



PROVISIONAL ACCOUNTS FOR THE PERIOD ENDED
31 December 2017

STATEMENT OF PROFIT OR LOSS

	Period Ended 31 December			
	2017	2016	Variance	Variance
	Rs. Not Audited	Rs. Not Audited	Rs.	%
Revenue	2,474,411,738	2,127,178,628	347,233,110	16.3 %
Cost of Services	(1,534,124,260)	(1,398,483,160)	(135,641,100)	(9.7 %)
Gross Profit	940,287,478	728,695,468	211,592,010	29.0 %
Other Income	208,565,519	19,463,157	189,102,362	971.6 %
Administrative Expenses	(522,993,341)	(494,195,829)	(28,797,512)	(5.8 %)
Selling and Distribution Costs	(56,320,314)	(48,241,020)	(8,079,293)	(16.7 %)
Finance Cost	(35,375,940)	(40,263,383)	4,887,443	12.1 %
Finance Income	67,951,844	81,929,792	(13,977,948)	(17.1 %)
Exchange Gain /(Loss)	87,348	2,265,668	(2,178,320)	(96.1 %)
Share of Joint Venture Profit	4,227,868	-	4,227,868	100.0 %
Profit Before Tax	606,430,462	249,653,853	356,776,609	142.9 %
Income Tax Expense	(113,405,389)	(57,889,173)	(55,516,216)	(95.9 %)
Profit for the Period	<u>493,025,073</u>	<u>191,764,680</u>	301,260,394	157.1 %

Earnings Per Share - Basic
Dividend Per Share

0.93	0.36
0.00	0.40

STATEMENT OF COMPREHENSIVE INCOME

	Period Ended 31 December	
	2017	2016
	Rs.	Rs.
	Not Audited	Not Audited
Profit for the Period	493,025,073	191,764,680
<u>Other Comprehensive Income/(Loss)</u>		
Other Comprehensive Income/(Loss) to be reclassified to profit or loss in subsequent periods (net of tax) :		
Gain/(Loss) on fair value of Financial Assets - Available for Sale	(7,723,489)	(104,141)
Other Comprehensive Income/(Loss) for the period, net of tax	(7,723,489)	(104,141)
Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods (net of tax)	(7,723,489)	(104,141)
Total Comprehensive Income for the period, net of tax	485,301,585	191,660,539

STATEMENT OF PROFIT OR LOSS

	Three Months Ended 31 December			
	2017	2016	Variance	Variance
	Rs. Not Audited	Rs. Not Audited	Rs.	%
Revenue	865,682,562	774,290,186	91,392,376	11.8 %
Cost of Services	(511,289,483)	(501,027,409)	(10,262,074)	(2.0 %)
Gross Profit	354,393,079	273,262,777	81,130,302	29.7 %
Other Income	12,091,941	4,917,275	7,174,666	145.9 %
Administrative Expenses	(170,932,245)	(162,820,285)	(8,111,960)	(5.0 %)
Selling and Distribution Costs	(20,629,862)	(15,258,894)	(5,370,968)	(35.2 %)
Finance Cost	(10,885,613)	(13,980,671)	3,095,058	22.1 %
Finance Income	29,628,039	29,683,633	(55,594)	(0.2 %)
Exchange Gain /(Loss)	80,677	225,360	(144,684)	(64.2 %)
Share of Joint Venture Profit	2,768,816	-	2,768,816	100.0 %
Profit Before Tax	196,514,832	116,029,195	80,485,637	69.4 %
Income Tax Expense	(56,444,785)	(29,284,206)	(27,160,579)	(92.7 %)
Profit for the Period	<u>140,070,047</u>	<u>86,744,989</u>	53,325,059	61.5 %

Earnings Per Share - Basic
Dividend Per Share

0.27	0.16
0.00	0.00

STATEMENT OF COMPREHENSIVE INCOME

	Three Months Ended 31 December	
	2017	2016
	Rs.	Rs.
	Not Audited	Not Audited
Profit for the Period	140,070,047	86,744,989
<u>Other Comprehensive Income/(Loss)</u>		
Other Comprehensive Income/(Loss) to be reclassified to profit or loss in subsequent periods (net of tax) :		
Gain/(Loss) on fair value of Financial Assets - Available for Sale	21,032,600	(82,174)
Other Comprehensive Income/(Loss) for the period, net of tax	21,032,600	(82,174)
Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods (net of tax)	21,032,600	(82,174)
Total Comprehensive Income for the period, net of tax	161,102,647	86,662,815

STATEMENT OF FINANCIAL POSITION

As at 31-Mar-17 Rs. Audited		As at 31-Dec-17 Rs. Not Audited	As at 31-Dec-16 Rs. Not Audited
ASSETS			
Non-current Assets			
3,017,255,155	Property, Plant and Equipment	3,063,153,823	2,648,698,457
85,201,379	Leasehold Property	84,423,675	85,460,608
-	Investment in Joint Venture	31,227,868	-
600,000,000	Loans Granted to Related Parties	468,000,000	802,157,029
336,704,370	Financial Assets - AFS	329,435,872	1,269,216
4,039,160,904		3,976,241,238	3,537,585,310
Current Assets			
181,292,507	Inventories	188,198,389	197,396,615
129,875,365	Trade and Other Receivables	407,969,929	219,923,155
163,358,250	Advances and Prepayments	114,336,912	425,016,672
-	Amounts Due from Related Parties	1,600,048	136,889,533
135,867,613	Cash and Cash Equivalents	560,236,844	198,211,020
610,393,735		1,272,342,122	1,177,436,995
4,649,554,639	Total Assets	5,248,583,360	4,715,022,305
EQUITY AND LIABILITIES			
Capital and Reserves			
1,393,327,565	Stated Capital	1,393,327,565	1,393,327,565
1,304,758,951	Revaluation Reserve	1,304,758,951	1,171,644,803
(2,990,798)	Available for Sale Reserve	(10,714,287)	(76,850)
951,923,028	Retained Earnings	1,437,738,552	1,073,434,841
3,647,018,746	Total Equity	4,125,110,781	3,638,330,359
Non-current Liabilities			
26,128,667	Amount due on Leasehold Property	26,128,666	30,200,666
319,618,000	Interest Bearing Loans and Borrowings	271,666,000	335,602,000
100,622,860	Post Employment Benefit Liability	107,833,461	87,225,055
192,535,063	Deferred Tax Liability	206,402,675	164,152,432
638,904,590		612,030,802	617,180,153
Current Liabilities			
4,072,000	Amount due on Leasehold Property	4,072,000	4,072,000
63,936,000	Interest Bearing Loans and Borrowings	63,936,000	63,936,000
-	Bank Overdraft	34,961,146	50,205,801
282,710,870	Trade and Other Payables	341,323,526	301,438,219
-	Amounts Due to Related Parties	-	22,688,597
6,569,778	Tax Payable	60,089,658	10,826,363
6,342,655	Dividend Payable	7,059,447	6,344,813
363,631,303		511,441,777	459,511,793
4,649,