaged in candid discussions on various matters concerning the Company and the operation of the Board.

The Independent Directors acknowledged the commendable performance of the Company, noting that governance standards were well maintained, while also identifying specific areas for improvement.

In my capacity as Senior Independent Director, I ensured that the outcomes of these meetings, together with any recommendations, were promptly and effectively communicated to the Chairman and other Board members.

In the upcoming year, I will oversee and chair meetings of Independent Non-Executive Directors, ensuring that their perspectives are communicated effectively to the Chairperson and the Board. I remain committed to enhancing the governance framework and contributing to the sustainable growth of the Company.

Sgd.
Mr. M.I. Furkan
Senior Independent Director

31st August 2026

SLFRS S1 AND S2 DISCLOSURES

At Asiri Hospital Holdings, caring for lives extends beyond our hospitals to the world we all share. Our sustainability approach is shaped by responsibility, transparency and the belief that lasting care must protect people and planet alike. Through disciplined disclosure and purposeful action, we continue to build a Group that grows responsibly, treads gently and secures a healthier future for all.

SLFRS SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES

BASIS OF PREPARATION

1. Reporting Entity, Organisation Boundary and Value Chain

The sustainability-related financial disclosures presented in this section apply to Asiri Hospital Holdings PLC and its subsidiaries (together referred to as the "Group" and individually as Group entities) within the financial reporting boundary, in line with the Group's general purpose financial reports. These disclosures are prepared for the same reporting entity as the consolidated financial statements, ensuring consistency and comparability in accordance with SLFRS Sustainability Disclosure Standards requirements. The disclosures are presented on a consolidated basis, incorporating all entities over which Asiri Hospital Holdings PLC exercises control.

The organisational boundary reflects the Group's consolidated operations across its hospitals, diagnostic facilities, and academy, capturing climate-related risks and opportunities across its full operational footprint.

The Group's value chain encompasses its upstream dependencies, own operations, and downstream activities. Upstream, this includes suppliers of pharmaceuticals, medical consumables, equipment, utilities, and outsourced services such as clinical waste management and facilities maintenance. The Group's own operations comprise the provision of healthcare services across its network of hospitals and diagnostic centres, including inpatient, outpatient, surgical, and diagnostic care. Downstream, the value chain extends to patients and healthcare consumers, insurance providers, regulatory and public health authorities, and the communities served by the Group's facilities.

Risks and opportunities may arise at any stage of the value chain and can have implications for operations, cost structures, market access and long-term value creation. The Group therefore considers value chain linkages in identifying and assessing climate-related risks and opportunities, enabling a more integrated understanding of potential impacts on the business.

2. Basis of Materiality

The Group applies the principle of materiality in determining climate-related financial information to be disclosed. Material climate-related risks and opportunities are those that could reasonably be expected to affect the Group's prospects, including its financial position, financial performance and cash flows over the short, medium or long term.

Materiality is determined with reference to two aspects: quantitative and qualitative.

The quantitative aspect is based on a materiality threshold of ±0.5% of the Group's average revenue over the preceding three years. Risks and opportunities with a potential financial impact at or above this threshold are considered material.

The qualitative aspect considers factors beyond financial magnitude, including the strategic relevance of the matter to the Group's long-term objectives, and the potential for reputational damage arising from non-compliance with applicable laws, regulations, or stakeholder expectations.

A climate-related risk or opportunity is classified as material where it meets the quantitative threshold, is assessed as significant under the qualitative criteria, or both.

3. Functional Currency

The Group determines the functional currency of each entity based on the primary economic environment in which it operates. The consolidated sustainability disclosures are presented in Sri Lankan Rupees (LKR), unless otherwise stated.

4. Sources of Guidance

The Group has applied relevant international and local frameworks, standards and guidance in identifying and disclosing climate-related risks and opportunities. These include:

- SLFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information
- SLFRS S2 – Climate-related Disclosures
- Sri Lanka's Nationally Determined Contributions (NDC 3.0), 2026–2035
- Industry-based Guidance on implementing Climate-related Disclosures

i. Health Care Delivery Sustainability Accounting Standard

The Group has identified its climate-related risks and opportunities by applying the above guidance, incorporating both external reference points and internal operational data across its value chain. This approach enables a structured and consistent assessment of risks and opportunities, supporting the Group's understanding of potential impacts on its operations and long-term value creation.

5. Reporting Period

These climate-related financial disclosures cover the financial year from April 1, 2025, to March 31, 2026, and are aligned with the Group's annual financial reporting cycle to ensure consistency and comparability.

6. Time Horizon

The Group defines its short-, medium- and long-term time horizons in line with its internal planning and decision-making processes, including the annual budgeting cycle and the Long-Range Plan

(LRP). The short-term horizon aligns with the Group's annual budget cycle. The medium-term horizon aligns with the LRP period. The long-term horizon extends beyond the LRP and the formal planning cycle, and is used to assess emerging risks and opportunities that may materialise over a longer time frame.

Time Horizon	Denoted by	Period
Short term	S	Financial Year 2026/27
Medium term	M	Financial Years 2027/28 – 2029/30
Long term	L	Financial Year 2031/32 and beyond

7. Connected Information

The climate-related financial disclosures presented in this section are interconnected with other sections of the Annual Report. These linkages support a holistic understanding of how climate-related risks and opportunities are governed, managed, and integrated into the Group's strategy and performance.

Connected Information

Relevant Section in Annual Report	Description of Connectivity
Governance	
Corporate Governance Section (Refer pages 32 to 41) Board Audit Committee Report (Refer pages 48 to 49)	Provides details on the roles and responsibilities of the Board of Directors, Board Audit Committee, and management in overseeing climate related risks and opportunities (CRROs), including governance structures and oversight mechanisms.
Risk Management	
Enterprise Risk Management (ERM) Section (Refer pages 42 to 46)	Describes the Group's overall risk management framework, within which climate-related risks are identified, assessed, monitored and managed alongside other principal risks.
Strategy	
Management Discussion & Analysis (MD&A), (Refer pages 13 to 21)	Outlines how climate-related risks and opportunities influence the Group's strategic direction, business model, capital allocation and future outlook.
Metrics and Targets	
Refer to pages 74 to 77 of the Sustainability Report for detailed Scope 1 and Scope 2 GHG emissions data.	Provides detailed Scope 1 and Scope 2 GHG emissions data, along with related energy consumption metrics, used by the Group to measure and monitor climate-related performance.

8. Transitional Relief

The Group has applied certain transitional reliefs permitted under SLFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 – Climate-related Disclosures, in preparing these sustainability-related financial disclosures for the first year of adoption. The five transitional reliefs applied are set out below.

- SLFRS S1 – Disclosure of information only on climate-related risks and opportunities (CRROs): In the first year of application, the Group has limited its sustainability-related financial disclosures to climate-related risks and opportunities only, as permitted under the transitional relief, rather than disclosing information on the full range of sustainability-related matters.
- SLFRS S1 | S2 – Disclosure of comparative information: The Group has applied the transitional relief permitting the omission of comparative information for the first year of reporting under the standards. Comparative information will be provided from future reporting periods onward, in line with the standard's requirements.
- SLFRS S2 – Disclosure of Scope 3 greenhouse gas emissions: The Group has applied the transitional relief available under SLFRS S2 and has deferred the disclosure of Scope 3 greenhouse gas emissions for two years from the date of initial application. Accordingly, only Scope 1 and Scope 2 greenhouse gas emissions are disclosed during the transitional period.
- SLFRS S1 | S2 – Disclosure of qualitative information on anticipated financial effects: The Group has applied the transitional relief permitting deferral of qualitative disclosures regarding the anticipated financial effects of climate-related risks and opportunities, for a period of two years following the mandatory application of the standard.
- SLFRS S2 – Climate resilience disclosures: The Group has applied the transitional relief providing a two-year period to comply with climate resilience disclosure requirements, including climate-related scenario analysis. During this period, the Group will continue to enhance its processes, data and analytical capabilities to support the development of scenario analysis and comprehensive climate resilience disclosures in future reporting periods.

SLFRS SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES

9. Significant Judgments, Uncertainties and Proportionality

Climate-related financial disclosures presented in this section involve the application of significant professional judgement and estimation, due to the inherent uncertainty, forward-looking nature, and data limitations associated with the CRROs.

Significant judgements and uncertainties

Category	Assessment Methodology	Key Limitations & Uncertainties
a. Materiality	The assessment evaluates whether specific CRROs could have a material impact on the Group's cash flow, access to finance, or cost of capital.	• The frequency, timing, and intensity of climate-related physical risks remain uncertain, limiting the ability to precisely quantify their potential effects on the Group's financial performance. • The evaluation of non-financial impacts, such as reputational considerations linked to both transition and physical climate risks is subject to a degree of inherent judgement and estimation uncertainty.
b. Time horizon classification	Time horizons are defined to align with the Group's strategic planning cycle. Refer Basis of Preparation -Note 6. Time Horizon	Climate-related impacts may not align precisely with internal planning cycles, it stretches beyond traditional business planning and investment cycles, creating a challenge for strategic integration.
c. Assessment of assets vulnerable to climate-related physical risk (Extreme weather events)	Extreme weather events, including cyclones, high winds, and heavy rainfall, represent a significant and increasing physical risk to the Group's operations. District-level extreme weather event classifications were obtained from "ThinkHazard!".	• Climate hazard classifications are based on historical and modelled data, which may not accurately predict the frequency, timing, or severity of future extreme weather events, particularly given the increasing unpredictability associated with climate change.
d. Assessment of assets vulnerable to climate-related transition risk	Transition risks were evaluated based on evolving policies, regulations, and market developments supporting the low-carbon transition, including the trajectory of announced government policies and phased regulatory measures.	• Announced government policies and phased regulatory measures may be delayed, revised, or reversed, making it difficult to predict the actual pace and direction of the low-carbon transition with confidence. • Even where policy direction is reasonably clear, the specific timing of implementation remains uncertain, affecting the Group's ability to anticipate the timing of financial impacts.

10. Statement of Compliance

This report represents a complete set of sustainability-related financial disclosures for **Asiri Hospital Holdings PLC and its subsidiaries** (collectively, the Group) for the year ended 31 March 2026. The Group's sustainability-related disclosures have been prepared in accordance with SLFRS Sustainability Disclosure Standards as issued by the Institute of Chartered Accountants of Sri Lanka.

GOVERNANCE

Board Oversight Role

Responsibility

During the financial year, the Board delegated oversight of sustainability-related matters to the Board Audit Committee, which supports the Board by overseeing the Group's sustainability strategy and policies, monitoring sustainability-related and climate-related risks and opportunities, reviewing related targets and performance, and overseeing the Group's Risk Management Policy.

Skills and Competencies

The Board of Directors brings a diverse range of skills and experience across corporate governance, finance, risk management, and strategic oversight, supporting the effective supervision of climate-related risks and opportunities (CRROs).

Recognising the importance of strengthening sustainability-related competencies, a formal skills and competency assessment was conducted to identify existing gaps. In response, the Group has conducted, and continues to conduct, targeted training and capacity-building initiatives for members of the Board Audit Committee and the Group ESG Management Committee.

Inform

The Group's Sustainability Management Framework, together with its enterprise risk management processes, ensures that climate-related risks and opportunities (CRROs), as well as performance on material sustainability topics, are regularly monitored and reported to the Board Audit Committee on a quarterly basis. This is further supported by internal audit processes undertaken by the Group Sustainability Department.

Address

The Board Audit Committee considers climate-related risks and opportunities (CRROs) as part of its oversight of the Group's strategy, decision-making and risk management processes. In discharging its responsibilities, the Committee will review information relating to the impacts of the Group's operations on the economy, environment and society, together with the associated risks and opportunities and their potential financial implications. Based on this review, the Board Audit Committee will provide recommendations to the Board to support decision-making relating to strategy, risk mitigation and the management of sustainability-related impacts.

Monitor

As part of its delegated authority, the Board Audit Committee reviews ESG performance on a periodic basis, including progress trends and any deviations, to support effective oversight and informed decision-making.

Management Role

Delegation

The Group ESG Management Committee plays a central coordinating role in driving sustainability initiatives at the Group level. This includes supporting the identification and assessment of sustainability-related risks and opportunities, monitoring performance against KPIs, and providing regular updates to the Board Audit Committee on sustainability performance and emerging risks. Operational responsibility is further supported by the Group EHS & Sustainability Department, which facilitates data collection and reporting, and supports the identification and monitoring of sustainability-related risks, including climate-related exposures, across the Group, providing periodic data and performance inputs.

Policies and procedures

The Group has established policies, controls, and procedures to support the oversight of climate-related risks and opportunities (CRROs), primarily through its Risk Management Policy. The Risk Management Policy encompasses periodic risk identification, assessment, and reporting processes, with the Group ESG Management Committee providing updates to the Board Audit Committee on a quarterly basis. These updates incorporate sustainability-related and climate-related risks, enabling their monitoring alongside the Group's other principal risks. The Group continues to strengthen its existing control environment to further integrate CRROs into its risk management processes, ensuring that sustainability-related considerations are systematically embedded within governance and decision-making.

Strategy

1. Our Context

The Group recognises climate change as a material and systemic risk with the potential to significantly influence its operating landscape across its network of hospitals, laboratories, and diagnostic centres. As a leading private healthcare provider in Sri Lanka, the Group is directly exposed to both physical risks—such as extreme weather events, flooding, and severe rainfall—and transition risks associated with the shift toward a low-carbon economy, including evolving regulatory requirements, changing stakeholder expectations, and the adoption of new technologies and clinical practices.

This exposure is not limited to risk alone. The Group is also positioned to capture emerging opportunities arising from the transition to a low-carbon, climate-resilient economy, including opportunities to strengthen operational efficiency, enhance patient and staff safety, and reinforce its reputation as a responsible healthcare provider. In response, the Group has established a climate strategy that integrates both adaptation and mitigation measures, as detailed below.

Adaptation (Managing Physical Climate Risks)

Strengthening resilience

The Group continues to strengthen its resilience to climate-related physical risks, including floods, extreme rainfall, and severe weather events such as Cyclone Ditwah. This is achieved through the integration of climate risk considerations into the Group's enterprise risk management framework, proactive protection of critical clinical and diagnostic assets, and enhanced business continuity planning across facilities. These efforts are aimed at safeguarding the continuity of patient care, preserving asset value, and maintaining a robust risk profile over the long term.

Mitigation (Enabling the Low-Carbon Transition)

Supporting transition

The Group is committed to aligning its operations with a low-carbon future by systematically reducing its carbon footprint and emissions intensity. This includes the adoption of energy-efficient technologies, increased utilisation of renewable energy, and the integration of sustainable practices across hospital and laboratory operations.

Addressing solid waste pollution

The Group manages solid waste responsibly across the value chain, integrating upstream source-reduction measures with downstream recycling and disposal practices. In collaboration with established waste management partners, the Group has implemented structured collection and recycling programmes for non-hazardous waste streams — including cardboard and paper, plastics, glass, and food waste — generated across its hospital and diagnostic network.

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To advance its climate strategy, the Group intends to place greater emphasis on internal awareness-building across its facilities and will endeavour to embed climate scenario analysis into its strategic and operational decision-making. This includes progressively aligning performance targets with national climate priorities under Sri Lanka's NDC 3.0, and with sector-relevant guidance under the SASB Health Care Delivery Standard.

Link to Climate-Related Risks and Opportunities

Building on this strategic context, the Group has undertaken a structured assessment of the physical, transition, and opportunity-related climate risks most relevant to its operations. This assessment—summarised in the Climate-Related Risks and Opportunities (CRRO) disclosures below—translates the strategic priorities outlined above into specific, facility-level risks and opportunities, assessed for likelihood, financial materiality, and time horizon, and forms the basis for the Group's ongoing climate adaptation and mitigation planning.

CRRO 1	Extreme Weather Events	
CRROs impact on Prospects	Description	Climate change in Sri Lanka poses several operational and financial challenges for healthcare providers. Variability in rainfall and the increasing incidence of extreme weather events, such as floods and droughts, can disrupt hospital and laboratory operations and damage critical infrastructure, including diagnostic equipment, cold storage facilities, and medical supply stores. These conditions also affect the availability and stability of pharmaceuticals, medical consumables and laboratory reagents, and contribute to energy supply and cost volatility stemming from variability in hydropower generation. Extreme weather events can further disrupt patient access to care, delay elective procedures, and increase demand for emergencies and outbreak-related services, placing additional strain on healthcare delivery. Collectively, these disruptions could adversely affect the Group's revenue generation, increase operating costs, and constrain the Group's ability to sustain consistent service delivery and growth across its hospital network.
	Physical Risk or Transition Risk	Physical Risk
	Time Horizon	S, M, L
	Define time horizon	Refer Note 6 Time Horizon in basis of preparation
Business Model and Value Chain	Current Effects on Business Model and Value Chain	During the current reporting period, the Group's business model and value chain were materially affected by Cyclone Ditwah (November 2025). The event disrupted hospital and laboratory operations, with the most significant impacts recorded at Asiri Hospital Kandy and Asiri Laboratory Services, reflecting their relative exposure to the affected regions. Operational disruptions included interruptions to patient care delivery, constraints on diagnostic and laboratory service continuity, and localised damage to physical infrastructure and assets. These disruptions affected the Group's ability to maintain normal service levels across the impacted facilities during the event and its immediate aftermath, with consequential effects on revenue generation from affected sites.
	Anticipated Effects on Business Model and Value Chain	Adverse weather events, including floods, droughts, and severe storms, could materially affect the Group's business model and value chain across its network of facilities. Key anticipated effects include: • **Operational disruption:** Disruption to hospital operations, supply chains, and patient access across the Group's facility network.

		• **Infrastructure and asset damage:** Physical impacts on critical infrastructure, potentially resulting in service interruptions and delays in the availability of essential supplies. • **Supply chain and cost pressure:** Reduced availability and increased pricing of key medical consumables and pharmaceuticals, particularly imported inputs, alongside rising energy, transportation, and insurance costs. • **Fluctuating patient demand:** Variability in patient volumes and service demand during adverse weather conditions, including potential surges in emergency and outbreak-related care alongside disruptions to elective procedures and routine outpatient services. • **Workforce and reputational impact:** Potential workforce productivity challenges, staff health and safety risks, and reputational impacts if continuity of patient care is affected.
	Where is it Concentrated?	The Central Province is particularly vulnerable to such events, with adverse weather conditions causing significant disruptions to operations, including damage to physical assets. Hospital facilities and laboratory networks within the province remain particularly exposed to these risks.
Strategy and Decision Making	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate-related Targets	• **Business Continuity & Operational Resilience:** The Group is strengthening business continuity planning to ensure the uninterrupted delivery of critical healthcare services under climate-related disruptions, such as extreme weather events, supply chain interruptions, and utility outages — thereby safeguarding patient care continuity while enhancing the Group's long-term operational resilience. • **Enhanced Risk Assessment Frameworks**: The Group conducts an annual Hazard Vulnerability Analysis (HVA) across its hospitals and Laboratory network to systematically identify, assess, and prioritise climate-related and other operational hazards. This structured, facility-level approach enables the Group to continuously refine its understanding of site-specific vulnerabilities and strengthens the evidence base for targeted mitigatory and adaptive planning. • **Disaster Recovery Plans:** Developed and regularly updated comprehensive disaster recovery and business continuity plans to ensure operational resilience during extreme weather events. • **Collaboration with Local Authorities:** Partnered with local emergency services and government agencies to enhance response capabilities and support community resilience.

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	How the Company is Resourcing and Plan to Resource Activities	Financial Investment, Budget allocations **Budget Allocation**: Funds will be allocated to identified initiatives that address the relevant risks, following a comprehensive analysis as per the requirements of each facility and business segment. **Insurance:** The Group invests in insurance covers that cover potential losses from extreme weather events, thereby transferring some of the financial risks associated with these events, at a total cost of Rs. 31 Mn for the Financial Year 2025/2026. Human Capital **Training and Development Programmes:** The Group implements training programmes for selected employees focused on climate risk management, disaster recovery, and stakeholder engagement strategies relevant to extreme weather events. **Collaboration with Government Agencies**: The Group collaborates with local government agencies to support national objectives and address community needs in the event of a disaster.
	Progress (qualitative and quantitative)	Financial Investment No significant investments were made during the current year relating to this area. Training and Development **Training Programs:** During 2025/2026, emergency response teams across the Group participated in disaster risk management training programmes covering disaster recovery planning and sustainable operational practices, amounting to over 2,000 man-hours of training across the Group. Business Continuity and Supply Resilience **Critical Stock Buffering:** The Group has increased safety stock levels for selected medication from three months to six months, reducing the risk of supply disruption during extreme weather events. **Disaster Recovery Planning:** An Annual Hazard Vulnerability Assessment (HVA) is conducted across the Group, and based on the risk assessment, comprehensive disaster recovery plans are put in place to address contingencies, which are annually reviewed and updated. **Regular Reviews:** The Facility Management and Safety Committee of each hospital conducts an annual review of its emergency and disaster preparedness plans during Emergency & Disaster Preparedness Month, held every October, ensuring that resources are effectively utilised and strategies are adjusted as needed.

Financial Effects	Current year financial effects to PL, BS and CF	During the year, the Group's operations were affected by Cyclone Ditwah (November 2025), resulting in an estimated revenue loss of approximately LKR 167.96 million and an estimated asset loss of approximately LKR 13.01 million. The asset loss represents 0.02% of Total Assets and is therefore negligible on an asset basis. However, the revenue loss represents approximately 0.52% of the Group's total revenue, exceeding the Group's "Significant" materiality threshold (0.5% of revenue, equivalent to LKR 150 million) as defined under the Group's severity classification. Accordingly, the financial impact of Cyclone Ditwah has been assessed as material to the Group and classified as Significant severity based on revenue impact, notwithstanding the negligible impact on the asset base.
	Significant risk of material adjustments to carrying value of assets and liabilities in the next financial year	We have not identified Significant risk of material adjustments to carrying value of assets and liabilities in the next financial year.
	Anticipated financial effect over short, medium and long term to PL, BS and CF	Refer Note 8 of page 61 Transitional Relief in basis of preparation
Climate resilience	Resilience Assessment	Refer Note 8 of page 61 Transitional Relief in basis of preparation
	How and When Climate Scenario Analysis was performed. Disclosure of (i) Inputs; (ii) Key Assumptions, and (iii) Reporting period in which scenario analysis was carried out	Refer Note 8 of page 61 Transitional Relief in basis of preparation
Judgements and Uncertainties	Judgements	• Judgement was applied in classifying Cyclone Ditwah as an acute physical climate risk event attributable to CRRO 1 (Extreme Weather Events), based on the nature of the event and its direct operational impact on affected facilities. • Judgement was applied in identifying Asiri Hospital Kandy and Asiri Laboratory Services as the most significantly affected sites, based on available operational and geographic exposure data.
	Uncertainties	• The timing, frequency, and severity of future extreme weather events affecting the Group's facilities remain inherently unpredictable, notwithstanding climate science indicating an increasing intensity of such events in the South Asian region. • The quantification of revenue and asset losses arising from Cyclone Ditwah involved estimation, given the practical challenges of precisely isolating climate-event-driven effects from ordinary operational and patient demand variability.
CRRO 2- Chronic Temperature rise and increasing heat stress		
CRROs impact on Prospects		Sri Lanka is experiencing a gradual long-term rise in average temperatures, alongside an increasing frequency and intensity of extreme heat conditions, according to the ADB Climate Risk Country Profile. For the Group, this presents chronic operational and financial challenges distinct from acute weather events. Elevated ambient temperatures increase the cooling, and energy demands of hospital and laboratory facilities, including HVAC systems, cold chain storage of pharmaceuticals and vaccines, and sensitive diagnostic equipment, contributing to rising energy costs over time. Collectively, these chronic impacts could increase the Group's operating costs, elevate capital expenditure requirements for infrastructure resilience.

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	Physical Risk or Transition Risk	Physical Risk (Chronic)
	Time Horizon	M and L
	Define time horizon	Refer Note 6 Time Horizon in basis of preparation
Business Model and Value Chain	Current Effects on Business Model and Value Chain	Chronic temperature rise has not resulted in a discreet, identifiable material impact on the Group's business model or value chain during the current reporting period.
	Anticipated Effects on Business Model and Value Chain	• **Rising energy costs:** Increased cooling and energy demand across hospital and laboratory facilities to maintain patient comfort, cold chain integrity, and equipment operating conditions. • **Infrastructure strain:** Accelerated wear on HVAC systems, cold storage infrastructure, and building fabric, potentially increasing maintenance and capital replacement costs. • **Patient health and demand:** Increased demand for treatment of heat-related illness, particularly among vulnerable patient groups (elderly, chronic illness patients). • **Workforce health and safety:** Heightened occupational health risks and potential productivity impacts for staff, particularly those in non-climate-controlled work areas. • **Cold chain vulnerability:** Increased risk to the integrity of temperature-sensitive pharmaceuticals, vaccines, and laboratory reagents if cooling infrastructure is insufficiently resilient. Collectively, these factors could increase operating costs and capital expenditure requirements over time, while the Group's ability to proactively manage thermal resilience supports continuity of care and staff wellbeing.
	Where is it Concentrated?	The impact is concentrated within hospital facilities with those more dependent on cold chain storage and climate-sensitive equipment expected to experience more pronounced exposure.
	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate-related Targets	• **Energy Efficiency Investment:** Progressive upgrading of HVAC and cooling systems to improve energy efficiency and thermal resilience. • **Cold Chain Resilience:** Strengthening backup power. • **Occupational Health Measures:** Development of heat stress management protocols for relevant staff, including hydration, rest breaks, and monitoring during high-temperature periods. • **Facility Design Standards:** Incorporating climate resilience considerations into design specifications for new facilities and major refurbishments.
	How the Company is Resourcing and Plan to Resource Activities	• **Financial — Investment Budget Allocation:** Funds are allocated to identified initiatives that address relevant risks, following a comprehensive analysis in line with the requirements of each facility.
	Progress (qualitative and quantitative)	The Group continues to monitor energy consumption trends and cooling system performance across its facilities. No significant standalone investment specifically attributable to chronic heat resilience was made during the current year.
Financial Effects	Current year financial effects to PL, BS and CF	No material financial effects specifically attributable to chronic temperature rise or heat stress have been identified in the current financial year, given the gradual, long-term nature of this risk.

	Significant risk of material adjustments to carrying value of assets and liabilities in the next financial year	We have not identified significant risk of material adjustments to carrying value of assets and liabilities in the next financial year in relation to this CRRO.
	Anticipated financial effect over short, medium and long term to PL, BS and CF	Refer Note 8 of page 61 Transitional Relief in basis of preparation
Climate resilience	Resilience Assessment	Refer Note 8 of page 61 Transitional Relief in basis of preparation
	How and When Climate Scenario Analysis was performed. Disclosure of (i) Inputs; (ii) Key Assumptions, and (iii) Reporting period in which scenario analysis was carried out	Refer Note 8 of page 61 Transitional Relief in basis of preparation
Judgements and Uncertainties	Judgements	Judgement was applied in classifying chronic temperature rise as a distinct CRRO from acute extreme weather events (CRRO 1), and in determining that no discrete material financial impact arose in the current year given the gradual nature of this risk.
	Uncertainties	The rate and extent of future temperature rise in Sri Lanka remain uncertain and dependent on global emissions trajectories. The point at which chronic heat effects translate into material, quantifiable financial impacts (e.g., through energy cost escalation or infrastructure replacement) is difficult to predict with precision.
CRRO 3 — Climate-Health Medical Specialisation Opportunity in addressing Climate-Related Communicable Disease spread		
CRROs impact on Prospects	Description	Climate change is contributing to shifting patterns of communicable and vector-borne disease in Sri Lanka. Rising temperatures, changing rainfall patterns, and increased flooding create more favourable conditions for the spread of diseases such as dengue, leptospirosis, and other water- and vector-borne illnesses, while extreme weather events can further elevate outbreak risk through disruption to sanitation and clean water access. For the Group, this presents both a risk and an opportunity. As a risk, increased disease incidence may place additional strain on emergency, outpatient, and inpatient capacity, increase demand for diagnostic and laboratory testing, and elevate infection control requirements across facilities. As an opportunity, the Group's healthcare expertise positions it to expand specialised climate-health services, including infectious disease management, diagnostics, and preventive care programmes, in response to a growing patient need directly linked to climate change.
	Physical Risk or Transition Risk	Climate-related Opportunity
	Time Horizon	S, M, L
	Define time horizon	Refer Note 6 Time horizon in basis of preparation

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Business Model and Value Chain	Current Effects on Business Model and Value Chain	A discreet and quantifiable impact attributable to climate-related communicable disease trends has been identified within the Group's business model during the current reporting period. Revenue generated from climate-linked disease patient care increased by approximately 47%.
	Anticipated Effects on Business Model and Value Chain	• Potential increases in patient volumes for climate-sensitive communicable diseases (e.g., dengue), particularly during and after periods of intermittent or recurrent rainfall. • Increased demand for diagnostic testing and laboratory services associated with disease surveillance and outbreak response. • Opportunity to develop and expand specialised climate-health service lines, including infectious disease clinics, vaccination programmes, and public health partnerships, positioning the Group as a leader in climate-adaptive healthcare delivery.
	Where is it Concentrated?	Exposure is expected to be more pronounced at facilities located in western and southern provinces.
Strategy and Decision Making	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate-related Targets	• Disease Surveillance: Strengthening internal monitoring of communicable disease trends to anticipate and prepare for demand surges. • Capacity Planning: Building flexible capacity in emergency and outpatient services to respond to seasonal or climate-driven disease outbreaks. • Service Line Development: Exploring the development of specialised climate-health and infectious disease service offerings as part of the Group's long-term service strategy. • Public Health Collaboration: Partnering with public health authorities on disease surveillance and outbreak response initiatives.
	How the Company is Resourcing and Plan to Resource Activities	• Investment Budget Allocation: Funds are allocated to identified initiatives that address relevant risks and opportunities, following a comprehensive analysis in line with the requirements of each business unit. • Training and Development Programmes: The Group provides training for clinical staff on the diagnosis and management of climate-sensitive communicable diseases. • The Group continues to monitor communicable disease trends through its clinical and laboratory operations. Formal development of a dedicated climate-health specialisation strategy remains at an early stage.
	Progress (qualitative and quantitative)	The Group has made measurable progress in monitoring communicable disease trends during the reporting period, with revenue related to climate-sensitive vector-born illness care showing an increase compared with the previous year, reflecting the continued strengthening of its clinical and laboratory operations.

Financial Effects	Current year financial effects to PL, BS and CF	Revenue generated from climate-sensitive vector-borne disease care recorded a 47% year-on-year increase during the reporting period.
	Significant risk of material adjustments to carrying value of assets and liabilities in the next financial year	We have not identified significant risk of material adjustments to carrying value of assets and liabilities in the next financial year in relation to this CRRO.
	Anticipated financial effect over short, medium and long term to PL, BS and CF	Refer Note 8 of page 61 Transitional Relief in basis of preparation
Climate resilience	Resilience Assessment	Refer Note 8 of page 61 Transitional Relief in basis of preparation
	How and When Climate Scenario Analysis was performed. Disclosure of (i) Inputs; (ii) Key Assumptions, and (iii) Reporting period in which scenario analysis was carried out	Refer Note 8 of page 61 Transitional Relief in basis of preparation
Judgements and Uncertainties	Judgements	Judgement was applied in classifying climate-related communicable disease trends as an opportunity CRRO.
	Uncertainties	The future incidence and severity of climate-linked communicable disease outbreaks in Sri Lanka remain uncertain and dependent on evolving climate patterns, public health interventions, and broader environmental factors. The extent to which climate-health specialisation translates into a quantifiable revenue opportunity is also uncertain and dependent on market demand, competitive dynamics, and the pace of the Group's service development.

Risk Management

Processes and Policies Relating to Climate-Related Risks

Identification

i. Inputs and Parameters Used

The Group identifies climate-related risks and opportunities (CRROs) through a combination of internal and external inputs across its operations and value chain. As an initial step, the Group identifies its material impact topics, which may give rise to potential climate-related risks and opportunities. It also considers its dependencies on external environmental and social factors, such as resource availability and regulatory developments, as a further source of risk. These inputs collectively inform the Group's broader risk identification and assessment process, ensuring that both internal operational realities and external contextual factors are considered.

Key inputs used in this process include:

	Internal Data sources	External Data sources
CRRO 1	• Internal operational data such as energy use, resource consumption, infrastructure capacity and supply chain performance • Historical experience of disruptions, including energy shortages and supply chain constraints.	• Sri Lanka's Nationally Determined Contributions 3.0 (2026–2035), the NDC Implementation Plan (2021–2030), • The National Adaptation Plan for Climate Change Impacts (2016–2025).
CRRO 2	• Facility energy consumption records. • Maintenance logs for HVAC/chiller systems.	• Department of Meteorology, Sri Lanka. • NDC 3.0 (2026–2035)
CRRO 3	• Hospital admission/discharge data for vector-borne diseases. • Laboratory data (testing volumes) • Revenue data	• The Ministry of Health's National Strategic Plan for Prevention and Control of Dengue (2024–2030)

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These inputs are assessed using parameters such as potential financial impact, likelihood of occurrence, and exposure across different stages of the value chain, to identify and prioritise financially material CRROs.

A qualitative and judgment-based approach was applied to evaluate CRROs during the reporting period. The Group intends to progressively enhance this approach, incorporating more quantitative assessment techniques to further support the prioritisation and measurement of financially material CRROs.

ii. Use of Climate-Related Scenario Analysis

The Group has not undertaken climate-related scenario analysis during the financial year, consistent with the transitional relief provisions available under SLFRS S2. The Group intends to progressively develop its capabilities in this area in future reporting periods.

Assessment

iii. How the Group Assesses CRROs

The Group has undertaken an assessment of CRROs on a judgemental and qualitative basis during the financial year to identify financially material risks and opportunities.

Nature

Climate-related risks are classified into physical and transition risks. Physical risks include acute events such as floods, droughts, and disruptions to energy supply, as well as chronic events such as sustained increases in ambient temperature, which may impact operations and infrastructure. Transition risks arise from changes associated with the shift to a lower-carbon economy, including regulatory developments, market dynamics, and cost pressures.

Likelihood

The Group assesses the likelihood of identified risks using a structured five-level scale, in line with its enterprise risk management framework. This approach combines quantitative thresholds with qualitative judgment, taking into account the frequency and timing of similar risks across the value chain, as well as how likely they are to recur based on historical trends and forward-looking considerations. Risks are classified on a scale from "Rare" to "Almost Certain," reflecting increasing levels of likelihood, supporting a consistent and well-rounded evaluation of overall risk exposure.

Likelihood of Identified Risks

Likelihood Level	Description
Rare	The risk is highly unlikely to occur and may arise only under exceptional circumstances, typically **once every 5 years or more**.
Unlikely	The risk could occur at some point but is not expected to occur frequently, typically **once every 2–5 years**.
Likely	The risk is expected to occur in several circumstances and may arise regularly across operations or the value chain, typically **once every 1–2 years.**
Possible	The risk may occur based on operational or external conditions, typically **on a bi-monthly basis**.
Almost Certain	The risk is expected to occur frequently or under most circumstances based on current trends and conditions, typically **at least monthly**.

Magnitude/Exposure

The magnitude of climate-related risks is assessed based on the potential level of operational disruption and financial impact on the Group. This assessment considers both quantitative and qualitative factors, including past experience, key operational dependencies, the expected duration of disruption, and the potential impact across the value chain. Financial exposure is evaluated with reference to key financial indicators such as operating costs, revenue loss, and cash flow impact. In assessing overall magnitude, the Group also considers a broader range of impact areas, including operational disruption, supply chain continuity, regulatory exposure, reputational impact, and health, safety, and environmental consequences.

Magnitude Scale

Magnitude Level	Threshold (% of Total Revenue)	Description
Insignificant	No measurable impact	No discernible or quantifiable effect on Group financial performance.
Minor	≥ 0.125%	Limited operational disruption or financial impact that can be managed through routine processes and controls.
Moderate	≥ 0.25%	Noticeable operational or financial impact requiring management attention and mitigation measures to minimise disruption.

Magnitude Level	Threshold (% of Total Revenue)	Description
Major	≥ 0.5%	Significant operational disruption, financial impact, or supply chain interruption that may affect business performance and require substantial management intervention.
Extreme	≥ 1.0%	Critical impact with the potential to materially affect business continuity, financial performance, stakeholder confidence, or long-term operational resilience.

This approach supports a structured and consistent evaluation of financially material sustainability-related risks and opportunities across the Group.

Prioritisation

iv. Prioritisation of Climate-Related Risks Relative to Other Risks

Climate-related risks are prioritised as part of the Group's overall risk management framework, where they are considered alongside other principal business risks, including supply chain disruptions, given that such disruptions often share a common root cause in sustainability-related factors.

The Group applies a structured prioritisation approach, evaluating risks based on:

- The likelihood of occurrence
- The potential magnitude of financial and operational impact

Risks assessed as having a higher likelihood of occurrence and/or a greater potential impact on the Group's operations, cost structures, or supply chain stability are given greater priority. Climate-related risks are therefore not assessed in isolation but are integrated within the broader enterprise risk management framework, enabling them to be prioritised relative to other risks faced by the Group.

Higher-priority risks are escalated to management and incorporated into relevant processes, including business continuity planning and operational decision-making, to strengthen the Group's preparedness and resilience.

Risk Scoring Matrix

LIKELIHOOD	CONSEQUENCE (Impact): Extreme (05)	Major (04)	Moderate (03)	Minor (02)	Insignificant (01)
Almost Certain (05)	25	20	15	10	05
Likely (04)	20	16	12	08	04
Possible (03)	15	12	09	06	03
Unlikely (02)	10	08	06	04	02
Rare (01)	05	04	03	02	01

Risk Score	
16+	Extreme
10 to 15	High
5 to 9	Medium
1 to 4	Low

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Monitoring

v. How the Group Monitors Climate-Related Risks

The Group monitors climate-related risks through an integrated approach combining its Enterprise Risk Management (ERM) processes, EHS and Sustainability Management Framework, and Business Continuity Planning (BCP) mechanisms. Asiri Hospital Holdings PLC follows a structured, bottom-up approach to risk identification and management, whereby risks are first identified and assessed at the facility level by the respective Facility Management and Safety Committees.

These risks are then consolidated into risk reports and reviewed by the Group ESG Management Committee, and ultimately by the Board Audit Committee. At Group level, key risks — including CRROs — are evaluated, prioritised, and aligned with the Group's risk appetite and overall strategic objectives.

Climate-related risks are periodically reviewed as part of the Group's risk management processes, with input from business units across the value chain, including facilities management, clinical operations, procurement, and engineering. These risks are monitored through established governance structures encompassing both management-level oversight (led by the ESG Management Committee) and Board-level oversight (through the Board Audit Committee).

The BCP framework enables monitoring of potential disruption scenarios such as power outages, fuel shortages, and extreme weather events, while ensuring appropriate response and recovery mechanisms are in place to support operational continuity.

Changes in the Process

vi. Changes Compared with the Previous Reporting Period

During the financial year, the Group took steps to enhance its processes for identifying and assessing CRROs. These included the formal identification of CRROs based on material impact topics and value chain assessments, as well as the strengthening of governance through the delegation of sustainability-related oversight to the Board Audit Committee. While CRROs are currently assessed through dedicated sustainability and risk management processes, the Group is progressively integrating these risks into its enterprise risk management framework, and will continue to refine its approach, including through the incorporation of more quantitative assessment techniques in future reporting periods.

Processes and Policies Relating to Climate-Related Opportunities

vii. Identification, Assessment, Prioritisation, and Monitoring of Opportunities

The Group identifies climate-related opportunities through its sustainability and risk management processes, including the assessment of material impact topics, value chain dependencies, and external developments such as regulatory changes, market trends, and evolving stakeholder expectations. These opportunities are assessed on a qualitative basis, considering factors such as potential operational and financial benefits, alignment with the Group's strategic priorities, and feasibility of implementation — including opportunities related to resource efficiency, adoption of renewable energy, and improved operational resilience.

Climate-related opportunities are prioritised based on their potential impact and relevance to the Group's operations are considered alongside other business and sustainability-related initiatives. Monitoring is undertaken through the Group's Sustainability Management Framework and Key Performance Indicators (KPIs), with periodic review by management and reporting through established governance structures.

The Group has not undertaken climate-related scenario analysis during the financial year and, accordingly, has not used scenario analysis to inform the identification of climate-related opportunities. The Group intends to progressively develop its capabilities in this area in future reporting periods.

Integration into Overall Enterprise Risk Management

The Group's processes for identifying, assessing, prioritising, and monitoring CRROs are aligned with its overall risk management approach. These processes are currently supported through the Group's Sustainability Management Framework, operating in conjunction with its ERM processes, with input drawn from across business units and the value chain. Identified CRROs are assessed using parameters consistent with those applied to other risks, including likelihood of occurrence and potential financial and operational impact.

While CRROs are presently evaluated through dedicated sustainability and risk processes, the Group is progressively integrating these risks into its Risk Management Policy to enable more structured alignment with overall risk identification, assessment, and reporting. Outputs from these processes inform management discussions, operational planning, and governance oversight, supporting a more integrated understanding of the Group's risk profile.

METRICS AND TARGETS

Cross Industry Metrics

1) Greenhouse Gas Emissions (GHG)

Basis of Determination of Organisational Boundary and Operational Boundary

The Group determines its organisational boundary for greenhouse gas (GHG) emissions based on the entities included within its financial reporting boundary, covering all operations under its control. The operational boundary includes Scope 1 and Scope 2 emissions, representing direct emissions from owned or controlled sources and indirect emissions from purchased electricity.

GHG emissions are measured using the GHG Protocol, applying internationally recognised emission factors, including those published by the Intergovernmental Panel on Climate Change (IPCC). Emissions are monitored and reported as part of the Group's sustainability performance framework.

Methodology used for the measurement and disclosure of GHG Emissions

The Group's GHG emission disclosures are prepared in accordance with the requirements of SLFRS S2 – Climate-related Disclosures, and emissions are measured and reported in line with the GHG Protocol (Corporate Accounting and Reporting Standard). Emissions are calculated using activity data — such as fuel consumption and electricity usage — combined with internationally recognised emission factors, including those published by the IPCC and other relevant sources.

Scope 1 emissions are calculated based on direct fuel consumption from owned or controlled operations, while Scope 2 emissions are measured using a location-based approach for purchased electricity. The Group's emissions are reported in metric tons of carbon dioxide equivalent (tCO2e), with performance monitored through established sustainability Key Performance Indicators (KPIs) and internal reporting systems to ensure consistency, accuracy, and completeness of disclosures.

Summary of GHG Emissions

Scope	2025/2026 (tCO_2e)
Scope 1	3,364.88
Scope 2	9,381.17
Scope 3 - Refer Note 8 of page 61 Transitional Relief in basis of preparation	-
Total	**12,746.05**

GHG Scope 1 and Scope 2 Emissions

Description	Scope 1	Scope 2	Total
Consolidated accounting group	3,364.88	9,381.17	12,746.05
Other investee (associates / joint ventures)	N/A	N/A	N/A
Total (Operational Control Approach)	**3,364.88**	**9,381.17**	**12,746.05**

Key Assumptions and Sources of GHG Measurement

Scope	Emission Sub-category	Activity	Data Source	Emission Factor/GWP Source
Scope 1	Stationary combustion	LP gas (kg), kerosene (L), diesel (L) used in boilers, generators, and kitchen/laundry operations	Utility records	IPCC / DEFRA factors; GWP: IPCC AR6
Scope 1	Mobile combustion	Petrol (L), diesel (L) consumed by company-owned vehicles and the ambulance fleet	Fuel records	IPCC / DEFRA factors; GWP: IPCC AR6
Scope 1	Fugitive emissions	Refrigerant leakage – R134, R410A, R22, R404 (kg) from air conditioning and cooling / medical refrigeration systems	Procurement / usage logs	IPCC factors by refrigerant type; GWP: IPCC AR6
Scope 1	Direct process emissions	N_2O and CO_2 emissions (kg), e.g. from medical / anaesthetic gas use or on-site treatment processes	Procurement / usage logs	IPCC factors by gas type; GWP: IPCC AR6
Scope 2	Purchased electricity	Electricity consumption (kWh) across hospital operations and facilities	Electricity bills	Sri Lanka national grid emission factor; GWP: IPCC AR6

SLFRS SUSTAINABILITY-RELATED FINANCIAL DISCLOSURES

2) Climate-related Physical Risks

Climate-related physical risks were significant, arising from acute (event-driven) and chronic (long-term) climate events, including extreme weather conditions, disruptions to energy supply, and impacts on logistics and supply chains, which affected operational continuity and infrastructure.

3) Climate-related Transition Risks

During the reporting period, there was no material impact on the Group arising from transition risk, and no Group assets are considered materially exposed to this risk given the Group's present regulatory and operating environment.

4) Climate-related Opportunities

The Group evaluates the strategic nature, operational feasibility, and information sensitivity of climate-related opportunities prior to public disclosure. Where information is assessed to be commercially sensitive, the Group applies the principle of proportionate and optional disclosure in line with SLFRS S2.

5) Capital Expenditure

The Group undertakes capital expenditure and investment initiatives that support the management of climate-related risks and opportunities, including investments in energy efficiency improvements. These investments contribute to the Group's transition toward a lower-carbon, more resource-efficient operating model. However, the Group does not currently track or disclose a specific amount of capital expenditure, financing, or investment deployed towards climate-related risks and opportunities.

6) Internal Carbon Pricing

The Group does not currently apply an internal carbon price in its investment decision-making processes. It continues to evaluate opportunities to enhance the integration of climate-related considerations into capital allocation and performance measurement frameworks over time.

7) Remuneration

Climate-related considerations are not currently incorporated into executive remuneration structures. The Group continues to evaluate opportunities to further integrate sustainability-related metrics into performance management and incentive frameworks over time.

Industry Specific Metrics

Industry based metrics were determined associated with the disclosure topics applicable as per the industry -based Guidance on Implementing SLFRS S2: ***Healthcare Delivery Sustainability Accounting Standard***

Sustainability Disclosure Topics & Metrics

Topic	Metric	Category	Unit of Measure	Code	Disclosure/Response
Energy Management	1) Total energy consumed 2) percentage grid electricity and 3) percentage renewable	Quantitative	Gigajoules (GJ), Percentage (%)	HC-DY-130a.1	1. 103,761.52 GJ 2. 100% 3. N/A
Waste Management	Total amount of medical waste, and percentage (a) incinerated, (b) recycled or treated, (c) landfilled	Quantitative	Metric tons (t)	HC-DY-150a.1	(a) 467.48 t, 100% (b) 0% (c) 0%
	Total amount of: (1) hazardous and (2) non-hazardous pharmaceutical waste, percentage (a) incinerated, (b) recycled or treated and (c) landfilled	Quantitative	Metric tonnes (t), Percentage (%)	HC-DY-150a.2	Data collection for this metric commenced on FY 2026/27. As this is a newly tracked indicator

Topic	Metric	Category	Unit of Measure	Code	Disclosure/Response
Climate Change Impacts on Human Health and Infrastructure	Description of policies and practices to address: (1) the physical risks because of an increased frequency and intensity of extreme weather events, (2) changes in the morbidity and mortality rates of illnesses and diseases associated with climate change and (3) emergency preparedness and response	Discussion and Analysis		HC-DY-450a.1	**Physical risks from increased frequency and intensity of extreme weather events.** Asiri Hospital Holdings PLC has established policies and practices to identify, assess, and mitigate physical risks associated with extreme weather events such as flooding, cyclones, and heatwaves. This includes systematic risk assessment through the Group's Climate-Related Risks and Opportunities (CRRO) register, which quantifies exposure to acute weather events — including cyclone-related disruption — against a defined financial impact scale, enabling targeted infrastructure resilience investment. Preventive maintenance and structural safety reviews are carried out in coordination with regulatory authorities.
					Morbidity and mortality patterns linked to climate change Asiri monitors climate-sensitive health trends relevant to its patient population, including conditions linked to vector-borne disease, heat exposure, and water quality, as part of its broader clinical and environmental health oversight. **Emergency preparedness and response** Asiri Hospital Holdings PLC has established emergency preparedness and response policies covering a range of climate-related and operational emergencies, formalised through facility- and function-specific Standard Operating Procedures.

Activity Metrics

Activity Metric	Category	Unit of Measure	Code	Disclosure reference and/or response
Number of (1) facilities and (2) beds, by type	Quantitative	Number	HC-DY-000.A	1. Hospitals 6, laboratories 17, Collection Center 93 2. Ward beds 652 ICU beds 114 Emergency Treatment Unit beds 42
Number of (1) inpatient admissions and (2) outpatient visits	Quantitative	Number	HC-DY-000.B	1. Inpatient admissions – 52,946 2. Outpatient visits – 91,712

Climate-related Targets

In line with its ongoing sustainability strategy, the Group is in the process of establishing specific climate-related targets across the short, medium, and long term. As the Group's operations are concentrated within its own hospital, laboratory, and diagnostic network in Sri Lanka, its primary focus is on managing direct (Scope 1 and Scope 2) emissions arising from its own operations

FINANCIAL STATEMENTS & OTHER INFORMATION

At Asiri Hospital Holdings, our financial performance reflects the strength of a network built to care with purpose. Every investment is guided by the same responsibility: to help more individuals and families live with confidence, dignity and with access to better living. Through strategic growth, we continue to strengthen a model of care that reaches further, moves faster and supports lives without limits.

INDEPENDENT AUDITOR'S REPORT

Building a better working world

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TO THE SHAREHOLDERS OF ASIRI HOSPITAL HOLDINGS PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Asiri Hospital Holdings PLC ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss, 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 and the Group give a true and fair view of the financial position of the Company and the Group as at 31 March 2026, and of their 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 Group 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 judgement, 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Key Audit Matter	How Our Audit Addressed the Matter
Assessment of impairment of related party receivables	
As of the reporting date, amounts outstanding from related parties, net of provisions for impairment, amounted to Rs. 95,470,717, Rs. 7,291,145,851 Rs. 9,499,839,075 as disclosed in Notes 18, 19 and 20 to the financial statements. Management assessed the recoverability of these balances during the year and recognised adjustments where necessary, as disclosed in Note 21 to the financial statements.	Our audit procedures included the following key procedures: • Read agreements and other supporting information and understood the key terms and conditions related to amounts outstanding from related parties • Obtained direct confirmations from related parties for outstanding amounts as of the reporting date

Key Audit Matter	How Our Audit Addressed the Matter
This was a key audit matter due to: • Materiality of the reported balances and related impairment provisions. Outstanding amounts from related parties represented 28% of total assets of the Group as at 31 March 2026 • The degree of management judgements and assumptions associated in assessing recoverability such as discount rate applied, as disclosed in Note 21 to the financial statements.	• Understood the process used by the management to assess impairment of amounts outstanding from related parties • Obtained management's assessment of future cash flows and repayment plans and evaluated the reasonableness of the judgements and assumptions used by the management • Tested the calculations and underlying data of the provisions for impairment We also, assessed the adequacy of the disclosures made in Notes 18, 19 and 20 and to the financial statements
Revenue	
The Group derives its revenue of Rs. 35,057,448,192 by providing healthcare services as disclosed in Notes 2.4.15 and 3 to the financial statements Revenue was a key audit matter due to: • Materiality of the reported revenues coupled with the increase of 13% in revenue recorded by the Group during the year. • Complexity of revenue recognition due to involvement of multiple divisions to provide medical services	Our audit procedures included the following: • Tested the relevant key controls over revenue. Our procedures included testing the general IT control environment and the relevant key IT application controls relating to the most significant IT systems relevant to revenue • Performed appropriate analytical procedures to understand and assess the reasonableness of the reported revenues • Tested revenue transactions and the appropriateness of revenue recognized during the year and particularly towards the year end, by reviewing the sales invoices and relevant supporting documents We also, assessed the adequacy of the disclosures made in Notes 2.4.15 and 3 to the financial statements.

Other information included in the 2026 Annual Report

Other information consists of the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information.

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 in 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 the 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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT

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 a high level of assurance but is 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 judgement 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 internal controls of the Company and the Group.

- 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 Group'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 Group 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.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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 relevant ethical requirements 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, actions taken to eliminate threats or safeguards applied.

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 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 this independent auditor's report is 2440.

Colombo
31 August 2026

STATEMENT OF PROFIT OR LOSS

Year ended 31 March	Note	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Revenue	3.1	35,057,448,192	31,022,098,797	15,705,062,514	13,389,481,150
Cost of Services		(17,152,761,261)	(16,314,757,503)	(7,265,035,807)	(6,678,921,582)
Gross Profit		17,904,686,932	14,707,341,294	8,440,026,706	6,710,559,568
Other Income	3.2	381,035,244	249,658,090	178,591,150	1,597,689,509
Administrative Expenses		(11,552,858,175)	(9,612,060,502)	(4,903,732,358)	(3,578,118,318)
Selling and Distribution Expenses		(971,294,608)	(944,781,162)	(520,095,748)	(450,938,130)
Finance Cost	4.1	(2,010,046,471)	(2,006,537,556)	(1,643,532,936)	(1,588,068,263)
Finance Income	4.2	1,650,206,591	1,258,637,974	580,299,620	237,447,144
Profit Before Tax	5	5,401,729,512	3,652,258,139	2,131,556,434	2,928,571,510
Tax Expense	6	(2,342,159,002)	(1,826,324,608)	(1,060,305,295)	(606,264,072)
Profit for the Year		3,059,570,510	1,825,933,530	1,071,251,139	2,322,307,438
Attributable to:					
Equity Holders of the Parent Company		2,773,958,544	1,643,691,897	-	-
Non-Controlling Interests		285,611,967	182,241,633	-	-
		3,059,570,510	1,825,933,530	-	-
Earnings Per Share - Basic	7	2.44	1.44	0.94	2.04

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages 89 through 161 form an integral part of these Financial Statements.

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March	Note	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Profit for the Year		3,059,570,510	1,825,933,530	1,071,251,139	2,322,307,438
Other Comprehensive Income not to be reclassified to Statement of Profit or Loss in subsequent periods (net of tax):					
Net Gain / (Loss) on Equity Investment at Fair Value Through Other Comprehensive Income	14.2	-	12,615,325	-	-
Net Gain / (Loss) on Subsidiary Valuation at Fair Value Through Other Comprehensive Income		-	-	2,615,951,371	(712,877,061)
Net Gain / (Loss) on Investment in Digital Health Shares at Fair Value Through Other Comprehensive Income		1,081,031	27,200,837	1,081,031	27,200,837
Revaluation of Land and Buildings		2,017,437,950	1,531,111,615	850,006,780	798,028,253
Actuarial Gain/(Loss) on Post Employment Benefit Liability	25.1	(244,896,766)	(5,339,741)	(103,728,653)	(28,684,679)
Net Other Comprehensive Income not to be reclassified to Statement of Profit or Loss in subsequent periods		1,773,622,215	1,565,588,036	3,363,310,529	83,667,349
Tax on Other Comprehensive Income	24.1	(416,663,833)	(404,995,197)	(1,008,993,159)	556,262,638
Other Comprehensive Income for the Year, Net of Tax		1,356,958,382	1,160,592,839	2,354,317,370	639,929,988
Total Comprehensive Income for the Year, Net of Tax		4,416,528,893	2,986,526,370	3,425,568,509	2,962,237,426
Total Comprehensive Income Attributable to:					
Equity Holders of the Parent Company		4,071,057,205	2,776,532,152	-	-
Non-Controlling Interest		345,471,688	209,994,218	-	-
		4,416,528,893	2,986,526,370	-	-

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages 89 through 161 form an integral part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION

Year ended 31 March	Note	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
ASSETS					
Non Current Assets					
Property, Plant and Equipment	9	36,804,361,018	35,261,736,339	15,362,378,870	14,971,249,009
Right of Use Assets	10	1,485,760,545	1,256,323,838	1,151,382,413	974,416,665
Goodwill	11	609,654,071	609,654,071	-	-
Investment in Subsidiaries	12	-	-	44,029,769,666	41,413,042,530
Loans Granted to Related Parties	20	8,494,243,162	7,193,473,966	1,716,993,998	20,060,242
Other Non Current Assets	13	91,315,924	70,409,812	43,958,548	44,427,812
Non Current Financial Assets	14	58,281,868	57,200,837	58,281,868	57,200,837
		47,543,616,588	44,448,798,863	62,362,765,363	57,480,397,095
Current Assets					
Inventories	17	1,389,447,790	974,246,361	612,660,847	464,971,134
Trade and Other Receivables	18	2,046,751,592	2,024,541,810	2,993,944,289	2,124,360,551
Loans Granted to Related Parties	20	1,005,595,911	1,272,976,210	845,984,986	1,483,771,765
Other Current Assets	19	7,291,145,851	5,436,222,728	3,415,745,540	2,008,341,810
Cash and Balance with Bank	28.1	920,371,972	654,099,154	120,653,845	166,359,209
		12,653,313,115	10,362,086,263	7,988,989,507	6,247,804,469
Total Assets		60,196,929,703	54,810,885,126	70,351,754,870	63,728,201,564
EQUITY AND LIABILITIES					
Capital and Reserves					
Stated Capital	22.1	4,748,108,334	4,748,108,334	4,748,108,334	4,748,108,334
Other Components of Equity	22.2	12,263,761,541	10,791,493,075	30,052,065,552	27,625,138,125
Retained Earnings		6,724,132,071	4,124,927,719	2,624,010,687	1,624,827,010
Equity Attributable to Equity Holders of the Parent		23,736,001,947	19,664,529,128	37,424,184,573	33,998,073,469
Non-Controlling Interests		2,112,500,969	1,767,782,128	-	-
Total Equity		25,848,502,915	21,432,311,256	37,424,184,573	33,998,073,469
Non-current Liabilities					
Interest Bearing Borrowings	23	5,798,219,760	5,883,031,653	8,333,395,093	8,086,362,206
Deferred Tax Liabilities	24	6,112,636,319	5,606,880,493	9,750,205,249	8,719,827,008
Employee Benefit Liability	25	1,127,247,506	868,652,335	451,918,687	361,069,127
		13,038,103,586	12,358,564,481	18,535,519,029	17,167,258,341
Current Liabilities					
Trade and Other Payables	26	5,826,909,105	5,807,620,708	3,827,058,537	2,564,842,784
Dividend Payable		81,387,228	75,761,221	77,784,185	61,359,499
Interest Bearing Borrowings	23	8,192,948,145	9,241,526,850	6,696,582,567	6,676,601,479
Income Tax Payable	27	3,044,108,889	1,619,176,869	1,310,334,119	316,564,446
Bank Overdraft	28.2	4,164,969,835	4,275,923,740	2,480,291,859	2,943,501,547
		21,310,323,201	21,020,009,389	14,392,051,268	12,562,869,754
Total Equity and Liabilities		60,196,929,703	54,810,885,126	70,351,754,870	63,728,201,564

I certify that these Financial Statements are in compliance with the requirements of the Companies Act No. 7 of 2007.

Sgd.
Mr. S.L.R. Piyal
Director Finance

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

Sgd.
Mr. Ashok Pathirage
Director

Sgd.
Mr. Haresh Kaimal
Director

The Accounting Policies and Notes on pages 89 through 161 form an integral part of these Financial Statements.

31 August 2026

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March GROUP	Stated Capital Rs.	Fair Value Reserve of Financial Assets at FVOCI Rs.	Revaluation Reserve Rs.	Other Reserve Rs.	Retained Earnings Rs.	Foreign Currency Translation Reserve Rs.	Total Rs.	Non-Controlling Interest Rs.	Total Equity Rs.
As at 31 March 2024	4,748,108,334	(101,877,871)	10,592,574,929	(919,511,358)	4,274,170,578	823,404	18,594,288,016	1,602,044,861	20,196,332,877
Profit for the Year	-	-	-	-	1,645,991,930	(2,300,033)	1,643,691,897	182,241,633	1,825,933,530
Other Comprehensive Income	-	29,409,285	1,100,856,188	-	2,574,781	-	1,132,840,254	27,752,585	1,160,592,839
Total Comprehensive Income	-	29,409,285	1,100,856,188	-	1,648,566,711	(2,300,033)	2,776,532,151	209,994,218	2,986,526,369
Acquisition of Non-Controlling Interests	-	-	-	9,358	-	-	9,358	(448,292)	(438,934)
Interim Dividends 2024/25	-	-	-	-	(1,706,300,394)	-	(1,706,300,394)	-	(1,706,300,394)
Subsidiaries Dividend to Minority Share Holders	-	-	-	-	-	-	-	(43,808,658)	(43,808,658)
Equity Investments at FVOCI reclassified to Retained Earnings	-	91,509,172	-	-	(91,509,172)	-	-	-	-
As at 31st March 2025	4,748,108,334	19,040,586	11,693,431,117	(919,502,000)	4,124,927,719	(1,476,628)	19,664,529,128	1,767,782,128	21,432,311,256
Profit for the Year	-	-	-	-	2,776,133,336	(2,174,793)	2,773,958,544	285,611,967	3,059,570,510
Other Comprehensive Income	-	756,722	1,473,709,456	-	(177,367,517)	-	1,297,098,660	59,859,722	1,356,958,382
Total Comprehensive Income	-	756,722	1,473,709,456	-	2,598,765,819	(2,174,793)	4,071,057,204	345,471,688	4,416,528,893
Acquisition of Non-Controlling Interests	-	-	-	(22,919)	-	-	(22,919)	(752,847)	(775,766)
Dividend paid/ reversals	-	-	-	-	438,530	-	438,530	-	438,530
As at 31 March 2026	4,748,108,334	19,797,308	13,167,140,573	(919,524,919)	6,724,132,071	(3,651,421)	23,736,001,944	2,112,500,969	25,848,502,915

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages 89 through 161 form an integral part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March COMPANY	Note	Stated Capital Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Fair Value Reserve of Financial Assets at FVOCI Rs.	Total Rs.
As at 31st March 2024		4,748,108,334	3,943,767,585	1,028,899,241	23,021,361,277	32,742,136,437
Profit for the Year		-	-	2,322,307,438	-	2,322,307,438
Other Comprehensive Income		-	558,619,777	(20,079,276)	101,389,486	639,929,988
Total Comprehensive Income		-	558,619,777	2,302,228,163	101,389,486	2,962,237,426
Interim Dividends 2025/26	8	-	-	(1,706,300,394)	-	(1,706,300,394)
As at 31 March 2025		4,748,108,334	4,502,387,362	1,624,827,010	23,122,750,763	33,998,073,469
Profit for the Year		-	-	1,071,251,139	-	1,071,251,139
Other Comprehensive Income		-	595,004,746	(72,610,057)	1,831,922,682	2,354,317,370
Total Comprehensive Income		-	595,004,746	998,641,082	1,831,922,682	3,425,568,509
Reversals of dividends		-	-	542,596	-	542,596
As at 31 March 2026		4,748,108,334	5,097,392,107	2,624,010,687	24,954,673,445	37,424,184,573

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages 89 through 161 form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS

		Group		Company	
Year ended 31 March	Note	2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
Cash Flows From Operating Activities					
Profit Before Tax Expense		5,401,729,512	3,652,258,139	2,131,556,434	2,928,571,510
Adjustments for					
Depreciation	9	1,822,651,313	1,775,879,408	779,121,873	747,960,152
Amortisation of Right of Use Assets	10.2	260,395,986	193,078,937	169,986,553	134,941,029
Net Loss on Disposal of Property, Plant and Equipment	3.2	(11,614,793)	2,224,079	(12,425,585)	2,215,143
Provision for Bad and Doubtful Debts		30,947,672	102,917,832	32,662,039	27,992,892
Provision for impairment		1,810,849,848	1,369,187,044	1,086,853,758	245,171,037
Provision for Retirement Gratuity	25.1	184,784,876	184,886,992	78,995,193	76,706,885
Dividend Income		-	-	-	(1,454,408,073)
Unrealised Foreign Currency Exchange Gain		(1,976,708)	(7,204,890)	3,535,229	(451,189)
Script Dividend Income		-	(14,442,348)	-	-
Net Gain on share disposal		-	(457,135)	-	-
Net (gain)/loss on ROU derecognition		(8,607,830)	-	(8,607,830)	-
Finance Cost	4.1	2,010,046,467	2,006,537,556	1,643,532,935	1,588,068,263
Finance Income	4.2	(1,650,206,591)	(1,258,637,974)	(580,299,619)	(237,447,144)
Operating Profit Before Working Capital Changes		9,848,999,751	8,006,227,639	5,324,910,979	4,059,320,505
Changes in Working Capital					
(Increase)/Decrease in Inventories		(415,201,429)	307,795,526	(147,689,713)	101,536,399
(Increase)/ Decrease in Trade and Other Receivables		80,029,376	(164,731,804)	(956,043,715)	(926,666,331)
(Increase)/ Decrease in Other Current Assets		(3,114,296,219)	(4,758,485,364)	(2,948,100,646)	(1,757,222,361)
Increase/ (Decrease) in Trade and Other Payables		18,309,570	1,870,766,860	1,244,629,034	952,593,006
Cash Generated From Operations		6,417,841,049	5,261,572,857	2,517,705,939	2,429,561,218
Income Tax Paid	27	(813,367,644)	(1,083,263,038)	(30,000,000)	(30,000,000)
Defined Benefit Plan Costs Paid	25	(170,813,568)	(106,731,032)	(89,438,202)	(49,059,767)
Finance Cost Paid		(1,686,533,877)	(1,472,999,230)	(988,272,443)	(1,077,250,701)
Net Cash From Operating Activities		3,747,125,959	2,598,579,557	1,409,995,294	1,273,250,750
Cash Flows From/(Used in) Investing Activities					
Acquisition of Property, Plant and Equipment		(1,360,766,223)	(1,581,321,804)	(328,154,540)	(476,473,585)
Acquisition of Right of use Assets		(25,216,489)	(33,313,034)	(18,814,929)	716,198
Increase in Interest in Subsidiaries		-	-	(775,766)	(438,934)
Proceeds from Disposal of Property, Plant and Equipment		24,542,978	24,399,481	20,335,171	3,154,435
Interest Income Received		67,224,557	83,932,579	63,517,085	922,082
Cash received from Sale of shares		-	287,012,765	-	-
Proceed from/(repayment of) Loans Obtained From Related Parties		61,000,000	-	-	(335,750,850)
(Increase)/ Decrease in Loans Granted to Related Parties		-	(1,254,180,993)	-	(1,256,066,986)
Net Cash Flows Used in Investing Activities		(1,233,215,176)	(2,473,471,005)	(263,892,979)	(2,063,937,640)
Cash Flows From /(Used in) Financing Activities					
Dividends Paid		-	(766,190,196)	-	(766,190,196)
Dividends Paid to Minority Shareholders		-	(37,237,360)	-	-
Reversals of uncliamed dividends		5,626,007		16,424,687	-
Proceeds from Interest Bearing Borrowings		3,270,855,803	6,775,087,468	3,174,147,433	6,266,818,136
Repayment of Interest Bearing Borrowings		(5,097,963,046)	(6,140,037,901)	(3,721,294,475)	(4,643,069,146)
Repayment of Lease Obligations		(314,427,058)	(300,757,815)	(197,875,634)	(186,468,842)
Acquisition of Non Controlling Interests		(775,766)	(438,494)	-	-
Net Cash Flows From/ (Used in) Financing Activities		(2,136,684,060)	(469,574,737)	(728,597,990)	671,089,953
Net Increase/(Decrease) in Cash and Cash Equivalents		377,226,722	(344,466,185)	417,504,324	(119,596,937)
Cash and Balance with Bank at the Beginning of the Year		(3,621,824,586)	(3,277,358,404)	(2,777,142,338)	(2,657,545,401)
Cash and Balance with Bank at the End of the Year		(3,244,597,864)	(3,621,824,586)	(2,359,638,014)	(2,777,142,338)

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages 89 through 161 form an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

1.1 General

Asiri Hospital Holdings PLC ("Company") is a public limited liability Company, incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange. The registered office and principal place of business is located at No. 181, Kirula Road, Colombo 05.

1.2 Principal Activities and Nature of Operations

During the period, principal activities of the Company/Group were to operate a hospitals, provide healthcare services ,managing and holding of investments in the healthcare industry and conducting Academic business related to health care.

1.3 Parent Enterprise and Ultimate Parent Enterprise

The Company's parent undertaking is Softlogic Holdings PLC which is incorporated and domiciled in Sri Lanka and listed on the Colombo Stock Exchange(CSE).

1.4 Date of Authorisation for Issue

The Financial Statements of Asiri Hospital Holdings PLC and its Subsidiaries for the year ended 31 March 2026 was authorised for issue in accordance with a resolution of the Board of Directors on 31st August 2026.

1.5 Statement of Compliance

The Financial Statements which comprise the Statement of Financial Position, Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows, together with the accounting policies and notes (the "Financial Statements") have been prepared in accordance with Sri Lanka Accounting Standards (SLFRSs/LKASs) as issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the requirement of the Companies Act, No. 07 of 2007.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The Consolidated Financial Statements have been prepared on an accrual basis and under the historical cost convention except for lands and buildings, investment properties, fair valued through other comprehensive income financial assets, which have been measured at fair value.

Going Concern

The Management has made an assessment of the Group's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future.

Based on available information, the management has assessed prevailing macroeconomic conditions and its effect on the Group companies in determining the going concern basis for preparation of the financial statements.

The Group valuated it's resilience considering factors such as expected revenue streams, cost management, profitability, and due to the nature of healthcare operations, the Board of Directors is satisfied and confident that the Group will be able to continue in operation for the foreseeable future. In addition, the directors are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Accordingly, these Financial Statements have been prepared on a going concern basis.

Presentation and Functional Currency

The Financial Statements are presented in Sri Lankan Rupees (Rs.), the Company's functional and presentation currency, which is the currency of the primary economic environment in which the Company operates.

Offsetting

Assets and liabilities or income and expenses, are not offset unless required or permitted by Sri Lanka Accounting Standards.

Materiality and Aggregation

Each material class of similar items is presented separately in the Financial Statements. Items of a dissimilar nature or function are presented separately unless they are immaterial.

Comparative Information

The presentation and classification of the Financial Statements of the previous years have been amended, where relevant for better presentation and to be comparable with those of the current year. Certain comparative figures have been reclassified in order to conform to the presentation for the current period. Such reclassifications were made to improve the quality of presentation and do not affect previously reported profit or equity

2.2 Basis of Consolidation

The Consolidated Financial Statements encompass Company, Its Subsidiaries (together referred to as the "Group") comprise the Financial Statements of the Group as at 31 March 2026..

Subsidiaries are those entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

1. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
2. Exposure, or rights, to variable returns from its involvement with the investee
3. The ability to use its power over the investee to affect its returns

NOTES TO THE FINANCIAL STATEMENTS

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

1. The contractual arrangement with the other vote holders of the investee
2. Rights arising from other contractual arrangements
3. The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction in a separate component of equity i.e. Other Reserve.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in Statement of Profit or Loss,. Any investment retained is recognised at fair value.

The Financial Statements for the year ended 31 March 2026 of the following subsidiary companies are included in the Consolidated Financial Statements.

Company	Effective Holding 2026	Effective Holding 2025	Principal Activities
1. Asiri Central Hospitals Ltd	94.68%	94.67%	The principal activities of the Company were providing medical services. With the cessation of the medical services business operations, the Company operated as an investment company.
2. Asiri Hospital Matara (Pvt) Ltd.	100%	100%	The principal activities of the Company are to operate a hospital and provide healthcare services.
3. Asiri Diagnostics Services (Pvt) Ltd.	66.54%	66.54%	The principal activities of the Company are to carry out diagnostic laboratory services.
4. Asiri Surgical Hospital PLC	79.96%	79.96%	The principal activities of the Company are to operate a two tier hospital and provide healthcare services.
5. Central Hospital Ltd	99.73%	99.73%	The principal activities of the Company are to operate a hospital and provide healthcare services.
6. Asiri Laboratories (Pvt) Ltd.	100%	100%	Company was incorporated on 20 January 2016 under the Companies Act No. 07 of 2007 and has not commenced its operations.
7. Asiri Hospital Galle (Pvt) Ltd.	100%	100%	The principal activities of the Company are to operate a hospital and provide healthcare services.
8. Asiri AOI Cancer Centre (Pvt) Ltd	39.98%	39.98%	The principal activities of the Company are to carry out cancer treatment services.
9. Asiri Diagnostic Services (Asia) Pte. Ltd	100%	100%	The principal activities of the Company are to investment in medical diagnostic opportunities in South and South East Asia and has not commenced its operations.

Company	Effective Holding 2026	Effective Holding 2025	Principal Activities
10. Asiri Port City Hospital (Pvt) Ltd	100%	100%	Company was incorporated on 4 May 2022 under the Companies Act No. 07 of 2007 and has not commenced its operations.
11. Asiri Academy of Health Sciences (Pvt) Ltd	100%	100%	Company was incorporated on 7 September 2023 under the Companies Act No. 07 of 2007 andand the principal activities of the company are to carry out healthcare education services.

The total profits or losses for the year of the Company and Its Subsidiaries included in consolidation and all assets and liabilities of the Company and Its Subsidiaries included in consolidation are shown in the Consolidated Statement of Profit or Loss,, Statement of Comprehensive Income and Statement of Financial Position respectively.

Non-controlling interest which represents the portion of profit or loss and net assets not held by the group, are shown as a component of profit for the year in the Statement of Profit or Loss,, Statement of Other Comprehensive Income and as a component of equity in the Consolidated Statement of Financial Position, separately from parent's shareholders' equity.

The Consolidated Statement of Cash Flows includes the cash flows of the Company and Its Subsidiaries.

2.3 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Financial Statements of the Group require the management to make judgments, estimates and assumptions, which may affect the amounts of income, expenditure, assets , liabilities and the disclosure of contingent liabilities, at the end of the reporting period. In the process of applying the Group's accounting policies, the key assumptions made relating to the future and the sources of estimation at the reporting date together with the related judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair Value of Property, Plant and Equipment

The Group measures land and buildings at revalued amounts with changes in fair value being recognised in Other Comprehensive Income. Land and buildings were valued by reference to market-based evidence, using comparable prices adjusted for specific market factors such as nature, location and condition of the property. Capital work in progress is stated at cost less accumulated impairment.

Fair value related disclosures for assets measured at fair value are summarised in the Note 9.9 to the Financial Statements.

Deferred Tax Assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

In determining the temporary difference pertaining to property, plant and equipment, management adopted a revised estimation technique to better reflect the related tax consequence (Refer Note 24).

Defined Benefit Plans

The cost of the retirement benefit plan of employees is determined using an actuarial valuation. The actuarial valuation is based on assumptions concerning the rate of interest, rate of salary increase, staff turnover, retirement age and going concern of the Group. Due to the long term nature of the plan, such estimates are subject to significant uncertainty. (Refer Note 25)

Right of Use Assets

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its Incremental Borrowing Rate (IBR) to measure lease liabilities. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates. . (Refer Note 10)

Provision for Impairment related to Loans Granted to Related Parties, Other Receivables from Related Parties, Commercial Paper and Trade Receivables

The expected recoverable amounts have been estimated using the forecasted cash flows from repayments provided by management, discounted to present value using the entity's weighted average cost of capital (WACC) as the discount rate. The estimation process involves judgment in forecasting the timing and amount of future cash flows and in determining the appropriate discount rate reflective of current market conditions and specific credit risk characteristics. (Ref. Note 21)

Provision for Expected Credit Losses of Financial Assets
The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. (Refer Note 18)

Fair value measurement of Investment in subsidiary
When the fair values of financial assets recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. (Refer Note 12)

Goodwill Impairment
Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use (VIU). The fair value less costs to sell calculation is based on available data from an active market, in an arm's length transaction, of similar assets or observable market prices less incremental costs for disposing of the assets. T he value in use calculation is based on a discounted cash flow model. The cash flows are derived from the forecast for the next years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the occupancy rate which is used for the discounted cash flow model as well as the expected future cash inflows. The he key assumptions used in determining the recoverable amount, and their sensitivity are given in Note 11

Useful Lives and Residual Values of Property, Plant and Equipment
The Group reviews the estimated residual values and expected useful lives of property, plant and equipment at least annually. In particular, it considers the impact of health, safety and environmental legislation in its assessment of expected useful lives and estimated residual values. Useful life if assets are disclosed in Note 9

2.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES APPLIED

2.4.1 Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets.

Transaction costs, other than those associated with the issue of debt or equity securities that the Group incurs in connection with a business combinations are expensed and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss recognised in Statement of Profit or Loss,

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as equity is not re-measured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SLFRS 9 Financial Instruments, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SLFRS 9. Other contingent consideration that is not within the scope of SLFRS 9 is measured at fair value at each reporting date with changes in fair value recognised in the Statement of Profit or Loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Statement of Profit or Loss,.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed of in this circumstance is measured based on the relative values of the disposed operation and the portion the cash- generating unit retained.

2.4.1.1 Impairment of Goodwill

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use (VIU). The fair value less costs to sell calculation is based on available data from an active market in an arm's length transaction of similar assets, or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes.

The recoverable amount of all CGUs have been determined based on the higher of fair value less costs to sell and its Value in Use (VIU) calculation. VIU is determined by discounting the future cash flows generated from continuing use of the unit. The recoverability of quoted entities determined based on share price existed as at reporting date. The key assumptions used are given below:

Business Growth - volume growth has been budgeted on a reasonable and realistic basis by taking into account the growth rates of one to five years immediately subsequent to the budgeted year, based on industry growth rates.

Inflation - budgeted cost inflation is the inflation rate, based on projected economic conditions.

Discount Rate - the discounting rate used is the risk free rate increased by an appropriate risk premium.

Margin - budgeted gross margins are the gross margins achieved in the year preceding, adjusted for projected market conditions and business plans.

2.4.2 Foreign Currency Translation

The Financial Statements are presented in Sri Lankan Rupees, which is the Group's functional and presentation currency.

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rate ruling at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in Statement of Profit or Loss,.

Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of gain or loss on change in fair value in the item (i.e., the translation differences on items whose fair value gain or loss is recognised in Other Comprehensive income (OCI) or Statement of Profit or Loss, are also recognised in OCI or Statement of Profit or Loss, respectively).

2.4.3 Current Versus Non-Current Classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to sold or consumed in a normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in a normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period or
- It does not have a right at the reporting date to defer settlement of the liability by the transfer of cash or other assets for at least twelve months after the reporting period.

The Group classifies all other liabilities as non- current.

2.4.4 Fair Value Measurement

Fair value related disclosures for assets measured at fair value or financial instruments that are not measured at fair value, for which fair values are disclosed, are summarised in the Note 16 to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Financial Statements are categorised within the fair value hierarchy, described as follows,

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The management determines the policies and procedures for both recurring fair value measurement and For non- recurring measurement.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.4.5 Taxation

Current Taxes

Current income tax assets and liabilities for the current and prior years 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.

Asiri Central Hospitals Ltd

Income tax wholly represents tax on income derived from interest income.

Central Hospital Ltd

The company's income tax on operating profit shall be charged at a concessionary tax rate of 15%. However, other income is liable for income tax at 30%.

Asiri Hospital Galle (Pvt) Ltd

The profits of Asiri Hospital Galle (Pvt) Ltd for the year charged at 20%. However, other income is liable for income tax at 30%.

Following Companies are liable to pay tax on business and other income earned at the prevailing tax rates.

- Asiri Hospital Holdings PLC
- Asiri Surgical Hospital PLC
- Asiri Diagnostics Services (Pvt) Ltd
- Asiri Hospital Matara (Pvt) Ltd
- Asiri AOI Cancer Centre (Pvt) Ltd

Deferred Taxation

Deferred tax is provided on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognised outside Statement of Profit or Loss is recognised outside Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in Equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.4.6 Property, Plant and Equipment

Property, plant and equipment are initially stated at cost and such cost includes the cost of replacing parts of the property, plant and equipment if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised 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 recognised in the Statement of Profit or Loss as incurred.

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognising of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit or Loss in the year the asset is derecognised.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Capital expenditure incurred in relation to fixed assets which are not completed as at the reporting date are shown as capital work-in-progress and is stated at cost. On completion, the related assets are transferred to property, plant and equipment. Depreciation on capital work-in-progress commences when the assets are ready for their intended use.

Depreciation is calculated on a straight-line basis over the useful life of assets or components. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Subsequent Measurement

Property, plant and equipment is stated at cost or valuation, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Changes in the expected useful life are accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates.

Free hold land and buildings are subsequently measured at fair value at the date of revaluation while other classes of property, plant and equipment are measured using the cost model.

Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

A revaluation surplus is recognised in Other Comprehensive Income and credited to the revaluation reserve in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in the Statement of Profit or Loss, such the increase is recognised in the Statement of Profit or Loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the revaluation reserve.

2.4.7 Leases

Estimating the Incremental Borrowing Rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Right of Use Assets

The Group recognises right of use assets when 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 remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right of use assets are depreciated on a straight-line basis over the shorter of its estimated useful life or the lease term. Right of use assets are subject to impairment.

NOTES TO THE FINANCIAL STATEMENTS

Lease Liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Short-Term Leases and Leases of Low-Value Assets

The Group applies the short-term lease recognition exemption to leases that have a lease term of 12 months or less from the commencement date. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included 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 recognised over the lease term on the same basis as rental income. Contingent rents are recognised as in the period in which they are earned.

2.4.8 Borrowing Costs

Borrowing Costs are recognised as an expense in the period in which they are incurred except borrowing costs 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 capitalised as part of the cost of the respective assets.

2.4.9 Financial Instruments - Initial Recognition and Subsequent Measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i) Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through Other Comprehensive Income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under SLFRS 15. Refer to the accounting policies in section 2.4.15 Revenue.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

1. Financial assets at amortised cost (debt instruments)
2. Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
3. Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de-recognition (equity instruments)
4. Financial assets at fair value through profit or loss.

However, the classification of the financial assets of the Group are limited to financial assets at amortised cost (debt instruments) and financial assets designated at FVOCI (equity instruments).

Financial Assets at Amortised Cost (Debt Instruments)
This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is de-recognised, modified or impaired.

The Group's financial assets at amortised cost includes trade and other receivables, cash and bank and loans granted to related parties.

Financial Assets Designated at Fair Value Through OCI (Equity Instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under LKAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the Statement of Profit or Loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its equity investments under this category.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily de-recognised (i.e., removed from the Group's Statement of Financial Position) when:

- The rights to receive cash flows from the asset have expired,

Or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

Impairment of Financial Assets
The Group recognises an allowance for Expected Credit Losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment

The Group considers a financial asset in default when contractual payments are 365 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

NOTES TO THE FINANCIAL STATEMENTS

Further disclosures relating to impairment of financial assets are also provided in the following notes:

- Trade Receivables Note 18

ii) 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 financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, bank overdrafts, loans and borrowings, financial guarantees contracts, and other 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 Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised 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 amortisation is included as finance costs in the Statement of Profit or Loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently, the liability is measured at the higher of the best estimate of the expenditure required to settle the present obligation at the reporting date and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit or Loss.

2.4.10 Impairment of Non Financial Assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. A long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in the Statement of Profit or Loss in expense categories consistent with the function of the impaired asset, except for properties previously revalued with the revaluation taken to Other Comprehensive Income. For such properties, the impairment is recognised in Other Comprehensive Income up to the amount of any previous revaluation.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit or Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually as at 31 March and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised.

Impairment losses relating to goodwill cannot be reversed in future periods. Intangible assets with indefinite useful lives are tested for impairment annually as at 31 March at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

2.4.11 Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items. Net realisable value is the price at which inventories can be sold in the ordinary course of business.

The cost incurred in bringing inventories to its present location and conditions are accounted on First-in First-out basis.

2.4.12 Cash and Cash Equivalents

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

For the purpose of Statement of Cash Flow, Cash and Cash Equivalents consist of the above net of outstanding bank overdrafts. Investments with short maturities (i.e. three months or less from the date of acquisition) are also treated as Cash and Cash Equivalents.

2.4.13 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, where 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. When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit or Loss net of any reimbursement.

2.4.14 Post Employment Benefits

a) Defined Benefit Plan – Gratuity

The Group measures the present value of the promised retirement benefits of gratuity which is a defined benefit plan with the advice of an independent professional actuary at the end of every financial year using the Projected Unit Credit Method (PUC) as recommended by LKAS 19 – Employee benefits. Accordingly, the employee benefit liability is based on the actuarial valuation carried out by Messrs Actuarial and Management Consultants (Pvt) Ltd, Actuaries. The actuarial valuation involves making assumptions about discount rate, future salary increase rate and mortality rates etc. All assumptions are reviewed at each reporting date.

Provision has been made for retirement gratuities from the beginning of service for all employees, in conformity with LKAS 19 on employee benefit. However, under the Payment of Gratuity Act No. 12 of 1983, the liability to an employee arises only on completion of 5 years of continued service.

The Group's accounting policy for defined benefit plans is to recognise actuarial gains and losses in the period in which they occur in full in the Statement of Other Comprehensive Income. The gratuity liability is not externally funded.

b) Defined Contribution Plans:

Employee' Provident Fund and Employee' Trust Fund

Employees are eligible for Employees' Provident Fund and Employee' Trust Fund contributions, in line with respective statute and regulations. The Group contributes 12% and 3% of gross remuneration of employees to Employees' Provident Fund and Employees' Trust Fund.

2.4.15 Revenue

The Group is in the business of providing healthcare services and sale of pharmaceuticals. Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those services or goods.

The Group recognised the revenue based on SLFRS 15. It applies to all contracts with customers to provide goods and services in the ordinary course of business. The Group/Company adopts principle based five steps model for revenue recognition.

NOTES TO THE FINANCIAL STATEMENTS

Accordingly, revenue is recognised only when all of the following criteria are met:

- The parties to the contract have approved the contract/s;
- The entity can identify each party's rights regarding goods or services to be transferred;
- The entity can identify the payment term for the goods or services to be transferred;
- The contract has commercial substance;
- It is probable that the entity will collect the consideration to which it will be entitled in exchange for goods or services that will be transferred to the customer.

Under SLFRS 15, the Group determines at contract inception whether it satisfies the performance obligation over time or at a point in time. For each performance obligation satisfied overtime, the Group recognises the revenue over time by measuring the progress towards complete satisfaction of that performance obligation.

Revenue from sale of pharmaceutical items are recognised at a point in time when control of that items are transferred to the customer.

Revenue from outpatients are recognised at the point in time when services are rendered.

Revenue from inpatients are recognised over time by measuring the progress towards complete satisfaction of that performance obligation.

The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principle or agent. The Group has concluded that the service revenues are presented net of doctor fees in cases where the Group is not the primary obligor and does not have the pricing latitude.

2.4.16 Contract Assets

Contract assets are Group's right to consideration in exchange for goods or services that the Group has transferred to a customer, with rights that are conditioned on some criteria other than the passage of time. Upon satisfaction of the conditions, the amounts recognised as contract assets are reclassified to trade receivables.

2.4.17 Contract Liabilities

Contract liabilities are Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or the amount is due) from the customer. Contract liabilities include long-term advances received to deliver goods and services, short-term advances received to render certain services. Contract liabilities of the Group has been disclosed in trade and other payable Note 26.

2.4.18 Dividend Income

Dividend income is recognised when the Group's right to receive the payment is established.

2.4.19 Other Income

Other income is recognised in the Statement of Profit or Loss as it accrues.

2.4.20 Finance Income

Interest income is recorded as it accrues using the Effective Interest Rate (EIR), which 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. Interest income is included under finance income in the Statement of Profit or Loss.

2.4.21 Finance Expense

Finance costs comprise interest expense on borrowings and guarantee cost.

Interest expense is recorded as it accrues using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial liability.

2.4.22 Expenditure

Expenses are recognised in the Statement of Profit or Loss 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 the Statement of Profit or Loss.

For the purpose of presentation of the Statement of Profit or Loss, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the Group's performance.

2.4.23 Dividend

The Group recognises a liability to pay a dividend when the distribution is authorised and the distribution is no longer at the discretion of the Group. A corresponding amount is recognised directly in equity.

2.4.24 Earnings Per Share (EPS)

Basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

2.4.25 Segment Reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the other components. All operating segments' operating results are reviewed regularly by the Senior Management Committee to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

2.4.26 Statement of Cash Flow

The Statement of Cash Flows has been prepared using the "indirect method".

2.5 New and Amended Standard

No significant impact resulted on the financial statements of the Group due to changes in Accounting Standards and disclosures during the year

2.6 Standards Issued but Not Yet Effective

Effect of Sri Lanka Accounting Standards Issued But Not Yet Effective

The new and amended Sri Lanka Accounting Standards that have been issued but are not yet effective as at the date of these financial statements are disclosed below. The Group intends to adopt these Standards and amendments, where applicable, when they become effective.

SLFRS 18 – Presentation and Disclosure in Financial Statements

SLFRS 18 replaces LKAS 1 – Presentation of Financial Statements and introduces new requirements for the presentation and disclosure of financial performance. The Standard introduces defined subtotals in the statement of profit or loss, including operating profit and profit before financing and income taxes. It also introduces enhanced disclosure requirements relating to management-defined performance measures and the aggregation and disaggregation of information.

SLFRS 18, together with consequential amendments to other accounting standards, is effective for annual reporting periods beginning on or after 1 January 2027, with early application permitted.

The potential impact of SLFRS 18 on the presentation and disclosure of the Group's financial statements is currently being assessed. The Group does not expect the adoption of the Standard to have a material impact on the recognition and measurement of its assets, liabilities, income and expenses.

Classification and Measurement of Financial Instruments – Amendments to SLFRS 9 and SLFRS 7

The amendments to SLFRS 9 – Financial Instruments and SLFRS 7 – Financial Instruments: Disclosures introduce changes to the classification, measurement, derecognition and disclosure requirements for financial instruments. The amendments are intended to enhance transparency and consistency in financial reporting and address emerging market developments, including sustainability-linked features and contracts relating to nature-dependent electricity.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with early application permitted.

The Group does not expect the adoption of these amendments to have a material impact on its consolidated financial statements.

NOTES TO THE FINANCIAL STATEMENTS

3. REVENUE AND OTHER INCOME
3.1 Revenue

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Healthcare Services	32,581,550,259	29,692,930,642	14,793,398,555	12,467,071,578
Sale of Pharmaceutical Goods	2,405,285,967	1,278,735,643	911,663,958	922,409,571
Other Services	70,611,967	50,432,512	-	-
	35,057,448,192	31,022,098,797	15,705,062,514	13,389,481,150

3.1.a Segment Information
The Senior Management Committee is the Chief Operating Decision Maker (CODM) and monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on revenue and other income generated and is measured consistently with revenue and other income in the Consolidated Financial Statements.

The Group has identified the following segments based on the information provided to CODM for the purpose of making decisions about resource allocation and performance assessment.

- Pre Care which include OPD revenue, channelling revenue and OPD lab investigation services
- Post Care which include all IPD revenue including inpatient drugs and lab investigation
- Pharmaceutical which includes Pharmacy revenue
- Other revenue includes income generated from healthcare professional services provided by Asiri Academy of Health Sciences (Pvt) Ltd.

The following table presents the revenue and other income generated by the Group's segments for the year ended 31st March 2026 and comparative figures for the year ended 31st March 2025.

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Pre Care	17,956,426,909	16,588,348,030	8,954,762,893	7,850,017,444
Post Care	14,625,123,351	12,340,057,394	5,838,635,662	4,617,054,133
Pharmaceutical	2,405,285,967	2,043,260,861	911,663,958	922,409,571
Other Services	70,611,967	50,432,512	-	-
	35,057,448,192	31,022,098,796	15,705,062,514	13,389,481,150

3.1.b Timing of Revenue Recognition

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Services and Goods Transferred at a Point In Time	20,361,712,875	18,631,608,890	9,866,426,851	8,772,427,016
Services Transferred Over Time	14,695,735,317	12,390,489,906	5,838,635,662	4,617,054,133
	35,057,448,192	31,022,098,796	15,705,062,514	13,389,481,150

3.2 Other Income

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Rental Income	199,410,486	149,652,684	66,926,951	62,143,530
Share of Income - Joint Operation	75,900,076	69,311,215	75,900,076	69,311,215
Net gain/(loss) on Disposal of Property, Plant and Equipment	11,614,793	(2,224,079)	12,425,585	(2,215,143)
Exchange Gain/(Loss) on Foreign Currency	5,930,954	3,460,096	409,653	(340,984)
Sundry Income	79,571,104	27,898,256	14,321,055	14,382,818
Dividend Income	-	1,102,781	-	1,454,408,073
Gain/ loss on derecognition of ROU Assets	8,607,830	457,135	8,607,830	-
	381,035,244	249,658,090	178,591,150	1,597,689,509

4. FINANCE COST/ INCOME

4.1 Finance Cost

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Interest Expense on External Borrowings	1,460,657,991	1,481,040,842	957,917,055	843,048,757
Interest Expense on Inter Company Borrowings	-	-	322,525,744	389,369,733
Bank Charges on Interest Bearing Borrowings	25,019,314	18,193,291	11,439,143	8,802,534
Interest on Bank Overdrafts	405,399,112	406,337,572	260,418,543	267,151,900
Lease Interest	114,565,265	100,965,852	81,438,450	76,391,337
Guarantee Expense	4,404,784	-	9,794,000	3,304,000
	2,010,046,471	2,006,537,556	1,643,532,936	1,588,068,263

4.2 Finance Income

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Interest Income from Savings	67,224,557	3,651,855	683,568	922,082
Interest Income from Intercompany Loans	1,541,996,217	1,118,292,941	527,377,483	153,828,600
Interest Income from Commercial Papers	33,978,647	111,921,887	33,978,647	65,498,477
Guarantee Income	1,766,249	394,873	15,247,415	17,197,984
Interest Income on other financial instruments	5,240,921	-	3,012,506	-
Dividend Income	-	24,376,418	-	-
	1,650,206,591	1,258,637,974	580,299,620	237,447,144

NOTES TO THE FINANCIAL STATEMENTS

5. PROFIT BEFORE TAX

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Profit Before Tax is stated after charging all expenses including the following:				
Included in Cost of Sales				
Depreciation	830,668,478	821,742,966	299,686,690	286,489,791
Staff related Expenses including the following:-	5,502,268,609	5,261,690,255	1,547,878,533	2,012,522,871
- Defined Contribution Plan Costs - EPF and ETF	446,511,465	398,318,185	175,478,076	163,051,213
Included in Administrative Expenses				
Depreciation	991,982,834	954,136,442	479,435,183	461,470,361
Staff related Expenses including the following :-	1,945,585,097	1,957,712,107	647,748,614	648,590,516
- Defined Benefit Plan Costs - Gratuity	184,784,876	184,886,989	78,995,193	76,706,883
- Defined Contribution Plan Costs - EPF and ETF	90,868,888	85,441,207	37,306,722	34,549,024
Directors' Fees and Remuneration	13,816,667	66,016,613	7,195,833	62,349,140
Amortisation of Right of Use Assets	260,395,986	193,078,937	169,986,552	134,941,029
Donations	2,035,289	65,000	-	-
Legal Fees	54,534,109	89,826,923	18,986,937	49,416,096
Audit Fees and Reimbursable Expense	10,419,249	8,486,017	4,319,668	3,842,284
Impairment on Related Party Receivables	1,810,849,846	1,369,187,044	1,086,853,758	245,171,037
Included in Selling and Distribution Costs				
Advertising Expenses	341,679,428	286,038,985	289,420,162	257,198,798
Impairment of Trade Debtors	30,925,460	133,538,155	32,662,039	41,157,954

6. INCOME TAX

The Major Components of Income Tax Expense are as follows :

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Current Income Tax				
Current Income Tax charge	2,106,468,814	1,483,769,135	1,018,027,888	346,564,446
(Over)/Under Provision in Respect of Previous Years	146,598,192	126,602,368	20,892,325	-
Deferred Income Tax				
Deferred Taxation recognised in Profit or Loss (Note 24)	89,091,996	215,953,105	21,385,082	259,699,626
Tax Expense reported in the Statement of Profit or Loss	2,342,159,002	1,826,324,608	1,060,305,295	606,264,072
Deferred Income Tax				
Deferred Taxation Recognised in Other Comprehensive Income (Note 24)	416,663,833	404,995,197	1,008,993,159	(556,262,638)
Tax Expense reported in the Statement of Other Comprehensive Income	416,663,833	404,995,197	1,008,993,159	(556,262,638)

6.1 Reconciliation between Tax Expense and Accounting Profit

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Accounting Profit Before Tax	5,401,729,512	3,652,258,139	2,131,556,434	2,928,571,510
Other Source of Income	(2,331,823,472)	(933,033,779)	(638,434,149)	(184,645,504)
Dividend Income from Group Companies	-	(1,455,979,553)	-	(1,454,408,073)
Other Consolidation Adjustments	-	-	-	-
Adjusted Accounting Profit/ (Loss) chargeable to Income Taxes	3,069,906,040	1,263,244,807	1,493,122,285	1,289,517,933
Deductible Expenses	(2,066,109,059)	(2,112,477,635)	(981,451,075)	(969,006,180)
Non Deductible Expenses	4,467,073,160	5,841,623,213	2,249,775,927	1,406,287,167
Assessable Income From Investment	1,624,801,553	625,016,759	631,979,156	42,594,764
Set off against Tax Losses	(49,389,226)	(1,205,918,899)	-	(614,178,865)
Taxable Income	7,046,282,469	4,411,488,245	3,393,426,293	1,155,214,819

Tax has been computed at 30% for all standard rate companies (including listed companies), at 15% for Central Hospital Ltd and 20% for Asiri Galle Hospital (Pvt) Ltd.

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Income Tax at 15%	366,734,159	307,305,731	-	-
Income Tax at 20%	14,750,387	-	-	-
Income Tax at 30%	1,724,984,268	1,176,463,404	1,018,027,888	346,564,446
Current Income Tax charge	2,106,468,814	1,483,769,135	1,018,027,888	346,564,446

7. EARNINGS 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.

The following reflects the income and share data used in the Basic Earnings Per Share computations:

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Profit Attributable to Equity Holders of the Parent Company	2,773,958,544	1,643,691,897	1,071,251,139	2,322,307,438
Basic Earning Per Share	2.44	1.44	0.94	2.04

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Weighted Average Number of Ordinary Shares	**1,137,533,596**	1,137,533,596	**1,137,533,596**	1,137,533,596

8. DIVIDENDS

Declared during the year

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Equity Dividends on Ordinary Shares :				
- Dividend Per Share	-	1.50	-	1.50
- Interim Dividend	-	1,706,300,394	-	1,706,300,394

9. PROPERTY, PLANT AND EQUIPMENT

9.1 Group

9.1.1 Gross Carrying Amounts

Year ended 31 March	Balance As at 01.04.2025	Additions	Transfers	Revaluation	Disposal / Derecognition	Balance As at 31.03.2026
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At Valuation						
Land	8,129,568,800	-	-	350,399,851	-	**8,479,968,651**
Buildings	21,046,153,400	51,774,858	(498,333,008)	1,667,038,100	-	**22,266,633,350**
At Cost						
Building Improvements on Leasehold Land	45,573,143	1,610,416	-	-	-	**47,183,559**
Medical Equipment	11,159,616,334	898,004,817	-	-	(70,019,104)	**11,987,602,047**
Plant & Machinery	1,226,587,189	26,787,048	-	-	(163,151)	**1,253,211,086**
Furniture and Fittings	1,830,658,385	176,092,143	3,917,430	-	(19,916,209)	**1,990,751,750**
Motor Vehicles	427,425,878	-	-	-	(24,800,000)	**402,625,878**
Sundry Equipment	2,904,946,397	198,942,984	1,489,647	-	(19,644,841)	**3,085,734,187**
	46,770,529,524	1,353,212,265	(492,925,931)	2,017,437,951	(134,543,305)	**49,513,710,505**
Capital Work in Progress	65,786,340	7,553,958	(5,407,077)	-	-	**67,933,220**
Total Value of Assets	46,836,315,865	1,360,766,223	(498,333,008)	2,017,437,951	(134,543,305)	**49,581,643,726**

9.1.2 Accumulated Depreciation

Year ended 31 March	Balance As at 01.04.2025 Rs.	Charge for the year Rs.	Transfers Rs.	Disposal / Derecognition Rs.	Balance As at 31.03.2026 Rs.
Buildings	-	498,333,008	(498,333,008)	-	-
Building improvements on Lease Hold Land	39,767,313	2,436,964	-	-	42,204,277
Medical Equipment	7,015,540,714	830,668,478	-	(65,824,377)	7,780,384,815
Plant & Machinery	975,301,645	53,991,146	-	(163,151)	1,029,129,640
Furniture and Fittings	1,266,898,420	152,525,624	-	(16,815,776)	1,402,608,268
Motor Vehicles	338,852,480	26,338,672	-	(19,993,351)	345,197,801
Sundry Equipment	1,938,218,955	258,357,420	-	(18,818,464)	2,177,757,911
Total Depreciation	11,574,579,526	1,822,651,312	(498,333,008)	(121,615,119)	12,777,282,709

Building transfers include the accumulated depreciation amounting to Rs.498 Mn (2025 - Rs.467 Mn) as at revaluation date that was eliminated against the gross carrying amount of the revalued assets. Other transfers pertain to assets that are transferred to other categories and related party entities.

9.2 Company

9.2.1 Gross Carrying Amounts

Year ended 31 March	Balance As at 01.04.2025 Rs.	Additions Rs.	Transfers Rs.	Revaluation Rs.	Disposal / Derecognition Rs.	Balance As at 31.03.2026 Rs.
At Valuation						
Land	3,746,200,000	-	.	133,082,001	-	3,879,282,001
Buildings	8,529,436,700	4,487,787	(202,432,267)	716,924,780	-	9,048,417,000
At Cost						
Medical Equipment	3,180,448,578	123,958,877	-	-	(21,899,242)	3,282,508,213
Plant & Machinery	251,047,582	5,996,014	-	-	-	257,043,596
Furniture and Fittings	810,063,888	72,556,263	3,917,430	-	(7,019,976)	879,517,605
Motor Vehicles	198,348,951	-	-	-	(24,400,000)	173,948,951
Sundry Equipment	1,706,144,318	115,131,021	1,489,647	-	(11,639,781)	1,811,125,205
	18,421,690,017	322,129,962	(197,025,190)	850,006,781	(64,958,999)	19,331,842,570
Capital Work-in-Progress	4,346,557	6,024,578	(5,407,077)	-	-	4,964,058
Total Value of Assets	18,426,036,574	328,154,540	(202,432,267)	850,006,781	(64,958,999)	19,336,806,628

NOTES TO THE FINANCIAL STATEMENTS

9.2.2 Accumulated Depreciation

Year ended 31 March	Balance As at 01.04.2025 Rs.	Charge for the year Rs.	Transfers Rs.	Disposal / Derecognition Rs.	Balance As at 31.03.2026 Rs.
Buildings	-	202,432,267	(202,432,268)	-	-
Medical Equipment	1,617,432,676	299,686,690	-	(21,716,820)	1,895,402,546
Plant & Machinery	135,206,058	25,305,173	-	-	160,511,231
Furniture and Fittings	484,286,652	66,450,541	-	(4,547,205)	546,189,989
Motor Vehicles	144,015,539	11,808,672	-	(19,593,351)	136,230,860
Sundry Equipment	1,073,846,640	173,438,530	-	(11,192,037)	1,236,093,133
Total Depreciation	3,454,787,565	779,121,873	(202,432,268)	(57,049,412)	3,974,427,759

Transfers include the accumulated depreciation amounting to Rs.202 Mn (2025-190Mn) as at revaluation date that was eliminated against the gross carrying amount of the Revalued Assets.

9.3 Net Book Values

	Group		Company	
Year ended 31 March	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Land	8,479,968,651	8,129,568,800	3,879,282,001	3,746,200,000
Buildings	22,266,633,350	21,046,153,400	9,048,417,001	8,529,436,701
Building Improvements in Leasehold Lands	4,979,282	5,805,830	-	-
Medical Equipment	4,207,217,232	4,144,075,620	1,387,105,666	1,563,015,901
Plant & Machinery	224,081,446	251,285,544	96,532,365	115,841,524
Furniture and Fittings	588,143,481	563,759,965	333,327,616	325,777,236
Motor Vehicles	57,428,077	88,573,398	37,718,091	54,333,412
Sundry Equipment	907,976,276	966,727,442	575,032,072	632,297,678
	36,736,427,794	35,195,949,998	15,357,414,812	14,966,902,452
Capital Work in Progress	67,933,220	65,786,340	4,964,058	4,346,557
Total Carrying Amount of Property, Plant and Equipment	36,804,361,018	35,261,736,339	15,362,378,870	14,971,249,009

9.4 During the year, the Group acquired Property, Plant and Equipment to the aggregate value of Rs.1,360,766,223/- (2025 - Rs 1,581,321,804/-). Cash payments amounting to Rs.1,360,766,223/- (2025 - Rs 1,581,321,804/-) were made during the year for purchase of Property, Plant and Equipment. During the year, the Company acquired Property, Plant and Equipment to the aggregate value of Rs.328,154,540/- (2025 - Rs 476,473,585/-). Cash payments amounting to Rs.328,154,540/- (2025 - Rs 476,473,585/-).

9.5 The Group's Property, Plant and Equipment, with a carrying value of Rs. 21,497,739,724 (2025 – Rs. 20,365,498,246), have been pledged as security for term loans obtained. The Company's Property, Plant and Equipment, with a carrying value of Rs. 11,698,538,962 (2025 – Rs. 9,220,582,088), details of which are disclosed in Note 23.5 and Note 23.7.

9.6 Group's Property, Plant & Equipment include fully depreciated assets which are still in use, the cost of which at the reporting date amounted to Rs.6,555Mn (2025- Rs.5,817 Mn). Company's fixed assets include fully depreciated assets, which are still in use the cost of which at the reporting date amounted to Rs. 1,094 Mn (2025 - Rs. 954 Mn).

9.7 The provision for depreciation is calculated by using a straight line method on the cost/revaluation of all Property, Plant and Equipment in order to write off such amounts over the following estimated useful lives by equal instalments.

Year ended 31 March	Group/Company 2025/2026
Buildings	Over 42-60 Years
Furniture and Fittings	Over 8-10 Years
Medical Equipments	Over 8-10 Years
Plant and Machineries	Over 8-10 Years
Motor Vehicles	Over 5-8 Years
Sundry Equipments	
Computer and Office Equipments	Over 3-5 Years
Short Life Assets	Over 2-3 Years
Others	Over 8-10 Years

9.8 The carrying amount of revalued assets that would have been included in the Financial Statements had the assets been carried at cost less depreciation is as follows:

Year ended 31 March	Group			
	Cost Rs.	Cumulative Depreciation If assets were carried at cost Rs.	Net Carrying Amount Rs.	Net Carrying Amount Rs.
Class of Assets				
Freehold Lands	1,885,987,658	-	1,885,987,658	1,885,987,658
Buildings	11,788,062,495	2,526,258,736	9,261,803,758	9,445,131,148
	13,674,050,152	2,526,258,736	11,147,791,416	11,331,118,806

Year ended 31 March	Company			
	Cost Rs.	Cumulative Depreciation If assets were carried at cost Rs.	Net Carrying Amount Rs.	Net Carrying Amount Rs.
Class of Assets				
Freehold Lands	893,998,898	-	893,998,898	893,998,898
Buildings	5,940,088,564	935,361,089	5,004,727,475	5,115,821,321
	6,834,087,462	935,361,089	5,898,726,373	6,009,820,219

NOTES TO THE FINANCIAL STATEMENTS

9.9 The following properties are fair valued and recorded under freehold land and buildings. Fair Value measurement disclosure for revalued land and buildings based on un-observable inputs are as follows:

Company	Location	Extent	Effective Date of Valuation	Method of Valuation	Range of Significant unobservable input Unobservable Inputs (Rate of Return)		Estimated Price per Perch/Per Square Feet				Fair Value Measurement
							Per perch Value - Rs. Mn.		Per square foot Value - Rs.		
							2026	2025	2026	2025	
Property Valuations by S. Sivaskantha											
(Chartered Valuer)											
Asiri Hospital Holdings PLC	No 181, Kirula Road, Colombo 05	245.38 Perch 4 Buildings	31st March 2026	Land - IA*	7.50%	7.50%	**16.625**	15.75	**-**	-	3,879,282,000
		117,346 square feet		Buildings - IA*	-	-	**-**	-	**9,000 - 25,250**	8,600 - 23,750	1,952,718,000
	No 907, Peradeniya Road, Kandy	1 Building	31st March 2026	Buildings - IA*	8%	8%	**-**	-	**26,750**	25,000	7,095,699,000
		346,641 square feet									
Asiri Surgical Hospital PLC	No 21, Kirimandala Mawatha, Narahenpita	3 Buildings 386,187 square feet	31st March 2026	Buildings - IA*	7.50%	7.50%	**-**	-	**12,000 - 23,750**	11,000 - 22,000	4,475,582,000
	No 21, Kirimandala Mawatha, Narahenpita	2 Floors 6,710 square feet	31st March 2026	Buildings - IA*	8%	8%	**-**	-	**34,562**	33,741	231,908,396
Asiri Hospital Matara (Pvt) Ltd	No 15, Dharmapala Mawatha, Uyanwatta	241.50 Perch	31st March 2026	Land - IA*	8.50%	8.50%	**2.475**	2.25	**-**	-	630,995,000
		5 Buildings 86,324 square feet		Buildings - IA*	-	-	**-**	-	**2,500 - 20,500**	2,250 -19,250	1,390,300,000
Central Hospital Ltd	No 114, Norris Canal Road, Colombo 10	181.03 Perch	31st March 2026	Land - IA*	7.50%	7.50%	**16.65**	15.5	**-**	-	2,737,906,650
		1 Building 453,842 square feet		Buildings - IA*	-	-	**-**	-	**7,500 - 20,000**	7,000 - 18,500	6,550,093,350
Asiri Hospital Galle (Pvt) Ltd	No.59, Wackwella, Galle	153.20 Perch	31st March 2026	Land - IA*	8.50%	8.50%	**9**	8.5	**-**	-	1,231,785,000
		6 Buildings 46,230 square feet		Buildings - IA*	-	-	**-**	-	**8,250 - 17,750**	7,750 - 16,500	570,333,000

* Income approach (IA) - The income approach is used to value properties which are let to produce an income for the investor. Conventionally, investment value is a product of rent and yield. Each of these elements is derived using comparison techniques.

The investment method is used to value properties which are let to produce an income for the investor. Conventionally, investment value is a product of rent and yield. Each of these elements is derived using comparison techniques.

9.10 Sensitivity Analysis

Entity	Valuation Technique	Significant Unobservable Input	Sensitivity of the input to fair value
Asiri Hospital Holdings PLC	Income Approach	Rate of Return -7.5%	0.5% increase/(decrease) in the rate of return would result in (decrease)/ increase in fair value by Rs (364) Mn and Rs 416 Mn respectively
		Rate of Return - 8%	0.5% increase/(decrease) in the rate of return would result in (decrease)/ increase in fair value by Rs (439) Mn and Rs 481 Mn respectively
Asiri Surgical Hospital PLC	Income Approach	Rate of Return -7.5%	0.5% increase/(decrease) in the rate of return would result in (decrease)/ increase in fair value by Rs (257) Mn and Rs 294 Mn respectively
		Rate of Return - 8%	0.5% increase/(decrease) in the rate of return would result in (decrease)/ increase in fair value by Rs (13) Mn and Rs 15 Mn respectively
Asiri Hospital Matara (Pvt) Ltd	Income Approach	Rate of Return - 8.5%	0.5% increase/(decrease) in the rate of return would result in (decrease)/ increase in fair value by Rs (112) Mn and Rs 126 Mn respectively
Central Hospital Ltd	Income Approach	Rate of Return - 7.5%	0.5% increase/(decrease) in the rate of return would result in (decrease)/ increase in fair value by Rs (580) Mn and Rs 663 Mn respectively
Asiri Hospital Galle (Pvt) Ltd	Income Approach	Rate of Return - 8.5%	0.5% increase/(decrease) in the rate of return would result in (decrease)/ increase in fair value by Rs (100) Mn and Rs 112 Mn respectively

9.11 Valuation Process of the Group

The Group/Company usually engages an external independent and qualified valuer to determine the fair value of land and buildings. When significant changes in fair value are expected between two valuation dates, a more frequent valuation cycle is adopted. The latest revaluation was carried out with effect from 31 March 2026

Professional Valuer: S.Sivaskantha B.Sc Mgt. & Val. (Sri Lanka)
Diploma In Valuation (Sri Lanka), F.I.V Chartered Valuer

10. RIGHT OF USE ASSETS

10.1 Amounts recognised in the statement of financial position and statement of profit or loss.

Set out below are the, carrying amounts of the right of use assets and the movements for the period ended 31 March 2026.

NOTES TO THE FINANCIAL STATEMENTS

10.2 Right of Use Assets

Year ended 31 March	Group 2026			Company 2026		
	Leasehold Properties Rs.	Motor Vehicles Rs.	Total Rs.	Leasehold Properties Rs.	Motor Vehicles Rs.	Total Rs.
At the beginning of the year	1,256,323,838	-	1,256,323,838	974,416,665	-	974,416,665
Additions and improvements	517,097,285	-	517,097,285	372,732,494	-	372,732,494
Amortisation for the year	(260,395,986)	-	(260,395,986)	(169,986,553)	-	(169,986,553)
Derecognition of Lease Assets	(27,264,595)	-	(27,264,595)	(25,780,194)	-	(25,780,194)
At the end of the year	1,485,760,545	-	1,485,760,545	1,151,382,413	-	1,151,382,413

Year ended 31 March	Group 2025			Company 2025		
	Leasehold Properties Rs.	Motor Vehicles Rs.	Total Rs.	Leasehold Properties Rs.	Motor Vehicles Rs.	Total Rs.
At the beginning of the year	1,143,015,757	-	1,143,015,757	978,095,753	-	978,095,753
Additions and improvements	306,387,019	-	306,387,019	131,261,942	-	131,261,942
Amortisation for the year	(193,078,937)	-	(193,078,937)	(134,941,029)	-	(134,941,029)
At the end of the year	1,256,323,838	-	1,256,323,838	974,416,665	-	974,416,665

10.3 Leasehold Property as at 31 March 2026 consists of the below;

a. Expenses relating to short term lease and lease of low value asset amounting to Rs. 6.7 Mn (2025 Rs. 14.9 Mn) recognised in Profit and Loss.

b. Asiri Hospital Matara (Pvt) Ltd obtained lease hold right to land (extent of land is perches 38.34) and building situated at No 37, Anagarika Dharmapala Mawatha, Matara for 20 years commencing from 04th October 2006.

c. Asiri Hospital Holdings PLC has entered into a lease agreement with Urban Development Authority for a lease of the land (extent of land is 2 Acres 15.5 perches) situated at No 907, Peradeniya Road, Kandy for period of 50 years commencing from 18th January 2015.

d. The Company obtained leasehold rights to the land situated at No.21, Kirimandala Mawatha, Colombo 05 for 99 years from Board of Investment of Sri Lanka by agreement dated 29 March 2000. Under the terms of the lease the company was granted to occupy and use the land for its operations.

10.4 The incremental borrowing rates used for company/entity for the year ended 31 March 2026, are as follows:

		AWPLR + Margin	
Entity	Nature	Lower Range	Higher Range
Asiri Hospital Holdings PLC	Glomark Pharmacies, Car park, Hostel & Lab locations	8.69%	22.04%
Central Hospital Limited	Hostels	8.10%	11.10%
AOI Cancer Centre (Pvt) Ltd	PET & LINAC Building	9.10%	
Asiri Hospital Matara (Pvt) Ltd	Laboratories, Doctor's Quarter, Hospital Building, Hostel, Record room	10.87%	14.00%
Asiri Hospital Galle (Pvt) Ltd	Hostel, CNO & CMO Apartment, Laboratories	8.02%	11.84%
Asiri Surgical Hospital PLC	Hospital Building & Hostels	9.93%	21.96%
Asiri Diagnostic Services (Pvt) Ltd	ADSL Building	14.00%	

11. GOODWILL

	Group	
Year ended 31 March	2026 Rs.	2025 Rs.
At the Beginning of the Year	609,654,071	609,654,071
At the End of the Year	609,654,071	609,654,071

	Group	
Year ended 31 March	2026 Rs.	2025 Rs.
Asiri Surgical Hospital PLC	548,706,564	548,706,564
Asiri Hospital Galle (Pvt) Ltd	60,947,507	60,947,507
At the End of the year	609,654,071	609,654,071

11.1 Impairment of Goodwill

Accounting Judgements, Estimates and Assumptions

The recoverable amount of all CGUs have been determined based on the higher of fair value less costs to sell and its Value in Use (VIU) calculation. VIU is determined by discounting the future cash flows generated from continuing use of the unit. The key assumptions used to determined VIU of the CGUs are given below:

Business growth	-	Volume growth has been budgeted on a reasonable and realistic basis by taking into account the growth rates of one to five years immediately subsequent to the budgeted year, based on industry growth rates.
Discount rate	-	The discounting rate used is the risk free rate increased by an appropriate risk premium.

NOTES TO THE FINANCIAL STATEMENTS

11.2 Sensitivity Analysis

The following table illustrates the sensitivity of the aggregate fair value to reasonably possible changes in the weighted average cost of capital, assuming all other variables remain constant.

Entity	Significant Unobservable Inputs	Sensitivity of the input to fair value
Asiri Surgical Hospital PLC	Weighted Average Cost of Capital (WACC) 14.00%	1% increase/(decrease) in the WACC would result in (decrease)/increase in fair value by (LKR 1.1 Bn) and LKR 1.4 Bn respectively.
	Terminal Growth Rate 4%	1% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by LKR 669 Mn and (LKR 547 Mn) respectively.
Asiri Hospital Galle (Pvt) Ltd	Weighted Average Cost of Capital (WACC) 14.33%	1% increase/(decrease) in the WACC would result in (decrease)/increase in fair value by (LKR 235 Mn) and LKR 288 Mn respectively.
	Terminal Growth Rate 4%	1% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by LKR 129 Mn and (LKR 106 Mn) respectively.

12. INVESTMENT IN SUBSIDIARIES

		Company	
As at 31 March	Note	2026 Rs.	2025 Rs.
Fair value of quoted investments	12.1	**13,083,939,503**	11,984,198,070
Fair value of unquoted investments	12.2	**30,945,830,165**	29,428,844,461
		44,029,769,666	41,413,042,530

12.1 Group Quoted Investments

	Company			
As at 31 March	No of shares	Holding %	2026 Rs.	2025 Rs.
Financial assets at FVOCI				
Asiri Surgical Hospital PLC	422,555,413	79.96%	**13,083,939,503**	11,984,198,070
			13,083,939,503	11,984,198,070

Group Quoted Investments

	Company	
As at 31 March	2026 Rs.	2025 Rs.
Market Value		
Asiri Surgical Hospital PLC	**6,507,353,360**	4,859,387,250
	6,507,353,360	4,859,387,250

12.2 Group Unquoted Investments

As at 31 March	Company			
	No of shares	Holding %	2026	2025
Financial assets at FVOCI				
Asiri Academy of Health Sciences (Pvt) Ltd	1	100.00%	1	1
Asiri Central Hospitals Ltd	10,345,544	94.68%	1,981,328,157	2,840,413,848
Central Hospital Ltd	214,539,804	99.73%	23,034,875,072	21,421,571,561
Asiri Diagnostic Services (Asia) Pte Ltd	1	100.00%	133	133
Asiri Diagnostics Services (Pvt) Ltd	273,221	66.54%	211,390,801	210,475,917
Asiri Hospital Galle (Pvt) Ltd	44,000,002	100.00%	1,545,416,000	943,817,000
Asiri Hospital Matara (Pvt) Ltd	26,000,000	100.00%	4,171,820,000	4,011,566,000
Asiri Laboratories (Pvt) Ltd	100,000	100.00%	1,000,000	1,000,000
Asiri Port City Hospital (Pvt) Ltd	1	100.00%	1	1
			30,945,830,165	29,428,844,461

Accounting Judgements, Estimates and Assumptions

Impairment of Investment in Subsidiaries

The Company measures the investment in subsidiaries at fair value at each balance sheet date using Discounted Cash Flow methodology (DCF) and Net Assets methodology.

Changes in fair value of quoted and unquoted investment in subsidiaries are recognised in the Statement of Other Comprehensive Income statement. The management has used either Discounted Cash Flow Methodology (DCF) or Net Assets Methodology approach in determining the fair value of each entity. Further details on fair value of quoted and unquoted investments are disclosed in the below note.

NOTES TO THE FINANCIAL STATEMENTS

12.2 Group Unquoted Investments

Investment made in	Valuation methodology used	Terminal Growth			Discount Rate		
		2026	2025	2024	2026	2025	2024
Asiri Surgical Hospital PLC	DCF based on the proportionate fair valuation of assets and liabilities of Asiri Surgical Hospital PLC	4.00%	4.00%	4.00%	14.00%	13.85%	16.34%
Asiri Academy of Health Sciences (Pvt) Ltd	Net Asset Basis	-	-	-	-	-	-
Asiri Central Hospitals Ltd	Net Asset Basis	-	-	-	-	-	-
Central Hospital Ltd	DCF based on the proportionate fair valuation of assets and liabilities of Central Hospital Ltd	4.00%	4.00%	4.00%	14,50%	14.32%	16.97%
Asiri Diagnostic Services (Asia) Pte Ltd	Net Asset Basis	-	-	-	-	-	-
Asiri Diagnostics Services (Pvt) Ltd	DCF based on the proportionate fair valuation of assets and liabilities of Asiri Diagnostics Services (Pvt) Ltd	4.00%	4.00%	4.00%	14.00%	13.85%	16.34%
Asiri Hospital Galle (Pvt) Ltd	DCF based on the proportionate fair valuation of assets and liabilities of Asiri Hospital Galle (Pvt) Ltd	4.00%	4.00%	4.00%	14.33%	14.17%	16.34%
Asiri Hospital Matara (Pvt) Ltd	DCF based on the proportionate fair valuation of assets and liabilities of Asiri Hospital Matara (Pvt) Ltd	4.00%	4.00%	4.00%	14.00%	13.85%	16.34%
Asiri Port City Hospital (Pvt) Ltd	Net Asset Basis	-	-	-	-	-	-

12.3 Sensitivity Analysis

The following table illustrates the sensitivity of the aggregate fair value to reasonably possible changes in the terminal growth rate and the weighted average cost of capital, assuming all other variables remain constant.

Entity	Significant Unobservable Inputs	Sensitivity of the Input to Fair Value
Asiri Surgical Hospital PLC	Terminal Growth Rate 4%	1% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by LKR 669 Mn and (LKR 547 Mn) respectively.
	Weighted Average Cost of Capital (WACC) 14.00%	1% increase/(decrease) in the WACC rate would result in (decrease)/increase in fair value by (LKR 1.1 Bn) and LKR 1.4 Bn respectively.
Asiri Hospital Galle (Pvt) Ltd	Terminal Growth Rate 4%	1% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by LKR 129 Mn and (LKR 106 Mn) respectively.
	Weighted Average Cost of Capital (WACC) 14.33%	1% increase/(decrease) in the WACC rate would result in (decrease)/increase in fair value by (LKR 235 Mn) and LKR 288 Mn respectively.
Central Hospital Limited	Terminal Growth Rate 4%	1% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by LKR 1 Bn and (LKR 844 Mn) respectively.
	Weighted Average Cost of Capital (WACC) 14.50%	1% increase/(decrease) in the WACC rate would result in (decrease)/increase in fair value by (LKR 1.9 Bn) and LKR 2.3Bn respectively.
Asiri Hospital Matara (Pvt) Ltd	Terminal Growth Rate 4%	1% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by LKR 234 Mn and (LKR 192 Mn) respectively.
	Weighted Average Cost of Capital (WACC) 14.00%	1% increase/(decrease) in the WACC rate would result in (decrease)/increase in fair value by (LKR 417 Mn) and LKR 513 Mn respectively.
Asiri Diagnostic Services (Pvt) Ltd	Terminal Growth Rate 4%	1% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by LKR 4 Mn and LKR (3 Mn) respectively.
	Weighted Average Cost of Capital (WACC) 14.00%	1% increase/(decrease) in the WACC rate would result in (decrease)/increase in fair value by LKR (8 Mn) and LKR 13 Mn respectively.

12.4 Material Partly-Owned Subsidiaries

Financial information of subsidiaries that have material non-controlling interests is provided below:

Proportion of Equity Interest Held by Non-Controlling Interests:

Year ended 31 March	2026 %	2025 %
Company Name		
Asiri Surgical Hospital PLC	20.04%	20.04%
Asiri Diagnostics Services (Pvt) Ltd	33.46%	33.46%

NOTES TO THE FINANCIAL STATEMENTS

Summarised Statement of Total Comprehensive Income for year ended 31 March:

Year ended 31 March	Asiri Surgical Hospital PLC		Asiri Diagnostics Services (Pvt) Ltd	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Revenue	7,014,756,896	6,448,457,858	124,788,314	104,572,772
Cost of Services	(3,943,550,371)	(3,876,272,373)	(76,488,424)	(70,805,737)
Profit for the Year	740,538,549	197,388,812	9,415,522	8,364,376
Total Comprehensive Income for the Year	1,287,490,911	616,386,622	8,092,489	8,472,125
Attributable to Non-Controlling Interests	148,402,860	66,376,385	3,150,713	2,835,025

Summarised Statement of Financial Position as at 31 March:

Year ended 31 March	Asiri Surgical Hospital PLC		Asiri Diagnostics Services (Pvt) Ltd	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Current Assets	6,670,956,488	6,466,153,398	13,028,201	199,599,516
Non- Current Assets	11,497,715,805	9,278,013,548	425,546,378	291,850,842
Current Liabilities	7,065,657,421	5,839,791,039	34,575,907	94,740,670
Non- Current Liabilities	2,428,918,902	2,513,878,376	7,234,230	7,943,423
Total Equity	8,674,095,970	7,390,497,532	396,764,442	388,766,265
Attributable to:				
Equity Holders of Parent	6,935,819,612	5,909,452,455	263,995,269	258,685,073
Non-Controlling Interests	1,738,276,357	1,481,045,077	132,769,172	130,081,192

Summarised Statement of Cash Flow for the Year Ended 31 March:

Year ended 31 March	Asiri Surgical Hospital PLC		Asiri Diagnostics Services (Pvt) Ltd	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Cashflow from / (used) in Operating Activities	31,090,250	(340,910,550)	(989,309)	14,260,316
Cashflow from / (used) in Investing Activities	236,388,392	629,940,032	(3,657,500)	(773,639)
Cashflow from / (used) in Financing Activities	(554,377,346)	(411,523,628)	(2,065,158)	(13,890,636)
Net increase / (decrease) in Cash and Cash Equivalents	(286,898,706)	(122,494,147)	(6,711,968)	(403,958)

13. OTHER NON CURRENT ASSETS

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Security Deposits	91,315,924	70,409,812	43,958,548	44,427,812
	91,315,924	70,409,812	43,958,548	44,427,812

14. NON CURRENT FINANCIAL ASSETS

14.1 Quoted/ Non Quoted Equity Investments

	Note	Group			
		2026 Number of Shares	2025 Number of Shares	2026 Fair Value Rs.	2025 Fair Value Rs.
Investment in Equity Securities					
Quoted Equity Investments	14.2	-	-	-	-
Non Quoted Equity Investments	14.3	3,000,000	3,000,000	58,281,868	57,200,837
Total Investment in Equity Securities		3,000,000	3,000,000	58,281,868	57,200,837

	Note	Company			
		2026 Number of Shares	2025 Number of Shares	2026 Fair Value Rs.	2025 Fair Value Rs.
Investment in Equity Securities					
Non Quoted Equity Investments	14.3	3,000,000	3,000,000	58,281,868	57,200,837
Total Investment in Equity Securities		3,000,000	3,000,000	58,281,868	57,200,837

14.2 Investment in Equity Securities - Quoted

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
At the Beginning of the Year	-	259,955,092	-	-
Disposal Of Shares	-	(287,012,765)	-	-
Fair Value Gain /(Loss)	-	12,615,325	-	-
Share Allotment as Scrip Dividends	-	14,442,348	-	-
At the End of the Year	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

14.3 Investment in Equity Securities - Non Quoted

	Group / Company	
	2026	2025
	Fair Value	Fair Value
	Rs.	Rs.
Digital Health (Pvt) Ltd	58,281,868	57,200,837
	58,281,868	57,200,837

	Group / Company	
	2026	2025
	Rs.	Rs.
At the Beginning of the Year	57,200,837	30,000,000
Fair Value Gain	1,081,031	27,200,837
At the End of the Year	58,281,868	57,200,837

14.3.1 Accounting Judgements, Estimates and Assumptions

The Company measures its unquoted equity investments at fair value using the Discounted Cash Flow (DCF) methodology. Changes in fair value are recognised in the Statement of Other Comprehensive Income. Management applies the DCF approach to determine fair value, and further details of the valuation of unquoted investments are disclosed in the below note.

		Terminal Growth		Discount Rate	
	Valuation methodology used	2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
Digital Health (Pvt) Ltd	DCF based on the proportionate fair valuation of assets and liabilities of Digital Health (Pvt) Ltd	4.00%	4.00%	15.25%	15.53%

14.3.2 Sensitivity Analysis

The following table illustrates the sensitivity of the aggregate fair value to reasonably possible changes in the weighted average cost of capital, assuming all other variables remain constant.

Entity	Significant Unobservable Inputs	Sensitivity of the input to fair value
Digital Health (Pvt) Ltd	Weighted Average Cost of Capital (WACC) 15.25%	1% increase/(decrease) in the WACC rate would result in (decrease)/ increase in fair value by (LKR 4.3 Mn) and LKR 5.6 Mn respectively.
	Terminal Growth Rate 4%	1% increase/(decrease) in the growth rate would result in increase/ (decrease) in fair value by LKR 3.5 Mn and (LKR 2.9 Mn) respectively.

15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

15.1 Financial Assets

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Financial Assets at Fair value through OCI (Equity Instruments)				
Non Current Financial Assets	58,281,868	57,200,837	44,086,970,504	41,470,243,367
Financial Assets at Amortised Cost				
Trade Receivables	1,041,201,426	1,068,156,518	2,993,944,289	1,921,972,594
Loans Granted to Related Parties	9,499,839,073	8,466,450,176	2,562,978,984	1,503,832,006
Commercial Paper Investment	-	409,335,181	-	409,335,181
Other Receivables from Related Parties	7,291,145,851	5,026,887,545	3,415,745,540	1,599,006,629
Cash in Hand and Cash at Bank	920,371,972	654,099,154	120,653,845	166,359,209
Carrying Value of Financial Assets	18,810,840,189	15,682,129,411	53,180,293,162	47,070,748,986
Fair Value of Financial Assets	18,810,840,189	15,682,129,411	53,180,293,162	47,070,748,986

15.2 Financial Liabilities

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Financial Liabilities at Amortised Cost				
Interest Bearing Borrowings	13,991,167,905	15,124,558,503	15,029,977,661	14,762,963,685
Trade Payables	2,640,087,785	3,823,251,283	879,886,194	1,520,904,065
Bank Overdraft	4,164,969,835	4,275,923,740	2,480,291,859	2,943,501,547
Carrying Value of Financial Liabilities	20,796,225,525	23,223,733,527	18,390,155,712	19,227,369,296
Fair Value of Financial Liabilities	20,796,225,525	23,223,733,527	18,390,155,712	19,227,369,296

The management assessed that, cash in hand and at bank, loans granted to related parties, trade receivables, trade payables, interest bearing borrowings and bank overdrafts approximate to their fair value largely due to the short-term maturities of these instruments. The fair value of financial assets at amortised cost and financial liabilities do not significantly vary from the value based on the amortised cost methodology for the Group/Company.

NOTES TO THE FINANCIAL STATEMENTS

16. FAIR VALUE HIERARCHY

The Group uses the following hierarchy for determining and disclosing the fair value of assets by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 : Other techniques for which all 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.

16.1 Group

	31 March			
	2026	Level 1	Level 2	Level 3
	Rs.	Rs.	Rs.	Rs.
Assets Measured at Fair Value				
Financial Assets at Fair value through OCI	58,281,868	-	-	58,281,868
Land and Buildings	30,746,602,000	-	-	30,746,602,000
Security deposits	91,315,924	-	-	91,315,924

	31 March			
	2025	Level 1	Level 2	Level 3
	Rs.	Rs.	Rs.	Rs.
Assets Measured at Fair Value				
Financial Assets at Fair value through OCI	57,200,837	-	-	57,200,837
Land and Buildings	29,175,722,200	-	-	29,175,722,200

16.2 Company

	31 March			
	2026	Level 1	Level 2	Level 3
	Rs.	Rs.	Rs.	Rs.
Assets Measured at Fair Value:				
Financial Assets at Fair value through OCI	58,281,868	-	-	58,281,868
Land and Buildings	12,927,699,001	-	-	12,927,699,001
Investment in Subsidiary	44,029,769,666	-	-	44,029,769,666
Security Deposits	43,958,548	-	-	43,958,548

	31 March			
	2025	Level 1	Level 2	Level 3
	Rs.	Rs.	Rs.	Rs.
Assets Measured at Fair Value				
Financial Assets at Fair value through OCI	57,200,837	-	-	57,200,837
Land and Buildings	12,275,636,701	-	-	12,275,636,701
Investment in Subsidiary	41,413,042,530	-	-	41,413,042,530

17. INVENTORIES

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Chemical and Test Materials	255,088,525	123,292,661	224,382,093	144,764,021
Pharmaceuticals and Surgical	920,462,041	706,966,280	347,475,353	294,942,575
Consumables	212,216,719	153,529,521	38,825,283	33,183,848
Write (off)/ back during the period	1,680,505	(7,919,309)	1,978,119	(7,919,309)
Allowance for Obsolete Inventory	-	(1,622,792)	-	-
	1,389,447,790	974,246,361	612,660,847	464,971,134

NOTES TO THE FINANCIAL STATEMENTS

18. TRADE AND OTHER RECEIVABLES
18.1 Trade and Other Receivables

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Trade Debtors - External	1,043,822,038	1,142,631,672	339,636,418	417,342,891
Related Parties (Note 18.2.2) - Subsidiaries of Asiri Group of companies	-	-	649,136,843	443,719,741
Related Parties (Note 18.2.3) - Companies under Common Control - Softlogic Life	62,275,722	48,081,703	13,944,150	13,780,427
Other Debtors - Related Parties (Note 18.3.2) - Subsidiaries of Asiri Group of companies	-	-	1,902,923,973	1,067,492,379
Less - Impairment of Trade Debtors (ECL Method)	(160,367,053)	(133,538,156)	(73,816,503)	(41,157,954)
	945,730,707	1,057,175,220	2,831,824,880	1,901,177,484
Related Parties (Note 18.2.4 & 18.2.1) - Companies under Common Control - Softlogic other subsidiaries	105,096,068	75,836,539	29,182,936	20,113,812
Less - Impairment of Trade Debtors (DCF Method) - (Note 21)	(18,622,878)	(65,534,329)	(12,813,179)	(8,591,799)
	86,473,191	10,302,209	16,369,758	11,522,012
Other Debtors - Related Parties (Note 18.3.1 and 18.3.3) - Companies under Common Control	10,911,201	4,998,910	5,656,516	4,998,910
Less - Impairment of Other Debtors (DCF Method) - (Note 21)	(1,913,675)	(4,319,820)	(1,913,675)	(1,093,914)
	8,997,526	679,090	3,742,841	3,904,995
Other Receivables	1,005,550,167	956,385,292	142,006,810	202,387,957
	2,046,751,592	2,024,541,810	2,993,944,289	2,124,360,551

18.1.1 Movement in Provision for Trade and Other Receivables - ECL Method

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
At the Beginning of the Year	133,538,156	41,260,170	41,157,954	22,345,120
Provision for Impairment of Trade and Other Receivables	30,925,460	102,917,832	32,662,039	27,992,892
Written offs During the Year	(4,096,562)	(10,639,846)	(3,490)	(9,180,058)
At the End of the Year	160,367,053	133,538,156	73,816,503	41,157,954

18.1.2 Sensitivity Analysis

The Impairment Provision is Sensitive to Changes in Key Assumption Particularly the Weighted Average Cost of Capital (WACC) - Note 18.1.1

Entity	Significant Unobservable Inputs	Sensitivity of the input to fair value
Asiri Hospital Holdings PLC	Weighted Average Cost of Capital (WACC) 14.25%	0.5% increase/(decrease) in the WACC rate would result in increase/(decrease) in impairment by LKR 2,278,607 and (LKR 2,296,181) respectively.
Asiri Surgical Hospital PLC	Weighted Average Cost of Capital (WACC) 14.00%	0.5% increase/(decrease) in the WACC rate would result in increase/(decrease) in impairment by LKR 1,177,113 and (LKR 1,181,074) respectively.
Central Hospital Limited	Weighted Average Cost of Capital (WACC) 14.50%	0.5% increase/(decrease) in the WACC rate would result in increase/(decrease) in impairment by LKR 354,659 and (LKR 356,519) respectively.
Asiri Hospital Galle (Pvt) Ltd	Weighted Average Cost of Capital (WACC) 14.33%	0.5% increase/(decrease) in the WACC rate would result in increase/(decrease) in impairment by LKR 57,767 and (LKR 58,221) respectively.
Asiri Hospital Matara (Pvt) Ltd	Weighted Average Cost of Capital (WACC) 14.00%	0.5% increase/(decrease) in the WACC rate would result in increase/(decrease) in impairment by LKR 601,351 and (LKR 607,789) respectively.

18.2 Trade Debtors - Related Parties

18.2.1 Parent Company

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Softlogic Holdings PLC	27,632,476	21,565,138	-	-
	27,632,476	21,565,138	-	-

NOTES TO THE FINANCIAL STATEMENTS

18.2.2 Subsidiaries

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Central Hospital Ltd	-	-	443,279,955	316,922,510
Asiri Surgical Hospital PLC	-	-	29,074,411	8,195,445
Asiri Diagnostics Services (Pvt) Ltd	-	-	71,388,703	48,417,804
Asiri Hospital Matara (Pvt) Ltd	-	-	38,756,721	23,210,989
Asiri Hospital Galle (Pvt) Ltd	-	-	66,628,463	46,972,992
Asiri Academy of Health Science (Pvt) Ltd	-	-	8,590	-
	-	-	649,136,843	443,719,741

18.2.3 Companies under Common Control

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Softlogic Life Insurance PLC	61,591,529	48,081,703	13,780,427	19,148,529
Softlogic Life Insurance Lanka Ltd	684,192	-	163,723	-

18.2.4 Companies under Common Control

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Softlogic Retail (Pvt) Ltd	156,952	158,952	-	-
Softlogic Communication Services (Pvt) Ltd	32,000	32,000	-	-
Softlogic Pharmaceuticals (Pvt) Ltd	1,474,545	989,655	-	-
Softlogic Capital PLC	462,805	315,045	-	-
Softlogic Automobiles (Pvt) Ltd	117,000	117,000	-	-
Softlogic Finance PLC	80,100	106,420	-	-
Softlogic Information Technologies (Pvt) Ltd	6,500	6,500	-	-
Softlogic International (Pvt) Ltd	45,500	45,500	-	-
Softlogic Restaurants (Pvt) Ltd	8,241,775	4,973,517	148,400	74,550
Softlogic City Hotels (Pvt) Ltd	535,700	480,300	-	-
Softlogic Supermarkets (Pvt) Ltd	65,496,704	46,640,731	29,034,536	20,039,262
Softlogic Destination Management (Pvt) Ltd	-	1,000	-	-
Softlogic Rewards (Pvt) Ltd	100,983	-	-	-
Ceysand Resorts (Pvt) Ltd	20,000	20,000	-	-
Odel PLC	693,028	384,781	-	-
	77,463,592	54,271,400	29,182,936	20,113,812
	167,371,790	123,918,242	692,100,206	482,982,082

18.3 Other Debtors - Related Parties

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
18.3.1 Parent Company				
Softlogic Holdings PLC	4,996,500	4,996,500	4,996,500	4,996,500
	4,996,500	4,996,500	4,996,500	4,996,500
18.3.2 Subsidiaries				
Asiri Hospital Matara (Pvt) Ltd	-	-	33,040,198	30,933,636
Central Hospital Ltd	-	-	117,389,205	144,634,341
Asiri Surgical Hospital PLC	-	-	1,275,823,812	587,730,904
Asiri Hospital Galle (Pvt) Ltd	-	-	233,966,401	134,961,459
AOI Cancer Center (Pvt) Ltd	-	-	22,799,230	8,318,422
Asiri Diagnostic Services (Private) Limited	-	-	31,484,460	22,149,580
Asiri Acadamy Of Health Science (Pvt) Ltd	-	-	112,828,890	66,892,174
Asiri Diagnostic Services (Asia) Pte. Limited	-	-	12,622,612	10,432,078
Asiri Port City Hospital (Private)Limited	-	-	62,969,164	61,439,784
	-	-	1,902,923,973	1,067,492,379
18.3.3 Companies under Common Control				
Softlogic BPO Services (Pvt) Ltd	-	2,410	-	2,410
Odel PLC	648,637	-	648,637	-
Softlogic Institute of Management and Technology (Pvt) Ltd	5,266,065	-	11,380	-
	5,914,702	2,410	660,017	2,410
	10,911,201	4,998,910	1,908,580,489	1,072,491,289

18.4 As at the reporting date, the amounts outstanding from Softlogic Holdings PLC and its fellow subsidiaries (excluding Softlogic Life Insurance PLC), after offsetting any amounts due and netting off the provision for impairment, amounted to Rs. 95,470,717 for the group and Rs. 20,112,599 for the company. The provision for impairment recognised against these balances amounted to Rs. 21,315,061 and Rs. 14,726,854 for the group and company, respectively.

NOTES TO THE FINANCIAL STATEMENTS

19. OTHER CURRENT ASSETS

		Group		Company	
		2026	2025	2026	2025
		Rs.	Rs.	Rs.	Rs.
Commercial Paper Investment	19.1	-	409,335,181	-	409,335,181
Other Receivables From Related Party	19.2	**7,291,145,851**	5,026,887,545	**3,415,745,540**	1,599,006,629
		7,291,145,851	5,436,222,728	**3,415,745,540**	2,008,341,810

19.1 Commercial Paper Investment

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
At the Beginning of the Year	**545,053,894**	1,221,968,613	**545,053,894**	488,889,270
Addition	-	1,000,000,000	-	1,000,000,000
Interest Income	**30,487,239**	111,921,887	**30,487,239**	65,498,477
Repayments	-	(1,788,836,606)	-	(1,009,333,853)
Conversion of CP in to loans	**(575,541,133)**		**(575,541,133)**	-
At the End of the Year	-	545,053,894	-	545,053,894
Less: Impairment on commercial Paper Investment - (Note 21)	-	(135,718,713)	-	(135,718,713)
Net Balance At the End of the Year	-	409,335,181	-	409,335,181

Commercial Paper Investments of the Group amounting to Rs. 575,541,133 relating to entities within the Softlogic Group were converted into loans granted to entities within the Softlogic Group during the year. The interest for the loans granted to related parties were charged based on borrowing cost plus agreed margin. Outstanding balances as at the year end were unsecured and settlement occurs in intercompany invoices to be set off and dividends to be distributed. Accordingly, the relevant amount was reclassified from Commercial Paper Investments to Loans Granted to Related Parties, and there was no outstanding Commercial Paper Investment balance as at 31 March 2026.

19.2 Other Receivables From Related Party

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
At the Beginning of the Year	5,435,400,081	-	1,701,057,736	-
Addition	11,520,316,327	8,147,416,349	4,753,969,395	2,855,767,546
Interest Accrued	809,000,247	329,996,746	360,929,446	95,532,043
Repayments	(8,399,716,358)	(3,042,013,015)	(1,763,066,464)	(1,250,241,853)
Transfer to loan	(1,000,000,000)	-	(940,000,000)	-
At the End of the Year	8,365,000,296	5,435,400,081	4,112,890,113	1,701,057,736
Less: Impairment on Other Receivables From Related Party - (Note 21)	(1,073,854,455)	(408,512,536)	(697,144,574)	(102,051,107)
Net Balance At the End of the Year	7,291,145,851	5,026,887,545	3,415,745,540	1,599,006,629

19.2.1 Other Receivables From Related Party - Group

Entity Name	At the beginning of the year as at 01 April 2025	Additions	Interest Accured	Repayments	Transfers	At the End of the Year as at 31 March 2026
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Softlogic Holdings PLC	2,328,062,367	1,217,323,475	168,675,835	(3,206,799,040)	-	507,262,637
Softlogic Supermarkets (Pvt) Ltd	2,461,110,478	7,316,950,403	499,921,517	(3,048,334,994)	(421,378,905)	6,808,268,500
Softlogic Capital PLC	128,338,126	92,600,000	19,956,277	-	-	240,894,404
Softlogic BPO Services (Pvt) Ltd	-	170,681,354	(92,179)	(170,681,354)	-	(92,179)
Softlogic Retail (Pvt) Ltd	47,942,568	443,709,409	34,614,212	(371,111,593)	-	155,154,596
Odel PLC	467,932,717	1,658,930,459	58,669,992	(1,144,668,152)	(480,621,095)	560,243,921
Softlogic Brands (Pvt) Ltd	2,013,825	287,000,000	18,551,094	(185,000,000)	(98,000,000)	24,564,919
SR One (Pvt) Ltd	-	35,000,000	2,362,139	(35,000,000)	-	2,362,139
Ceysand Resorts Ltd	-	60,000,000	3,619,956	-	-	63,619,956
Softlogic Mobile Distributors (Pvt) Ltd	-	115,000,000	2,721,404	(115,000,000)	-	2,721,404
Softlogic Pharmaceuticals (Pvt) Ltd	-	100,001,034	-	(100,001,034)	-	-
Softlogic Computers (Pvt) Ltd	-	15,635,864	-	(15,635,864)	-	-
Softlogic Information Technologies (Pvt) Ltd	-	7,484,328	-	(7,484,328)	-	-
	5,435,400,081	11,520,316,327	809,000,247	(8,399,716,358)	(1,000,000,000)	8,365,000,296

NOTES TO THE FINANCIAL STATEMENTS

19.2.2 Other Receivables From Related Party - Company

Entity Name	At the beginning of the year as at 01 April 2025	Additions	Interest Accured	Repayments	Transfers	At the End of the Year as at 31 March 2026
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Softlogic Holdings PLC	592,764,375	7,665,448	47,484,442	(453,461,399)	-	194,452,865
Softlogic Supermarkets (Pvt) Ltd	931,527,738	3,334,439,530	252,251,689	(533,452,006)	(421,378,905)	3,563,388,046
Softlogic Capital PLC	13,337,342	57,200,000	5,122,907	-	-	75,660,248
Softlogic BPO Services (Pvt) Ltd	-	93,365,380	-	(93,365,380)	-	-
Softlogic Retail (Pvt) Ltd	2,477,418	210,666,719	9,524,256	(190,503,555)	-	32,164,839
Odel PLC	160,950,863	668,230,459	38,343,426	(207,882,264)	(480,621,095)	179,021,389
Softlogic Retail One (Pvt) Ltd	-	20,000,000	1,347,303	(20,000,000)	-	1,347,303
Ceysand Resorts Ltd	-	60,000,000	3,619,956	-	-	63,619,956
Softlogic Mobile Distributors (Pvt) Ltd	-	115,000,000	2,721,404	(115,000,000)	-	2,721,404
Softlogic Brands (Pvt) Ltd	-	154,000,000	514,064	(116,000,000)	(38,000,000)	514,064
Softlogic Pharmaceuticals (Pvt) Ltd	-	20,355,363	-	(20,355,363)	-	-
Softlogic Computers (Pvt) Ltd	-	7,916,063	-	(7,916,063)	-	-
Softlogic Information Technologies (Pvt) Ltd	-	5,130,433	-	(5,130,433)	-	-
	1,701,057,736	4,753,969,395	360,929,446	(1,763,066,464)	(940,000,000)	4,112,890,113

Other receivables from related parties are made up of working capital loans which are given to Softlogic Group of Companies as per the agreements made. The interest for the loans granted to related parties were charged based on the borrowing cost plus agreed margin. Outstanding balances as at the year end were unsecured and settlement occurs in intercompany invoice set off and dividends to be distributed.

20. LOANS GRANTED TO RELATED PARTIES

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Balance as at 01 April	8,466,450,176	8,234,473,451	1,503,832,006	290,247,819
Loans Granted	1,575,541,132	1,286,066,986	1,515,541,133	1,256,066,986
Loans Settlement	-	(981,904,464)	-	-
Interest Income for the Year	787,613,491	785,979,707	166,043,710	58,296,556
Balance as at 31 March	10,829,604,802	9,324,615,674	3,185,416,848	1,604,611,360
Less : Impairment on loan receivables	(1,329,765,730)	(858,165,498)	(622,437,864)	(100,779,354)
Net Carrying amount as at 31 March	9,499,839,073	8,466,450,176	2,562,978,984	1,503,832,006

20.1 Loans Granted to Related Parties - Group

Entity Name	Relationship	2026			2025		
		Amount Receivable Within 1 Year	Amount Receivable After 1 Year	Total	Amount Receivable Within 1 Year	Amount Receivable After 1 Year	Total
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Softlogic Holdings PLC	Parent Company	1,568,770,214	8,949,917,747	10,518,687,961	1,477,139,601	7,880,998,926	9,358,138,527
Softlogic Retails (Pvt) Ltd	Companies under Common Control	-	1,767,425,632	1,767,425,632	-	1,660,484,437	1,660,484,437
Softlogic Brands (Pvt) Ltd	Companies under Common Control	-	1,107,237,415	1,107,237,415	365,288,034	581,985,094	947,273,128
Softlogic Supermarket (Pvt) Ltd	Companies under Common Control	-	454,226,222	454,226,222	30,600,694	-	30,600,694
Softlogic Communications (Pvt) Ltd	Companies under Common Control	-	492,299,092	492,299,092	-	460,846,007	460,846,007
ODEL PLC	Companies under Common Control	-	480,621,095	480,621,095	-	-	-
Less : Impairment on loan receivables		(563,174,303)	(4,757,484,039)	(5,320,658,343)	(600,052,117)	(3,390,840,496)	(3,990,892,613)
		1,005,595,911	8,494,243,162	9,499,839,073	1,272,976,210	7,193,473,966	8,466,450,176

NOTES TO THE FINANCIAL STATEMENTS

20.2 Loans Granted to Related Parties - Company

Entity Name	Relationship	2026 Amount Receivable Within 1 Year Rs.	2026 Amount Receivable After 1 Year Rs.	2026 Total Rs.	2025 Amount Receivable Within 1 Year Rs.	2025 Amount Receivable After 1 Year Rs.	2025 Total Rs.
Softlogic Holdings PLC	Parent Company	1,171,300,029	830,522,194	2,001,822,223	1,263,816,440	22,438,819	1,286,255,259
Softlogic Brands (Pvt) Ltd	Companies under Common Control	-	427,059,288	427,059,288	365,288,034	-	365,288,034
ODEL	Companies under Common Control	-	480,621,095	480,621,095	-	-	-
Softlogic Supermarket (Pvt) Ltd	Companies under Common Control	-	454,226,222	454,226,222	30,600,694	-	30,600,694
Less : Impairment on loan receivables		(325,315,043)	(475,434,801)	(800,749,844)	(175,933,402)	(2,378,578)	(178,311,980)
		845,984,986	1,716,993,998	2,562,978,984	1,483,771,765	20,060,242	1,503,832,006

20.3 Loans granted to related parties are made up of working capital loans which are given to Softlogic Group of Companies as per the agreements made. The interest for the loans granted to related parties were charged based on borrowing cost plus agreed margin. Outstanding balances as at the year end were unsecured and settlement occurs in intercompany invoices to be set off and dividends to be distributed.

20.4 Outstanding amounts of intercompany balances are anticipated to be settled over a period of three to four years.

21. PROVISION FOR IMPAIRMENT ON RELATED PARTIES

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Impairment on Other Receivables From Related Party	1,073,854,455	408,512,536	697,144,574	102,051,107
Impairment on Loan Granted To Related Party	5,320,658,343	3,990,892,613	800,749,844	178,311,980
Impairment on commercial Paper Investment	-	135,718,713	-	135,718,713
Impairment on trade receivables	21,315,061	69,854,149	14,726,854	9,685,714
	6,415,827,858	4,604,978,010	1,512,621,272	425,767,514

21.1 Impairment Provision Movement

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
At the Beginning of the Year	4,604,978,010	3,235,790,967	425,767,514	180,596,478
During the Year Expense (Note 21.2)	1,810,849,846	1,369,187,044	1,086,853,758	245,171,037
At the End of the Year	6,415,827,858	4,604,978,010	1,512,621,272	425,767,514

21.2 Impact on Current year Expense

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Impairment on Other Receivables From Related Party	665,341,919	408,512,536	595,093,466	102,051,107
Impairment on Loan Granted To Related Party	1,194,047,017	858,165,498	486,719,151	100,779,354
Impairment on Commercial Paper Investment	-	32,654,862	-	32,654,862
Impairment on Trade Receivables	(48,539,088)	69,854,149	5,041,140	9,685,714
	1,810,849,846	1,369,187,044	1,086,853,758	245,171,037

21.3 The provision for impairment on loans granted to related parties, other receivables, commercial paper investments, and trade receivables is assessed based on forecasted repayment plans.

21.4 The expected recoverable amount has been estimated using the forecasted cash flows from repayments provided by management discounted using entity's/Group's Weighted Average Cost of Capital (WACC)

21.5 Sensitivity Analysis

Entity	Significant Unobservable Inputs	Sensitivity of the input to fair value
Asiri Hospital Holdings PLC	Weighted Average Cost of Capital (WACC) 14.25%	0.5% increase/(decrease) in the WACC would result in increase/(decrease) in Impairment by LKR 90.2 Mn and (LKR 91.7 Mn) respectively.
Asiri Surgical Hospital PLC	Weighted Average Cost of Capital (WACC) 14%	0.5% increase/(decrease) in the WACC would result in increase/(decrease) in Impairment by LKR 28 Mn and (LKR 28.5 Mn) respectively.
Central Hospital Limited	Weighted Average Cost of Capital (WACC) 14.50%	0.5% increase/(decrease) in the WACC would result in increase/(decrease) in Impairment by LKR 48 Mn and (LKR 48.9 Mn) respectively.
Asiri Hospital Galle (Pvt) Ltd	Weighted Average Cost of Capital (WACC) 14%	0.5% increase/(decrease) in the WACC would result in increase/(decrease) in Impairment by LKR 1.1 Mn and (LKR 1.2 Mn) respectively.
Asiri Hospital Matara (Pvt) Ltd	Weighted Average Cost of Capital (WACC) 14.33%	0.5% increase/(decrease) in the WACC would result in increase/(decrease) in Impairment by LKR 3.6 Mn and (LKR 3.7 Mn) respectively.

22. EQUITY

22.1 Stated Capital

	2026		2025	
	Number	Rs.	Number	Rs.
Balance at the Beginning of the Year	1,137,533,596	4,748,108,334	1,137,533,596	4,748,108,334
Balance at the End of the Year	1,137,533,596	4,748,108,334	1,137,533,596	4,748,108,334

NOTES TO THE FINANCIAL STATEMENTS

22.2 OTHER COMPONENTS OF EQUITY

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Revaluation Reserve	13,167,140,573	11,693,431,117	5,097,392,107	4,502,387,362
Fair Value Reserve of Financial Assets at FVOCI	19,797,308	19,040,586	24,954,673,445	23,122,750,763
Other Reserve	(919,524,919)	(919,502,000)	-	-
Foreign Currency Translation Reserve	(3,651,421)	(1,476,628)	-	-
Balance at End of the Year	12,263,761,542	10,791,493,075	30,052,065,552	27,625,138,125

Revaluation Reserve
Revaluation reserve consists of the net surplus on the revaluation of Lands and Buildings.

Fair Value Reserve of Financial Assets at FVOCI
Fair value reserve of financial assets at FVOCI includes changes in fair value of financial instruments designated as financial assets at FVOCI.

Other Reserve
Other reserve is used to recognise goodwill or gains from purchases on subsequent acquisitions of further equity interests in subsidiaries and gains or losses arising from partial and deemed acquisitions/disposals in its subsidiaries.

23. INTEREST BEARING LOANS AND BORROWINGS

Group	2026 Amount Repayable Within 1 Year	2026 Amount Repayable After 1 Year	2026 Total	2025 Amount Repayable Within 1 Year	2025 Amount Repayable After 1 Year	2025 Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Term Loans (Note 23.1)	1,744,610,571	2,253,115,110	3,997,725,681	2,383,351,436	2,443,153,736	4,826,505,172
Short Term Loans (Note 23.3)	4,119,695,230	-	4,119,695,230	5,750,777,668	-	5,750,777,668
Other External Borrowings (Note 23.4)	2,318,564,301	2,584,610,728	4,903,175,029	991,371,145	2,918,564,301	3,909,935,446
Loans obtained from Related Parties	61,384,488	-	61,384,488	-	-	-
Lease Liability (Note 23.2)	(51,306,445)	960,493,922	909,187,477	116,026,601	521,313,616	637,340,216
	8,192,948,145	5,798,219,760	13,991,167,905	9,241,526,850	5,883,031,653	15,124,558,502

23.1 Term Loans - Group

Year ended 31 March	2026	2025
	Rs.	Rs.
At the Beginning of the Year	4,826,505,172	5,059,697,129
Loan Obtained	1,617,714,300	1,671,013,084
Interest Charge	468,336,345	530,240,110
Repayments	(2,914,830,133)	(2,434,445,149)
At the End of the Year	3,997,725,681	4,826,505,172

23.2 Lease Liability - Group

Group	2026			2025		
	Motor Vehicles	Leasehold Properties	Total	Motor Vehicles	Leasehold Properties	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At the Beginning of the Year	-	637,340,216	637,340,216	-	470,568,598	470,568,598
Facility Obtained	-	492,397,049	492,397,049	-	639,896,207	639,896,207
Interest Charge	-	131,068,077	131,068,077	-	(172,364,365)	(172,364,365)
Repayments	-	(314,427,058)	(314,427,058)	-	(300,760,222)	(300,760,222)
Derecognitions During the Year	-	(37,190,812)	(37,190,812)	-	-	-
At the End of the Year	-	909,187,477	909,187,477	-	637,340,216	637,340,216

23.2.1 Leasehold Land- Board of Investment of Sri Lanka (BOI) - Under Leasehold Properties

Asiri Surgical Hospital PLC obtained leasehold right to the land (extent of land is 2 Acres, 1 Rood and 11.6 perches) situated at No.21, Kirimandala Mawatha, Colombo 05 for 99 years from the Board of Investment of Sri Lanka by agreement dated 29th March 2000.

An annual sum equivalent to 4% of the total market value of leasehold land (Rs.101,800,000/-) as at the date of the lease agreement, over a period of 25 years commencing from the financial year 2000/2001.

BOI reserves the right to revise the annual lease rent every five years on the basis of an annual increase not greater than the Average Weighted Deposit Rate prevailing at the end of each year as determined by the Central Bank of Sri Lanka or 10%, per annum whichever is lower.

23.3 Short Term Loans - Group

Year ended 31 March	2026	2025
	Rs.	Rs.
At the Beginning of the Year	5,750,777,668	5,870,413,789
Loan Obtained	134,783,981	132,785,967
Interest Charge	431,453,408	590,582,256
Repayments	(2,197,319,828)	(843,004,345)
At the End of the Year	4,119,695,230	5,750,777,668

23.4 Other External Borrowings - Group

Year ended 31 March	2026	2025
	Rs.	Rs.
At the Beginning of the Year	3,909,935,446	2,766,789,732
Loan Obtained	1,469,972,438	4,971,288,417
Interest Charge	477,020,516	350,866,023
Repayments	(953,753,370)	(4,179,008,726)
At the End of the Year	4,903,175,029	3,909,935,446

NOTES TO THE FINANCIAL STATEMENTS

23.5 Loan Details

Company	Lending institution	Nature of facility	Interest rate	Repayment term
Asiri Hospital Galle (Pvt) Ltd	Sampath Bank PLC	Term Loan	AWPLR plus margin	The capital repayment of the loan commences after a grace period of 12 months from the date of first disbursement and is payable in 108 equal monthly instalments (1st 24 months Rs.1,000,000/, 2nd 24 months Rs.1,800,000/-,3rd 36 months Rs.2,000,000/-,4th 23 months Rs.2,500,000/- and a final instalment of Rs.3,300,000).
	Sampath Bank PLC	Term Loan	AWPLR plus margin	The capital repayment of the loan commences after a grace period of 24 months from the date of first disbursement and is payable in 108 equal monthly instalments in following manner, together with interest on 26th of each month.
	Seylan Bank PLC	Term Loan	AWPLR plus margin	60 months inclusive of a grace period of 12 months commencing from the date of grant. To be payable in 48 equal instalments of Rs. 3,125,000 together with interest the loan has been rescheduled from June 2024 for 30 equal instalments of 3,200,000 and a one final instalment of 1,500,000/- together with Interest
Asiri Surgical Hospital PLC	Commercial Bank of Ceylon PLC	Term Loan	AWPLR plus margin	59 equal monthly instalments of Rs 5,833,000/- and final instalment of Rs.5,853,000/-
		Term Loan	AWPLR plus margin	35 equal monthly instalments of Rs 3,300,000/- each and Final instalment of Rs.3,900,000/-
		Term Loan	AWPLR plus margin	11 equal monthly instalments of Rs 1,965,600/- and final instalment of Rs. 1,978,400/-
		Term Loan	AWPLR plus margin	12 equal monthly instalments of Rs 2,042,757/-
		Term Loan	AWPLR plus margin	12 equal monthly instalments of Rs 1,709,525/-
		Term Loan	AWPLR plus margin	23 equal monthly instalments of Rs 1,966,600/- and final instalment of Rs. 1,968,200/-
		Short term Loan	AWPLR plus margin	6 equal monthly instalments of Rs 5,202,350/-
	Hatton National Bank PLC	Short term Loan	AWPLR	Full amount in each Maturity
	DFCC Bank PLC	Term Loan	AWPLR plus margin	72 equal monthly instalments after a grace period of 12 months from the date of first disbursement. Loan Commences from 2020.
	Sampath Bank PLC	Term Loan	AWPLR	59 equal monthly instalments of Rs 13,300,000/- each and a final instalment of Rs 15,300,000/- after a grace period of 6 months from the date of first disbursement. Loan Commences from 2021.
		Term Loan	AWPLR	59 equal monthly instalments of Rs 3,300,000/- each and a final instalment of Rs 5,300,000/- after a grace period of 6 months from the date of first disbursement.

Outstanding balance			
2026	2025	Carrying value of collaterals	Security
Rs. '000	Rs. '000	Rs. Mn.	
95,016	119,363	200	Additional mortgage bond for Rs. 200Mn over the property depicted as Lot no xx in the plan 19007 dated 04.06.2007 made by G.P.V.S. Kusumsiri (Licensed Surveyor), owned by Asiri Hospital Galle (Pvt) Ltd, with an extend of 2 R 24.83P
145,491	172,688	244	Loan Agreement for - 244.35Mn, Primary Mortgage Bond - For 74Mn over Property (Lot No. 56) and for 84Mn Over Property (Lot No. 57), Additional Mortgage Bond For 86.35Mn Over Property (Plan No. 19007 Owned By AHG)
27,171	64,599	450	Corporate Guarantee of Asiri Hospital Holdings PLC for Rs. 450Mn for short term loan of Rs. 300Mn+ Rs.150Mn long term loan
141,252	216,132	350	Mortgage Bond over Credit/Debit card receivables of the card operations of Asiri Surgical Hospital PLC.
77,531	121,667	119	Mortgage Bond over GE advance cath lab model of Asiri Surgical Hospital PLC.
-	22,056	24	Mortgage bond Over Video Endoscope system of Asiri Surgical Hospital PLC.
-	24,766	25	Mortgage Bond over Cyst scope and Bipolar Turis Resectoscope semi Rigid Ureteroscope of Asiri Surgical Hospital PLC.
10,378	-	21	Mortgage bond over High-end Echo Cardiography System of Asiri Surgical Hospital PLC.
39,757	-	47	Mortgage bond over CT Tude for Bright Speed of Asiri Surgical Hospital PLC.
-	31,682	-	-
1,225,626	1,218,025	-	-
279,248	493,666	1,200	Corporate guarantee of Asiri Hospital Holdings PLC
41,954	201,731	800	Assignment over all future debit/credit card and cash receivable of the company for Rs.1,000,000,000/=
18,524	58,167	200	

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Company	Lending institution	Nature of facility	Interest rate	Repayment term
Central Hospital Ltd	Sampath Bank PLC	Term Loan	AWPLR plus margin	95 equal monthly instalment each worth is Rs.3,396,000/- and final instalment is Rs.3,380,000/-
		Term Loan	AWPLR plus margin	120 Equal monthly instalments of Rs: 9,600,000 and a final instalment of Rs: 7,600,000 commencing from the month following the disbursement of the loan to be served monthly
		Term Loan	AWPLR plus margin	59 Equal monthly instalments Rs. 16,750,000/- Final Instalment Rs. 11,750,000/-
	Commercial Bank of Ceylon PLC	Term Loan	AWPLR plus margin	53 Equal monthly instalments Rs. 23,150,000/- Final Instalment Rs. 23,050,000/- (Five years including Four months grace period)
		Term Loan	AWPLR plus margin	26 Equal monthly instalments Rs. 11,100,000/- Final Instalment Rs. 11,400,000/- (Two and half years including Three months grace period)
		Term Loan	AWPLR plus margin	47 Equal monthly instalments Rs. 489,000/- Final Instalment Rs. 517,000/-
		Term Loan	AWPLR plus margin	17 Equal monthly instalments Rs. 12,000,000/- Final Instalment Rs. 6,000,000/-
	Bank of Ceylon PLC	Term Loan	AWPLR plus margin	65 Equal monthly instalments Rs. 7,575,758/- Final Instalment Rs. 7,575,730/- (Seven years including six months grace period)

Outstanding balance			
2026	2025	Carrying value of collaterals	Security
Rs. '000	Rs. '000	Rs. Mn.	
-	-	326	Corporate Guarantee from Asiri Hospital Holdings PLC for Rs. 326 Mn.
-	103,600	-	Securitisation of all future credit/debit card receivables of the Company and assignment over credit/debit card receivables of the Company and future credit/debit card receivables.
45,250	246,250	1,000	Loan agreement for Rs. 1,000,000,000/-, Mortgage over all future Credit/Debit and cash receivables of the Company for Rs. 1,000,000,000/-, Letter of Set off, Notice of Assignment
-	-	-	Primary Mortgage Bond over leasehold right of Kandy Hospital situated at No.907, Peradeniya Road, Kandy.
-	6,832	300	Corporate Guarantee from Asiri Surgical Hospital PLC for Rs. 300 Mn.
-	10,603	24	Original of Certificate of Registration of the Vehicle no. WP CBG 6830 to be kept under the Bank's custody. General Terms and conditions relating to Term Loans for Rs. 23.5 Mn.
42,444	187,518	210	Floating Primary Mortgage Bond for Rs. 210,000,000 over machinery and equipment. General terms & conditions relating to Term Loan for Rs. 210,000,000/- .
350,483	441,775	500	Primary mortgage over land and building at No114, Norris Canal Rd, Colombo 10.

NOTES TO THE FINANCIAL STATEMENTS

23.6 Company

	2026 Amount Repayable Within 1 Year Rs.	2026 Amount Repayable After 1 Year Rs.	2026 Total Rs.	2025 Amount Repayable Within 1 Year Rs.	2025 Amount Repayable After 1 Year Rs.	2025 Total Rs.
Term Loans (Note 23.6.1)	1,065,223,338	1,618,004,042	2,683,227,380	1,157,255,999	1,177,836,809	2,335,092,808
Short Term Loans (Note 23.6.4)	1,023,239,066	-	1,023,239,066	2,512,849,261	-	2,512,849,261
Other External Borrowings (Note 23.6.5)	2,318,564,301	2,584,610,728	4,903,175,029	991,371,145	2,918,564,301	3,909,935,446
Loans due to Related Parties (Note 23.6.2)	2,231,844,795	3,570,958,079	5,802,802,874	1,957,414,007	3,632,463,109	5,589,877,116
	6,638,871,500	7,773,572,850	14,412,444,350	6,618,890,411	7,728,864,219	14,347,754,631
Lease Liability (Note 23.6.3)	57,711,067	559,822,244	617,533,311	57,711,067	357,497,987	415,209,054
	6,696,582,567	8,333,395,093	15,029,977,661	6,676,601,479	8,086,362,206	14,762,963,685

23.6.1 Term Loans

	2026 Rs.	2025 Rs.
At the Beginning of the Year	2,335,092,808	1,754,373,845
Loans Obtained	1,550,000,000	1,270,000,000
Interest Charge	268,316,086	223,426,742
Repayments	(1,470,181,514)	(912,707,779)
At the End of the Year	2,683,227,380	2,335,092,808

23.6.2 Loans Due to Related Parties

	As at 01.04.2025 Rs.	Temporary Finance Obtained Rs.	Interest Charge Rs.	Repayments Rs.	As at 31.03.2026 Rs.
Asiri Surgical Hospital PLC	2,925,218,383	-	177,892,273	-	3,103,110,656
Asiri Diagnostics Services (Pvt) Ltd	390,447,958	-	24,639,619	(2,596,915)	412,490,662
Asiri Central Hospitals Ltd	1,562,069,325	-	81,079,066	-	1,643,148,390
Central Hospital Limited	684,709,535	-	36,539,681	(105,408,907)	615,840,308
Asiri Hospital Matara (Pvt) Ltd	27,431,915	-	2,375,104	(1,594,161)	28,212,858
	5,589,877,116	-	322,525,743	(109,599,983)	5,802,802,874

The interest for the loans obtained from related parties were charged based on AWPLR plus margin. Outstanding balances as at the year end unsecured and repayment occurs in cash.

23.6.3 Lease Liability

	2026			2025		
	Motor Vehicles	Leasehold Properties	Total	Motor Vehicles	Leasehold Properties	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
At the Beginning of the Year	-	415,209,054	415,209,054	-	392,357,069	392,357,069
Facility Obtained	-	353,917,565	353,917,565	-	130,545,744	130,545,744
Interest Charge	-	81,438,450	81,438,450	-	78,775,082	78,775,082
Repayments	-	(197,875,634)	(197,875,634)	-	(186,468,842)	(186,468,842)
Derecognitions During the Year	-	(35,156,124)	(35,156,124)	-	-	-
At the End of the Year	-	617,533,311	617,533,311	-	415,209,054	415,209,054

23.6.4 Short Term Loans

	2026	2025
	Rs.	Rs.
At the Beginning of the Year	2,512,849,262	2,573,574,519
Loan Obtained	105,789,911	25,529,719
Interest Charge	147,279,806	278,461,381
Repayments	(1,742,679,913)	(364,716,358)
At the End of the Year	1,023,239,066	2,512,849,261

23.6.5 Other External Borrowings

	2026	2025
	Rs.	Rs.
At the Beginning of the Year	3,909,935,446	2,766,789,732
Loan Obtained	1,469,972,438	4,971,288,417
Interest Charge	477,020,516	350,866,023
Repayments	(953,753,370)	(4,179,008,726)
At the End of the Year	4,903,175,029	3,909,935,446

NOTES TO THE FINANCIAL STATEMENTS

23.7 Long Term Loan Details

Company	Lending institution	Nature of facility	Interest rate	Repayment term
Asiri Hospital Holdings PLC	Commercial Bank of Ceylon PLC	Term loan	AWPLR plus margin	90 monthly instalments after a grace period of 40 months from December 2015
		Term loan	AWPLR plus margin	96 monthly instalments after a grace period of 24 months from September 2016
		Term loan	AWPLR plus margin	48 monthly instalments commencing from June 2023
		Term loan	AWPLR plus margin	60 monthly instalments commencing from June 2022
		Term loan	AWPLR plus margin	60 monthly instalments commencing from June 2022
		Term loan	AWPLR plus margin	60 monthly instalments commencing from January 2023
		Term loan	AWPLR plus margin	24 monthly instalments commencing from November 2023
		Term loan	AWPLR plus margin	Repayable within 23 equal monthly instalments of Rs.53,000,000 each and a final instalment of Rs.51,000,000 together with interest.
	Sampath Bank PLC	Term loan	AWPLR plus margin	120 monthly instalments commencing from December 2015
		Term loan	AWPLR plus margin	108 monthly instalments commencing after 12 months of grace period from March 2019
	Seylan Bank PLC	Term loan	AWPLR plus margin	60 monthly instalments commencing from September 2025

Outstanding balance			
2026	2025	Carrying value of collaterals	Security
Rs. '000	Rs. '000	Rs. Mn.	
84,132	168,204	2,751	Primary mortgage bond Rs. 2750.60 Mn over leasehold right of Asiri Kandy Hospital Property situated at 907 Peradeniya Road Kandy, more fully depicted as lot 1&2 in plan No 3856A owned by the company
400,581	680,396		
9,590	17,249	30	Primary Mortgage bond over Medical Equipment - Rs. 30.4 Mn
12,611	24,514	54	Primary Mortgage bond over Medical Equipment - Rs. 53.9 Mn
15,013	29,145	64	Primary Mortgage bond over Medical Equipment - Rs. 64.2 Mn
11,891	19,404	34	Primary Mortgage bond over Medical Equipment - Rs. 33.9 Mn
-	11,493	39	Primary Mortgage bond over Medical Equipment - Rs. 39 Mn
509,514	1,122,493	23	General terms and conditions relating to term loan for Rs.1,270,000,000 to be signed by the company. Leeway in the securities listed in letter of offer No.CORP/23/056 dated 03/04/2023.
-	59,667	127	Securitisation of all future credit/ debit card receivables of Asiri Hospital Holdings PLC
152,070	202,528	450	a) Third party primary mortgage bond for Rs. 450 Mn over hospital property at No. 19007, Wackwella Road, Galle owned by Asiri Hospital Galle (Pvt) Ltd
1,487,825	-	560	Mortgage bond for Rs. 560.00 Mn over property at No. 10, Esplanande Road , Uyanwatta, Matara, owned by Asiri Hospital Matara (Pvt) Ltd

NOTES TO THE FINANCIAL STATEMENTS

24 DEFERRED TAX ASSETS AND LIABILITIES

24.1 Net Deferred Tax Liability

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
At the Beginning of the Year	5,606,880,493	4,985,932,191	8,719,827,008	9,016,390,020
Charge Recognised in Statement of Profit or Loss (Note 24.2)	89,091,996	215,953,105	21,385,082	259,699,626
Charge Recognised in Statement of Other Comprehensive Income (Note 24.2)	416,663,833	404,995,197	1,008,993,159	(556,262,638)
At the End of the Year	6,112,636,319	5,606,880,493	9,750,205,249	8,719,827,008

The closing deferred tax asset and liability balances relate to the following.

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Revaluation of Lands and Buildings	4,885,462,248	4,391,636,873	2,129,544,619	1,874,542,585
Accelerated Depreciation for Tax Purpose	1,554,163,433	1,483,022,653	1,017,042,171	999,311,323
Employee Benefit Liabilities	(291,274,856)	(226,047,956)	(135,575,606)	(108,320,739)
Losses Available for off set against Future Taxable Income	-	(27,180,141)	-	-
FVTOCI Investment (Digital Health)	8,484,560	8,160,251	8,484,560	8,160,251
FVTOCI Investment (Investment in Subsidiaries)	-	-	6,748,761,780	5,963,976,369
Impairment of Trade Receivables	(5,448,497)	(6,938,659)	241,549	(2,551,385)
Net of ROU Assets & Liability	(38,750,569)	(15,772,528)	(18,293,825)	(15,291,396)
	6,112,636,319	5,606,880,493	9,750,205,249	8,719,827,008

24.2 Deferred Tax Charge/ (Release)

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Deferred Tax Charge/ (Reversal) recognised through				
Statement of Profit or Loss	89,091,996	215,953,105	21,385,082	259,699,626
Charge/ (Reversal) Arising on During the Year Movement	89,091,996	215,953,105	21,385,082	259,699,626
Other Comprehensive Income	416,663,832	404,995,197	1,008,993,159	(556,262,638)
Charge/ (Reversal) Arising on During the Year Movement	416,663,832	404,995,197	1,008,993,159	(556,262,638)

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Statement of Profit or Loss				
Deferred tax Expense Arising From;				
Accelerated Depreciation for Tax Purposes	99,175,679	2,849,867	17,730,848	21,154,187
Employee Benefit Liabilities	(6,611,884)	(22,426,024)	3,863,728	(6,947,612)
Benefit arising from Tax Losses	9,600,141	238,926,444	-	252,493,829
Others	(13,071,941)	(3,397,182)	(209,494)	(7,000,777)
	89,091,996	215,953,105	21,385,082	259,699,626
Other Comprehensive Income				
Revaluation of Lands and Buildings	474,833,269	403,521,691	255,002,034	239,408,476
FVTOCI Investment (Digital Health)	324,309	8,160,251	324,309	8,160,251
FVTOCI Investment (Subsidiary Valuation)	-	-	784,785,411	(795,225,961)
Actuarial Gain/ (Loss) on Employee Benefit Liabilities	(58,493,746)	(6,686,745)	(31,118,596)	(8,605,404)
	416,663,833	404,995,197	1,008,993,159	(556,262,638)

24.3 Tax Losses Carried Forward

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Tax Losses Brought Forward	49,717,707	766,325,868	-	697,380,213
Adjustments on Finalisation of Liability	(3,401,372)	(82,288,432)	-	(83,201,348)
Tax losses Arising During the Year	20,650,936	-	-	-
Utilisation of Tax Losses	(49,389,226)	(634,319,729)	-	(614,178,865)
	17,578,045	49,717,707	-	-

The Group has tax losses amounting to Rs. 17,578,045 (2025- Rs. 49,717,707) available to offset against future taxable profits and same has been utilised for recognition of deferred tax asset.

With the introduction of the Inland Revenue Act no. 24 of 2017, which is effective from 01st April 2018, significant changes have been introduced to the income tax law of Sri Lanka. Further the Department of Inland Revenue has issued a Gazette notification no. 2064/53 on the transitional provisions that would be applicable in implementing the above Act.

As per the gazette notification issued in relation to the transitional provisions, any unclaimed loss as at 31st March 2018 is deemed to be a loss incurred for the year of assessment commencing on or after 01st April 2018 and shall be carried forward up to 06 years.

NOTES TO THE FINANCIAL STATEMENTS

25 EMPLOYEE BENEFIT LIABILITY

25.1 Retirement Benefit Obligations - Gratuity

	Group		Company	
Year ended 31 March	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
At the Beginning of the Year	868,652,335	785,016,893	361,069,127	309,225,744
Employees Transferred in/(out)	(272,900)	139,741	(2,436,084)	(4,488,412)
Interest on Retirement Benefit Liability	82,622,921	94,202,027	35,878,599	37,107,089
Current Service Cost	102,161,955	90,684,965	43,116,594	39,599,795
Actuarial (Gain)/Loss for the Year	244,896,766	5,339,741	103,728,653	28,684,679
Benefit Paid During the Year	(170,813,568)	(106,731,032)	(89,438,202)	(49,059,767)
Defined Benefit Obligation at the End of the Year	1,127,247,506	868,652,335	451,918,687	361,069,127
Charge/(Reversal) for the period - Income Statement				
Interest Charge for the year	82,622,921	94,202,027	35,878,599	37,107,089
Current Service Cost	102,161,955	90,684,965	43,116,594	39,599,795
	184,784,876	184,886,992	78,995,193	76,706,885
Charge for the period - Other Comprehensive Income				
Actuarial (Gain)/Loss for the year	244,896,766	5,339,741	103,728,653	28,684,679
	244,896,766	5,339,741	103,728,653	28,684,679

25.2 Messrs. Actuarial and Management Consultants (Pvt) Ltd, Actuaries, carried out an actuarial valuation of the defined benefit plan gratuity as at 31st March 2026. Appropriate and compatible assumptions were used in determining the cost of retirement benefits. The principal assumptions used are as follows:

	Group	
Year ended 31 March	2026 Rs.	2025 Rs.
Discount Rate	10% p.a	9.5% p.a
Salary Increase Rate	8% p.a	6% p.a
Staff Turnover Rate	25% - 13% across the board up to age 54 and thereafter zero.	21% across the board up to age 54 and thereafter zero.

The demographic assumptions underlying the valuation are retirement age of 60 years.

25.3 Sensitivity to Assumptions Used

If there is a one percentage point change in the assumptions, it would have the following effect:

Effect on the Defined Benefit Obligation Liability:

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
Increase by one percentage point in discount rate	1,087,266,011	838,045,220	435,107,339	348,219,302
Decrease by one percentage point in discount rate	1,170,402,879	901,645,260	470,124,666	374,931,822

Effect on the Defined Benefit Obligation Liability:

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
Increase by one percentage point in salary increment rate	1,175,791,847	906,506,028	472,345,963	376,953,643
Decrease by one percentage point in salary increment rate	1,081,532,893	832,998,824	432,752,053	346,121,864

25.4 The Following Payments are Expected Contributions to the Defined Benefit Plan in Future Years:

	Group		Company	
Year ended 31 March	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Within the next 12 months	255,897,915	186,082,952	102,906,184	80,505,010
Between 1 to 2 years	304,950,484	245,342,066	110,326,593	98,982,444
Between 3 to 5 years	306,653,440	243,734,923	122,136,561	98,317,451
Between 6 to 10 years	201,145,161	149,033,186	89,064,155	63,553,480
Beyond 10 years	58,600,510	44,459,208	27,485,196	19,710,744
Total Expected Payments	1,127,247,506	868,652,335	451,918,687	361,069,127

NOTES TO THE FINANCIAL STATEMENTS

25.5 Weighted Average Durations of Service

The Group's and the company's weighted average durations of service in is 4.2 years (2025 - 4 years) and 4.1 years (2025 - 4.1 years) respectively.

26. TRADE AND OTHER PAYABLES

26.1 Trade and Other Creditors

	Group		Company	
Year ended 31 March	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Trade Payables	2,595,419,385	3,643,743,936	687,570,559	1,376,411,263
Trade Payable - Related Parties (Note 26.3)	44,668,400	179,507,347	192,315,635	144,492,802
Other Payables (Note 26.2)	3,186,821,320	1,984,369,425	2,947,172,344	1,043,938,719
	5,826,909,105	5,807,620,708	3,827,058,537	2,564,842,784

26.2 Other Payables

	Group		Company	
Year ended 31 March	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Sundry Creditors Including Accrued Expenses	2,995,475,870	1,722,818,551	1,420,702,635	646,843,908
Other Payable Related Parties (Note 26.4)	101,216,256	75,356,490	1,490,702,557	366,235,265
Other Tax Payables	58,710,137	59,398,193	35,767,153	30,859,546
Contract Liabilities	31,419,058	126,796,191	-	-
	3,186,821,320	1,984,369,425	2,947,172,344	1,043,938,719

26.3 Trade Payable - Related Parties

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Parent Company				
Softlogic Holdings PLC	-	-	-	-
Subsidiaries				
Asiri Surgical Hospital PLC	-	-	19,218,301	14,585,710
Asiri Diagnostics Services (Pvt) Ltd	-	-	147,293,638	74,566,115
Central Hospital Ltd	-	-	4,295,068	-
Asiri Hospital Matara (Pvt) Ltd	-	-	1,764,028	2,029,911
Asiri Hospital Galle (Pvt) Ltd	-	-	1,537,385	3,502,813
Companies under Common Control				
Softlogic Life Insurance PLC	-	21,028,146	-	-
Softlogic Corporate Services (Pvt) Ltd	-	10,050,950	-	-
Softlogic Finance PLC	-	80,176	-	-
Softlogic Supermarkets (Pvt) Ltd	15,554,306	-	-	-
Softlogic Communications (Pvt) Ltd	-	326,909	-	-
Softlogic Computers (Pvt) Ltd	-	456,450	-	-
Softlogic Information Technologies (Pvt) Ltd	-	521,426	-	-
Softlogic Retail (Pvt) Ltd	-	3,547,056	-	3,451,014
Softlogic Asset Management (Pvt) Ltd	-	210,000	-	-
Future Automobiles (Pvt) Ltd	-	(2,188,636)	-	-
Softlogic Pharmaceuticals (Pvt) Ltd	29,114,094	133,439,542	15,056,340	45,173,285
Softlogic Rewards (Pvt) Ltd	-	2,215,379	-	-
Softlogic Supermarket (Pvt) Ltd	-	9,806,147	3,150,875	1,183,955
Softlogic Restaurants (Pvt) Ltd	-	13,800	-	-
	44,668,400	179,507,347	192,315,635	144,492,802

NOTES TO THE FINANCIAL STATEMENTS

26.4 Other Payable - Related Parties

Year ended 31 March	Group 2026 Rs.	Group 2025 Rs.	Company 2026 Rs.	Company 2025 Rs.
Parent Company				
Softlogic Holdings PLC	-	28,500,136	-	-
Subsidiaries				
Asiri Surgical Hospital PLC	-	-	744,375,869	318,595,018
Asiri Diagnostics Services (Pvt) Ltd	-	-	1,517,537	48,477
Central Hospital Ltd	-	-	537,528,524	13,466,339
Asiri Hospital Matara (Pvt) Ltd	-	-	147,738,664	1,725,704
Asiri Acadamy Of Health Sciences (Pvt) Ltd			10,804,610	8,731,610
Asiri Hospital Galle (Pvt) Ltd	-	-	13,978,339	592,344
Asiri AOI Cancer Centre (Pvt) Ltd	-	-	250,030	-
Companies under Common Control				
Softlogic Asset Management (Pvt) Ltd	350,000	-	-	-
Softlogic Automobiles (Pvt) Ltd	1,216,723	-	787,562	-
Future Automobiles (Pvt) Ltd	1,225,291	31,529	460,625	31,529
Softlogic Capital PLC	1,331,037	1,331,037	1,331,037	1,331,037
Softlogic Communications (Pvt) Ltd	312,929	-	-	-
Softlogic Computers (Pvt) Ltd	8,249,999	2,035,022	3,090,417	1,935,841
Softlogic Corporate Services (Pvt) Ltd	33,895,998	10,115,344	9,346,671	3,965,871
Softlogic Finance PLC	689,753	1,055,046	689,753	977,772
Nextage (Pvt) Ltd	93,456	-	-	-
Softlogic Supermarkets (Pvt) Ltd	289,439	760,618	-	760,618
Softlogic Information Technologies (Pvt) Ltd	6,096,568	1,023,552	3,623,003	499,730
Softlogic Restaurants (Pvt) Ltd	13,800	-	-	-
Softlogic Life Insurance PLC	16,235,223	11,559,261	5,104,196	8,159,905
Softlogic Destination Managements (Pvt) Ltd	1,266,310	1,918,300	1,266,310	1,918,300
Softlogic City Hotels (Pvt) Ltd	336,847	958,671	336,847	958,671
Softlogic Retail (Pvt) Ltd	7,915,938	14,890,855	6,733,544	1,374,424
Footwear Retailer (Private) Limited - BATA	3,357,155	-	-	-
Softlogic Brands (Pvt) Ltd	13,314,430	-	-	-
Softlogic Rewards (Pvt) Ltd	5,025,359	1,177,119	1,739,018	1,162,077
	101,216,256	75,356,490	1,490,702,557	366,235,265

Outstanding balances with related parties as at the year end are unsecured, non-interest bearing and settlement occurs in cash.

27 INCOME TAX PAYABLE

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Balance at Beginning of the Year	1,619,176,867	1,092,068,404	316,564,446	-
Provision for Income Tax During the Year (Note 6)	2,106,468,814	1,483,769,135	1,018,027,888	346,564,446
Utilisation of Tax Refunds	(14,218,710)	-	(15,150,540)	-
(Over)/Under Provision and Adjustments (Note 6)	146,049,552	126,602,368	20,892,325	-
Payments made During the Year	(813,367,644)	(1,083,263,038)	(30,000,000)	(30,000,000)
Balance at the End of the Year	3,044,108,889	1,619,176,869	1,310,334,119	316,564,446

28. CASH AND BALANCE WITH BANK IN THE CASH FLOW STATEMENT

28.1 Favourable Cash and Balance with Bank

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Cash and Balance with Bank	920,371,972	654,099,154	120,653,845	166,359,209
	920,371,972	654,099,154	120,653,845	166,359,209

28.2 Unfavourable Cash and Balance with Bank

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Bank Overdraft	(4,164,969,835)	(4,275,923,740)	(2,480,291,859)	(2,943,501,547)
Total Cash and Balance with Bank for the Purpose of the Cash Flow Statement	(3,244,597,864)	(3,621,824,586)	(2,359,638,014)	(2,777,142,338)

29 COMMITMENTS AND CONTINGENCIES

29.1 Capital Expenditure Commitments

There were no material commitments outstanding as at 31 March 2026 for future capital expenditure except for the below,

	Group	
Year ended 31 March	2026 Rs.	2025 Rs.
Capital Expenditure Commitments	21,901,554	1,128,149,211
	21,901,554	1,128,149,211

29.2 Contingent Liabilities

(a) Legal Claims

As at the reporting date, the Group had no significant contingent liabilities requiring adjustment to, or disclosure in, the financial statements other than those detailed below. No provisions have been recognised in respect of these matters, based on the reasons outlined. Although outcomes cannot be guaranteed, the Directors of the respective companies believe, based on information currently available, that adequate disclosures have been made.

Asiri Group of Hospitals

Pending litigations against Asiri Hospital Holdings PLC, Asiri Surgical Hospital PLC, Central Hospital Ltd, Asiri Central Hospital Limited, Asiri Hospital Galle (Pvt) Ltd and Asiri Hospital Matara (Pvt) Ltd with a maximum liability of Rs. 25 Mn, Rs. 70 Mn, Rs. 267 Mn, Nill, Nill and Rs.30 Mn respectively exist as at 31 March 2026 (2025 - Asiri Hospital Holdings PLC : Rs. 131.8 Mn, Asiri Surgical Hospital PLC : Rs. 70.7 Mn , Central Hospital Ltd - Rs. 103.1 Mn, Asiri Central Hospital Limited Rs 74.7Mn, Asiri Hospital Galle (Pvt) Ltd Rs 30Mn and Asiri Matara (Pvt) Ltd is Rs.0.4Mn).

Based on the currently available information, the Directors do not expect the resolution of these legal proceedings to have a material adverse impact on any of the individual companies or on the Group as a whole.

(b) Guarantees

The Company has signed Corporate Guarantee Bonds with Sampath Bank PLC, Hatton National Bank PLC, Seylan Bank PLC, DFCC Bank PLC & Softlogic Finance PLC securing the following banking facilities obtained by the Group entities.

	Company	
Year ended 31 March	2026 Rs.	2025 Rs.
Guarantees Value	2,530,000,000	2,410,000,000
	2,530,000,000	2,410,000,000

Outstanding Banking Facilities as at 31st March 2026 is Rs.1,470,602,136 (2025 - Rs.1,909,381,241)

29.3 Contingent Income Taxes

A dispute has arisen with the Department of Inland Revenue with regard to the applicability of the income tax exemption for the years of assessment 2005/06 to 2014/15, in terms of the agreement entered between Asiri Surgical Hospital PLC and the Board of Investment of Sri Lanka (BOI) in 2000. With respect to the same we have received written notifications from the Tax Appeals Commission so far for the years of assessments 2005/06, 2006/07, 2007/08, 2008/09, 2009/10, 2010/11, 2011/12, 2012/13, 2013/14 and 2014/15 and the Tax payable on the same is Rs 1.2Bn including penalty of which Rs. 520 Mn was provided at 31st March 2026.

We also had filed a case in the Court of Appeal in CA (Writ) 386/ 2016 preventing the recoverability of tax for the same matter and appeal is made to the Supreme court on the Court of Appeal. Since there is a litigation, in accordance with Paragraph 92 of LKAS 37, we are unable to provide further information on this and associated risks, in order not to impair the outcome and/or prejudice the Company's position in this matter.

30 EVENTS OCCURRING AFTER THE REPORTING DATE

Subsequent to the reporting date, Asiri Hospital Holdings PLC, the parent company of the Asiri Surgical Hospital PLC, reduced its shareholding in the Company from 79.96% to 64.74% through the disposal of a portion of its equity interest. However, Asiri Hospital Holdings PLC continues to retain the control and remains as the parent Company.

Except for the matter described above, there were no events occurring after the reporting date that require adjustment to, or disclosure in, these financial statements.

31 RELATED PARTY DISCLOSURES

Details of significant related party disclosures are as follows:

31.1 Transactions with Related Entities

	Group		Company	
Year ended 31 March	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Subsidiaries				
At the beginning of the Year	-	-	(4,571,387,269)	(5,870,835,000)
Repayment of Temporary Finance Obtained and Fund Transfers	-	-	70,619,089	1,610,848,972
Temporary Finance Obtained	-	-	-	(695,739,242)
Interest Charged	-	-	(322,525,743)	(389,369,733)
Guarantee Income	-	-	15,247,415	17,197,984
Sale of Goods/Services/Intercompany Transfers	-	-	(1,119,109,407)	286,003,329
Sale/(Purchase) of Non-Current Assets	-	-	967,338	426,370
Changeling Fee Collected by Related Party/ (Company on Behalf of the Related Party)	-	-	(268,457,574)	(251,370,870)
Settlements - set off	-	-	170,164,361	36,863,216
Expenses incurred by the Company on Behalf of Related Party/Company on behalf of the Related Party	-	-	908,404,254	684,587,704
Payments	-	-	203,591,825	-
At the End of the Year	-	-	(4,912,485,712)	(4,571,387,269)

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Parent Entity				
Opening Balance 01 April	7,213,249,853	6,455,166,991	2,314,145,172	540,346,676
Repayment of Temporary Finance Obtained, Fund Transfers	(1,615,690,039)	2,281,401,703	-	1,849,792,204
Temporary Finance Granted	-	-	1,379,822,420	-
Interest Charged	784,823,070	111,921,887	182,129,373	95,686,751
Sale/(Purchase) of Goods/Services	(3,437,903,084)	(762,332,947)	(2,398,760,640)	(359,220,147)
Settlements	2,417,621,760	379,552,578	2,398,760,640	352,225,611
Impairment on receivables	(1,001,049,944)	(887,671,159)	(333,336,862)	(164,685,922)
Expenses incurred by the Company on Behalf of Related Party	686,157,495	(364,789,200)	4,996,499	-
At the End of the Year	5,047,209,110	7,213,249,853	3,547,756,603	2,314,145,172
Affiliate Companies				
At the beginning of the Year	6,493,622,221	2,853,937,890	1,214,598,386	179,018,846
Temporary Finance Granted/(Obtained)	4,775,101,945	4,302,268,593	1,763,066,464	1,107,332,519
Interest Charged	842,277,907	919,049,119	339,867,208	28,108,283
Sale/(Purchase) of Goods/ Services	1,079,209,874	727,573,780	93,199,324	(9,140,407)
Settlements	(211,190,971)	(980,130,059)	(169,159,789)	63,261,048
Acquisition of Shares	(26,457,938)	-	-	-
Impairment on receivables	(809,799,904)	(481,515,884)	(883,745,268)	(80,485,115)
Expenses Incurred by the Company on behalf of Related Party/ (Related Party on behalf of the Company	(387,125,545)	(847,561,217)	(73,590,453)	(73,496,788)
Payments	-	-	174,241,099	-
At the End of the Year	11,755,637,588	6,493,622,221	2,458,476,971	1,214,598,386
Balance as at 31 March	16,802,846,706	13,706,872,074	1,093,747,876	(1,042,643,711)
Included Under Trade Receivables (Note 18.2)	148,748,912	58,383,913	692,263,929	474,390,282
Included Under Other Receivables (Note 18.3)	8,997,526	679,090	1,908,580,489	1,071,397,374
Included Under Loans granted to Related Parties (Note 20)	9,499,839,073	8,466,450,181	2,562,978,984	1,503,832,007
Included Under Interest Bearing Loans and Borrowings (Note 23.6)	-	-	(5,802,802,874)	(5,589,877,116)
Included Under Other Current Assets (Note 19)	7,291,145,851	5,436,222,726	3,415,745,540	2,008,341,810
Included Under Trade Payables (Note 26.3)	(44,668,400)	(179,507,347)	(192,315,635)	(144,492,802)
Included Under Other Payables (Note 26.4)	(101,216,256)	(75,356,490)	(1,490,702,557)	(366,235,265)
	16,802,846,706	13,706,872,074	1,093,747,876	(1,042,643,711)

31.2 The Company carried out transactions in the ordinary course of its business under relevant commercial terms and conditions with parties who are defined as related parties in LKAS 24 – Related Party Disclosures.

31.3 Compensation of Key Management personnel*

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Short Term Employee Benefits	13,816,667	66,016,613	7,195,833	62,349,140
	13,816,667	66,016,613	7,195,833	62,349,140

*Key management personnel include Board of Directors of Asiri Hospital Holdings PLC and its subsidiaries.

31.4 Other Transactions

Company

The shareholders of the Company are eligible for discounts up to 50% on the hospital bills excluding the charges for drugs, medical consumables, professional fees and blood charges up to a limit of 12.5% per annum, of the nominal value of the shares held for a minimum period of three months. Discounts are also given on investigation on out patients channelling such as on Laboratory, MRI, X-Ray, ECG, Ultrasound Scanning and others provided by the Company.

This facility is extended to the shareholder and three nominees, subject to the above limit.

32. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk is associated with any business. The type of risk and the degree to which it affects a particular business vary. Uncertainties provide both risk and opportunity with a potential to erode or enhance the enterprise value. The Board of Directors is mindful of these uncertainties and through the Management at various levels have put in place adequate systems to identify the probable occurrence of such risks in advance and to exercise mitigating measures to minimise the impact.

The key Financial Risks include Credit Risk, Market Risk including Currency Risk, Interest Rate Risk, Price Risk, and Liquidity Risk. Managing these risks is part of the Group's/Company's risk management process.

32.1 CREDIT RISK

The Group/Company admit patients on placement of a deposit or in an emergency, even without a deposit. Further, the hospital admit patients who are corporate clients. There is a risk of a patient not having adequate funds to settle his / her bill at the time of discharge. In order to mitigate such risk, the Group/Company issues interim bills to the patients requesting periodic bill settlement. Further there is a risk of corporate clients' payments being delayed or not being paid. The Group/Company evaluates credit worthiness of companies before granting credit facilities to corporate clients in order to minimise the non-collection of bills.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Financial Assets at Amortised Cost				
Loans Granted to Related Parties	1,005,595,911	8,466,450,176	845,984,986	1,503,832,006
Trade and Other Receivables	2,046,751,592	1,068,156,518	2,993,944,289	1,921,972,594
Cash and Cash Equivalents	920,371,972	654,099,154	120,653,845	166,359,209
Total Credit Risk Exposure	3,972,719,475	10,188,705,849	3,960,583,121	3,592,163,810

Financial Assets Designated at Fair Value Through OCI (Equity Instruments)

Year ended 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Investment in Quoted/Unquoted Equity Securities	58,281,868	57,200,837	58,281,868	57,200,837
Investment In Subsidiaries	-	-	44,029,769,666	41,413,042,529
Total Equity Risk Exposure	58,281,868	57,200,837	44,088,051,534	41,470,243,366
	4,031,001,343	10,245,906,686	48,048,634,655	45,062,407,176

Loans Granted to Related Parties

Loans granted to related parties and other receivables are repayable over a period of three to four years. These loans bear interest at AWPLR plus a margin, are unsecured, and are classified as financial assets measured at amortised cost. Management has assessed these loans for impairment and recognised the related impairment charge during the year. Credit risk is managed through the ongoing offset of intercompany balances and through dividends.

Group		Past Due but not Impaired				
	Total	Neither Past Due nor Impaired	31 - 60 days	61 - 90 days	91 - 365 days	Impaired > 365 days
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2026						
Gross Trade Receivable Balance	1,222,105,030	643,787,891	189,458,773	83,877,800	168,227,607	136,752,959
Less - Impairment	(180,903,605)	-	-	-	-	(180,903,605)
	1,041,201,425	643,787,891	189,458,773	83,877,800	168,227,607	(44,150,647)
2025						
Gross Trade Receivable Balance	1,271,548,823	341,468,806	132,370,169	78,631,474	346,561,439	372,516,935
Less - Impairment	(203,392,305)	-	-	-	-	(203,392,305)
	1,068,156,519	341,468,806	132,370,169	78,631,474	346,561,439	169,124,631

Company		Past Due but not Impaired				
	Total	Neither Past Due nor Impaired	31 - 60 days	61 - 90 days	91 - 365 days	Impaired > 365 days
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2026						
Gross Trade Receivable Balance	2,940,480,836	560,161,377	224,444,807	164,177,435	769,107,937	1,222,589,290
Less - Impairment	(88,543,357)	-	-	-	-	(88,543,357)
	2,851,937,489	560,161,377	224,444,807	164,177,435	769,107,937	1,134,045,933
2025						
Gross Trade Receivable Balance	1,972,816,262	440,991,230	225,264,926	129,157,328	672,528,771	504,874,007
Less - Impairment	(50,843,667)	-	-	-	-	(50,843,668)
	1,921,972,595	440,991,230	225,264,926	129,157,328	672,528,771	454,030,340

Gross Trade Receivable balance is consist of External and Related parties trade and other debtors. The requirement for impairment is analysed at each reporting date on an individual basis for major clients.

Cash and Cash Equivalents

Deposits with banks consist mainly of fixed and call deposits. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed annually, and may be updated during the year subject to appropriate approval. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through the counterparty's failure to make payments. The Group's maximum exposure to credit risk for the components of the statement of financial position are the carrying amounts as shown.

Foreign Exchange Risk

Foreign Exchange Risk is the Group's/Company's exposure to adverse movement in foreign currency against the Sri Lankan Rupee.

NOTES TO THE FINANCIAL STATEMENTS

32.2 Interest Rate Risk

Interest rate risk is the Group's/Company's exposure to adverse movement in interest rates. The Group/Company has obtained multiple facilities from various banks for working capital, capital expenditure and investment at varying terms and conditions. The finance function negotiate with banks and finance institutions to get the best interest rates and favourable terms for both long and short term borrowing facilities.

Exposure to Interest Rate Risk

The interest rate profile of the Group's/Company's interest bearing financial instruments is as follows:

As at 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Financial Assets at Variable Interest Rates	9,499,839,073	8,466,450,176	2,562,978,984	1,503,832,006
Financial Liabilities at Variable Interest Rates	13,081,980,428	(14,487,218,287)	14,412,444,350	(14,347,754,631)
Net Financial Assets/(Liabilities) at Variable Interest Rates	(3,582,141,356)	22,953,668,463	(11,849,465,366)	15,851,586,637

Interest Rate Sensitivity

The following table demonstrates sensitivity to a reasonably possible change in interest rates on net financial assets /(liabilities) at variable interest rates Provided all other variables are held constant, the Group's/Company's profit before tax can be affected by changes on floating rate borrowings, as follows:

		Effect on Profit Before Tax	
	Change in Interest Rate	Group	Company
	Rs.	Rs.	Rs.
2026	+ 100	(89,446,549)	(102,291,149)
	- 100	89,446,549	102,291,149
2025	+ 100	(128,060,017)	(155,195,491)
	- 100	128,060,017	155,195,491

The spread of interest rates used in the sensitivity analysis is based on the currently observable market environment.

32.3 Equity Price Risk

A common uncertainty associated with investments is that they may not provide the desired returns. The Group invests substantial sums in capital expenditure for expansion and new services in addition to investments in other companies. Returns on such investments are closely monitored and benefits are periodically evaluated.

The Group holds equity securities which are susceptible to market-price risk arising from uncertainties about future values of these securities. Periodic reports on equity investment portfolios are submitted to the Senior Management of individual business segments. These respective Boards of Directors review and approve all equity investment decisions.

Other Non Current Financial Assets

	Group	
Year ended 31 March	2026 Rs.	2025 Rs.
Financial Assets at Fair Value Through Other Comprehensive Income	58,281,868	57,200,837
	58,281,868	57,200,837

Sensitivity Analysis

The following table demonstrates the sensitivity of aggregate fair value to reasonably possible changes in equity prices provided all other variables are held constant:

	Group		
	Change in Equity Price %	Effect on Fair Value Reserve of Financial Assets at FVOCI Rs.	Effect on Equity Rs.
2026			
Quoted/Unquoted Equity Investments	+10	5,828,187	5,828,187
	-10	(5,828,187)	(5,828,187)
2025			
Quoted/Unquoted Equity Investments	+10	5,720,084	5,720,084
	-10	(5,720,084)	(5,720,084)

NOTES TO THE FINANCIAL STATEMENTS

32.4 Liquidity Risk

Liquidity risk is the risk that the difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans, finance leases and that will always have sufficient liquidity to meet its liabilities when due under normal and stressed conditions. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficient and debt maturing within 12 months can be rolled over with existing lenders. This risk has been managed by maintaining a balance between bank overdrafts, bank loans, and inter company borrowings. The Company is in position to maintained the short term financial obligation through the roll over the short term maturity date by using funds provided by the Group Companies, roll over the Bank Overdrafts facilities and Deferment of Intercompany Payables.

The Company has signed Corporate Guarantee Bonds with Sampath Bank PLC, Hatton National Bank PLC, Seylan Bank PLC, DFCC Bank PLC and Softlogic Finance PLC securing the following banking facilities obtained by the Group entities. (Please refer Note 29.2)

As at 31 March	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Cash in Hand and at Banks	920,371,972	654,099,154	120,653,845	166,359,209
Total Liquid Assets	920,371,972	654,099,154	120,653,845	166,359,209
Current Portion of Interest Bearing Borrowings	8,182,870,102	6,433,092,508	1,065,223,338	1,157,118,347
Bank Overdrafts	4,164,969,835	4,275,923,740	2,480,291,859	2,943,501,547
Total Liabilities	12,347,839,937	10,709,016,249	3,545,515,198	4,100,619,894
Net Debt	(11,427,467,965)	(10,054,917,094)	(3,424,861,352)	(3,934,260,685)

The maturity profile of the Group's and Company's financial liabilities is as follows :

	Group 2026				Company 2026			
	Interest Bearing Loans and Borrowings (External Borrowings)	Lease Liability	Trade and Other Payables	Total	Interest Bearing Loans and Borrowings (External Borrowings)	Lease Liability	Trade and Other Payables	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
0-12 Months	8,182,870,102	175,952,974	5,826,908,661	14,185,731,737	1,065,223,338	115,186,824	3,827,058,537	5,007,468,700
1-5 years	4,837,725,838	545,132,790	-	5,382,858,628	1,618,004,042	399,410,543	-	2,017,414,585
>5 years	-	188,101,702	-	188,101,702	-	102,935,938	-	102,935,938
Total	13,020,595,940	909,187,467	5,826,908,661	19,756,692,068	2,683,227,380	617,533,305	3,827,058,537	7,127,819,222

	Group 2025				Company 2025			
	Interest Bearing Loans and Borrowings (External Borrowings)	Lease Liability	Trade and Other Payables	Total	Interest Bearing Loans and Borrowings (External Borrowings)	Lease Liability	Trade and Other Payables	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
0-12 Months	6,433,092,508	151,163,192	6,552,502,830	13,136,758,530	1,157,118,347	94,989,488	1,303,572,248	2,555,680,083
1-5 years	2,389,903,734	447,950,826	37,647,356	2,875,501,916	1,177,836,809	156,978,370	37,934,220	1,372,749,399
>5 years	53,250,000	170,206,840	-	223,456,840	-	163,241,195	-	163,241,195
Total	8,876,246,241	769,320,858	6,590,150,186	16,235,717,286	2,334,955,155	415,209,053	1,341,506,469	4,091,670,676

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order. No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2026. The Group monitors capital using a gearing ratio for the company to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. And subsidiaries, net debt divided by total capital plus net debt, which is monitored closely by senior management. Net debt of the Group includes, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents .

	Group		Company	
	2026	2025	2026	2025
	Rs.	Rs.	Rs.	Rs.
Net Debt	23,062,674,874	24,554,009,941	21,216,674,212	20,104,948,807
Equity	25,848,502,915	21,432,311,256	37,424,184,572	33,998,073,468
Capital and Total Net Debt	48,911,177,789	45,986,321,197	58,640,858,784	54,103,022,275
Gearing Ratio	47%	53%	36%	37%

SHAREHOLDER INFORMATION

GENERAL

Stated Capital as at 31 March 2026 was Rs.4,748,108,334/= and Total Number of Shares were 1,137,533,596

STOCK EXCHANGE LISTING

The ordinary shares of Asiri Hospital Holdings PLC were listed in the Colombo Stock Exchange of Sri Lanka since June 1986

PUBLIC SHARE HOLDING

	2025/2026	2024/2025
The percentage of Ordinary Shares held by the public	14.67%	14.67%
Total number of share holders representing the public holding	6,545	5,698
Float Adjusted Market Capitalisation	5,123,098,681	4,305,405,406

The company has over 10% public shareholding and over 500 public shareholders meeting the minimum thresholds for compliance on minimum public holding under the option "4" of Section 7.13.1 (i) (a) of continuing listing requirements.

SHARE TRADING INFORMATION

01st of April to 31st March	2025/2026	2024/2025
Highest (Rs)	41.00	27.2
Lowest (Rs)	25.10	21.9
As at 31st March	30.70	25.8
No. of Traders	13,343	5,168
No. of Share Traded	38,044,722	19,112,422
Value of Share Traded (Rs)	1,225,391,332	477,109,702
Market Capitalisation	34,922,281,397	29,348,366,777
Earning Per Share	2.48	1.44
Net Asset Per share	20.91	17.28
P/E Ratio	12.38	17.92

DISTRIBUTION OF SHAREHOLDERS

Voting Shares

No of shares held	31st March 2026			31st March 2025		
	No. of shareholders	No. of shares	%	No. of shareholders	No of shares	%
1-1,000	3,678	975,289	0.09%	3,055	830,260	0.07%
1,001-10,000	1,861	7,332,765	0.64%	1,694	6,729,966	0.59%
10,001-100,000	822	28,273,227	2.49%	762	26,712,207	2.35%
100,001-1,000,000	163	42,983,059	3.78%	166	43,226,605	3.80%
1,000,001 & over	33	1,057,969,256	93.005%	30	1,060,034,558	93.19%
	6,557	1,137,533,596	100%	5,707	1,137,533,596	100%

Analysis of shareholders	31st March 2026			31st March 2025		
	No. of shareholders	No. of shares	%	No. of shareholders	No of shares	%
Individuals	6,353	98,446,486	8.65%	5,540	101,225,084	8.90%
Institutions	204	1,039,087,110	91.35%	167	1,036,308,512	91.10%
	6,557	1,137,533,596	100%	5,707	1,137,533,596	100%

Analysis of shareholders	31st March 2026			31st March 2025		
	No. of shareholders	No. of shares	%	No. of shareholders	No of shares	%
Resident	6,520	778,231,429	68.41%	5,675	773,416,219	67.99%
Non resident	37	359,302,167	31.59%	32	364,117,377	32.01%
	6,557	1,137,533,596	100%	5,707	1,137,533,596	100%

INVESTOR INFORMATION

Name	No of shares	%
Merrill Lynch Pierce Fenner & Smith-Tpg Growth Iii Sf Pte Ltd	328,258,328	28.85%
Hatton National Bank Plc/Softlogic Holdings PLC	147,254,301	12.95%
Softlogic Holdings PLC	121,026,110	10.64%
Seylan Bank PLC/Softlogic Holdings PLC	105,440,000	9.27%
DFCC Bank PLC/Softlogic Holdings PLC	102,154,341	8.98%
National Development Bank PLC/Softlogic Holdings PLC	65,944,100	5.80%
Commercial Bank of Ceylon PLC/Softlogic Holdings PLC	42,152,405	3.70%
Nations Trust Bank PLC/Softlogic Holdings PLC	37,398,004	3.30%
Bbh-Tundra Sustainable Frontier Fund	30,000,000	2.63%
Softlogic Life Insurance PLC-A/C No. 04 (Participating Fund)	9,000,000	0.79%
Sri Lanka Insurance Corporation Ltd-Life Fund	7,851,792	0.69%
Mr. Pujitha Punsiri Subasinghe	7,510,340	0.66%
J.B. Cocoshell (Pvt) Ltd	7,474,489	0.66%
Softlogic Life Insurance PLC-A/C No. 05 (Non-Participating Fund)	5,956,877	0.52%
Union Bank Of Colombo PLC/Softlogic Holdings PLC	5,655,789	0.50%
Employees Trust Fund Board	4,245,693	0.37%
Deutsche Bank Ag As Trustee For Jb Vantage Value Equity Fund	4,077,605	0.36%
Dr. Welagedara Mudiyanselage Swarnamali Welagedara	3,375,000	0.30%
Mr. Hewa Komanage Jayantha Dharmadasa	2,826,650	0.25%
Dr. Luhubanduwaduge Don Abo Claudius Luvis	2,557,423	0.22%
	1,040,159,247	91.44%
Shares held by the Balance Shareholdings	97,374,349	8.56%
Total Issued Shares	1,137,533,596	100%

FIVE YEAR SUMMARY

	2026 Rs. '000	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000
Income Statement					
Revenue	35,057,448	31,022,099	28,571,487	24,785,716	22,324,121
Cost of Sales	(17,152,761)	(16,314,758)	(15,023,853)	(13,118,805)	(11,923,489)
Gross Operating Profit	17,904,687	14,707,341	13,547,634	11,666,911	10,400,632
Other Laboratory Income	75,900	69,311	66,992	64,784	61,132
Administration & Distribution Expenses	(12,524,153)	(10,556,842)	(10,712,003)	(5,981,792)	(4,828,232)
Profit from Operations	5,456,434	4,219,811	2,902,623	5,749,903	5,633,532
Other Income	305,135	180,347	165,365	158,288	165,448
Profit Before Interest & Tax	5,761,569	4,400,158	3,067,988	5,908,191	5,798,979
Finance Income	1,650,207	1,258,638	1,649,711	2,439,181	247,210
Finance Expenses	(2,010,046)	(2,006,538)	(3,585,194)	(5,152,096)	(1,273,988)
Profit Before Tax	5,401,730	3,652,258	1,132,505	3,195,275	4,772,202
Tax Expense	(2,342,159)	(1,826,325)	(1,249,742)	(1,496,017)	(968,904)
Profit After Tax	3,059,571	1,825,934	(117,237)	1,699,258	3,803,298
Non-Controlling Interest	(285,612)	(182,242)	(97,755)	(230,309)	(299,359)
Profit after Non-Controlling Interest & tax	2,773,959	1,643,692	(214,991)	1,468,949	3,503,939
Balance Sheet					
Property, Plant & Equipment	36,804,361	35,261,736	33,933,057	33,205,836	29,612,479
Right of Use Assets	1,485,761	1,256,324	1,143,016	1,175,011	1,280,844
Intangible Assets	609,654	609,654	609,654	609,654	609,654
Non Current Assets	91,316	70,410	65,461	61,506	62,408
Other Non Current Financial Assets	58,282	57,201	289,955	351,419	386,327
Inventories	1,389,448	974,246	1,282,042	1,232,955	1,000,220
Trade and Other Receivables	2,046,752	2,024,542	1,831,695	802,222	707,746
Other Current Assets	7,291,146	5,436,223	1,118,905	1,465,989	507,544
Loans Granted to Related Parties	9,499,839	8,466,450	8,234,473	10,811,295	4,237,404
Cash and Cash Equivalents	920,372	654,099	805,195	569,168	838,746
Total Assets	60,196,930	54,810,885	49,313,454	50,285,055	39,243,373

	2026 Rs. '000	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000
Issued Share Capital	4,748,108	4,748,108	4,748,108	4,748,108	4,748,108
Revaluation Reserve	13,167,141	11,693,431	10,592,575	10,592,575	8,022,445
Fair Value Reserve of Financial Assets at FVOCI	19,797	19,041	(101,878)	(101,878)	(183,581)
Reserve on Consolidation	(919,525)	(919,502)	(919,511)	(919,511)	(920,572)
Retained Earnings	6,724,132	4,124,928	4,274,171	4,274,171	2,990,073
Foreign Currency Translation Reserve	(3,651)	(1,477)	823	823	(3,004)
Non-Controlling Interest	2,112,501	1,767,782	1,602,045	1,458,294	1,169,368
Total Equity	25,848,503	21,432,311	20,196,333	20,052,582	15,822,838
Amount due on Leasehold Property	909,187	637,340	451,986	411,291	378,114
Interest Bearing Borrowings & Bank Overdraft	17,246,950	18,763,142	17,779,454	21,292,044	16,504,664
Deferred Tax Liabilities	6,112,636	5,606,880	4,985,932	4,573,108	2,042,325
Employee Benefit Liability	1,127,248	868,652	785,017	582,584	699,051
Trade Creditors	5,826,909	5,807,621	3,947,229	3,653,043	1,938,262
Other Payables	3,125,496	1,694,938	1,167,503	597,500	1,858,118
Total Equity & Liabilities	60,196,930	54,810,885	49,313,454	51,162,152	39,243,373
Net Cash From Operating Activities	4,281,301	2,608,924	2,598,580	3,451,969	5,534,768
Net Cash Flows Used in Investing Activities	(1,233,215)	(2,473,447)	(2,473,471)	(5,752,087)	(3,744,825)
PBIT/Turnover (%)	16	14	11	24	26
GP Margin (%)	51	47	47	47	47
Return on Equity (%)	12	9	(1)	8	24
Return on Assets (%)	6	4	-	4	11
Dividend Pay Out (%)	-	104	-	-	81.16
Debts to Equity	0.70	0.91	0.90	1.08	1.07
Interest Cover	3.69	2.82	1.32	1.62	4.75
Quick Asset Ratio	2.21	2.21	2.34	3.21	0.44
Dividend Per Share	-	1.50	-	-	2.50
Net Assets Value per Share	20.87	17.29	16.35	16.35	12.88
Earnings per Share	2.44	1.44	(0.19)	1.29	3.08

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the 46th Annual General Meeting of ASIRI HOSPITAL HOLDINGS PLC will be held on Friday, 25th September 2026 at 10.00 a.m. at Auditorium of Central Hospital Limited (4th Floor), No. 114, Norris Canal Road, Colombo 10 for the following purposes:

1. To receive and consider the Annual Report of the Board of Directors and Financial Statements of the Company and of the Group for the year ended 31st March 2026 together with the Report of the Auditors thereon.
2. To re-elect Mr. V. Bali Director who retires by rotation in terms of Article 24(6) of the Articles of Association, as a Director of the Company.
3. To re-elect Mr. A. N. Thadani Director who retires by rotation in terms of Article 24(6) of the Articles of Association, as a Director of the Company
4. To re-elect Mr. R. Selvaskandan Director who retires by rotation in terms of Article 24(6) of the Articles of Association, as a Director of the Company.
5. To re-appoint Messrs. Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.
6. To authorise the Directors to determine and make donations for the year ending 31st March 2027 and up to the date of the next Annual General Meeting.

By Order of the Board,

ASIRI HOSPITAL HOLDINGS PLC

Sgd.
SOFTLOGIC CORPORATE SERVICES (PVT) LTD.
Company Secretaries

31st August 2026
Colombo

Notes

(1) A Shareholder who is entitled to participate, speak and vote at the meeting is entitled to appoint a proxy to attend and vote on behalf of him/her.

(2) A proxy need not be a Shareholder of the Company.

(3) The Form of Proxy is enclosed for this purpose.

(4) Shareholders are advised to follow the Guidelines and Attendance Registration Process for the Annual General Meeting available on the Corporate Website of the Company and the Website of the Colombo Stock Exchange.

FORM OF PROXY

*I/We ....of

....

being * member/members of Asiri Hospital Holdings PLC , do hereby appoint ....

....

(holder of N.I.C No. ....) of ....

.... or (whom falling)

Mr. A.K.Pathirage whom failing
Mr. H. K. Kaimal whom failing
Mr. G.W.D.H.U.Gunawardena whom failing
Mr. M.I. Furkan whom failing
Mr. V.Bali whom failing
Mr. A.N Thadani whom failing
Mr. R. Selvaskandan whom failing
Mr. S. Shapira whom failing
Mr. G.D.K.L. De Silva

as *my/our Proxy to represent *me/us and to speak and vote for *me/us on *my/our behalf at the Annual General Meeting of the Company to be held on Friday, 25th September at 10.00 a.m. at Auditorium of Central Hospital Limited (4th Floor), No. 114, Norris Canal Road, Colombo 10 and at any adjournment thereof, and at every poll which may be taken in consequence thereof for the following purposes:

		For	Against
1.	To receive and consider the Annual Report of the Board of Directors and Financial Statements of the Company and of the Group for the year ended 31st March 2026 together with the Report of the Auditors thereon.		
2.	To re-elect Mr. V. Bali Director who retires by rotation in terms of Article 24(6) of the Articles of Association, as a Director of the Company.		
3.	To re-elect Mr. A N Thadani Director who retires by rotation in terms of Article 24(6) of the Articles of Association, as a Director of the Company		
4.	To re-elect Mr. R. Selvaskandan Director who retires by rotation in terms of Article 24(6) of the Articles of Association, as a Director of the Company		
5.	To re-appoint Messrs. Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
6.	To authorise the Directors to determine and make donations for the year ending 31st March 2027 and up to the date of the next Annual General Meeting.		

....

Signature Date

Note:
(1) *Please delete the inappropriate words.
(2) A proxy need not be a shareholder of the Company.
(3) Instructions as to completion are noted on the reverse hereof.

FORM OF PROXY

INSTRUCTIONS FOR COMPLETION

1. The full name, National Identity Card number and the registered address of the shareholder appointing the Proxy and the relevant details of the Proxy should be legibly entered in the Form of Proxy which should be duly signed and dated.
2. The completed Proxy should be forwarded to the Company for deposit at the Registered Office through the Company Secretaries, Softlogic Corporate Services (Pvt) Ltd, No.14, De Fonseka Place, Colombo 05, marked "ASIRI HOSPITAL HOLDINGS PLC – Annual General Meeting" or email corporateservices@softlogic.lk not later than 48 hours before the time appointed for the Meeting.
3. In forwarding the completed and duly signed Proxy to the Company, please follow the Guidelines and Attendance Registration Process for the Annual General Meeting available on the Corporate Website of the Company and the Website of the Colombo Stock Exchange.
4. The Proxy shall –

(a) In the case of an individual be signed by the shareholder or by his attorney, and if signed by an attorney, a notarially certified copy of Power of Attorney should be attached to the completed Proxy if it has not already been registered with the Company.

(b) In the case of a Company or Corporate / statutory body either be under its Common Seal or signed by its Attorney or by an Officer on behalf of the Company or Corporate / statutory body in accordance with its Articles of Association or the Constitution or the Statute. (as applicable)

5. Please indicate with a 'X' how the Proxy should vote on each resolution. If no indication is given, the Proxy in his/her discretion will vote as he/she thinks fit

CORPORATE INFORMATION

NAME OF THE COMPANY
Asiri Hospital Holdings PLC

REGISTERED OFFICE
No 181, Kirula Road, Colombo 05, Sri Lanka

OFFICE AND ADMINISTRATIVE COMPLEX
Asiri Surgical Hospital PLC No.21, Kirimandala Mawatha
Colombo 05, Sri Lanka

Telephone : 0114524400

Email : info@asiri.lk Web : www.asirihealth.com

COMPANY REGISTRATION NUMBER
PQ204

LEGAL FORM
A quoted public company incorporated in Sri Lanka on 29 September 1980, under the Companies Act No.17 of 1982, with limited liability. Re-registered on 30 September 2008 under the Companies Act No. 07 of 2007.

STOCK EXCHANGE LISTING
The Ordinary Shares of the Company have been listed with the Colombo Stock Exchange since June 1986.

BOARD OF DIRECTORS
Mr. A. K. Pathirage
(Chairman/Managing Director)
Mr. H.K. Kaimal
Mr. G.W.D.H.U. Gunawardena
Mr. R. Selvaskandan
Mr. V. Bali
Mr. A. N. Thadani
Mr. S. Shapira
Mr. M.I Furkan
Mr. G.D.K.L. De Silva

AUDIT COMMITTEE
Chairman
Mr. M.I Furkan Independent Non-Executive Director

Committee Members
Mr. G.D.K.L.De Silva Independent Non-Executive Director
Mr. H. K Kaimal Non- Independent Non-Executive Director

Frequency of Meetings
Committee meets quarterly

REMUNERATION COMMITTEE
Chairman
Mr. M.I Furkan Independent Non-Executive Director

Committee Members
Mr. G.D.K.L.De. Silva Independent Non-Executive Director
Mr. H K Kaimal Non Independent Non-Executive Director

Frequency of Meetings
Committee meets once a year

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE
Chairman
Mr. M.I Furkan Independent Non-Executive Director

Committee Members
Mr. G.D.K.L.De Silva Independent Non-Executive Director
Mr. H.K Kaimal Non Independent Non-Executive Director

Frequency of Meetings
Committee meets quarterly

NOMINATION AND GOVERNANCE COMMITTEE
Chairman
Mr. M.I. Furkan Independent Non-Executive Director

Committee Members
Mr. G.D.K.L.De Silva Independent Non-Executive Director
Mr. V Bali – Non Executive Director

Frequency of Meetings
Committee shall meet when required

SUBSIDIARY COMPANIES
Central Hospital Ltd
No. 114, Norris Canal Road, Colombo 10.

Asiri Central Hospitals Ltd
No. 114, Norris Canal Road, Colombo 10.

Asiri Surgical Hospital PLC
No. 21, Kirimandala Mawatha, Colombo 5.

Asiri Diagnostics Services (Pvt) Ltd
No. 181, Kirula Road, Colombo 05.

Asiri Hospital Matara (Pvt) Ltd
No. 26, Esplanade Road, Uyanwatte, Matara.

Asiri Laboratories (Pvt) Ltd
No. 181, Kirula Road, Colombo 5.

Asiri Hospital Galle (Pvt) Ltd
No. 10, Wackwella Road, Galle.

Asiri AOI Cancer Centre (Pvt) Ltd
No. 21, Kirimandala Mawatha, Colombo 5.

Asiri Port City Hospital (Pvt) Ltd.
No. 14, De Fonseka Place, Colombo 5.

Asiri Academy of Health Sciences (Pvt) Ltd.
No. 181, Kirula Road, Colombo 5.

Asiri Diagnostics Services (Asia) Pte Limited
No. 8, Temasek Boulevard, # 35-03 Suntec Tower 3. Singapore.

AUDITORS
Messrs. Ernst & Young
(Chartered Accountants)
Rotunda Towers, No. 109, Galle Road, Colombo 03.

SECRETARIES
Messrs. Softlogic Corporate Services (Pvt) Ltd

No. 14, De Fonseka Place, Colombo 5.

STOCK CODE
ASIR.N0000

BANKERS
Commercial Bank of Ceylon PLC
Sampath Bank PLC
Nations Trust Bank PLC
Hatton National Bank PLC
Cargills Bank Limited
Bank of Ceylon PLC
National Development Bank PLC
Seylan Bank PLC DFCC Bank PLC

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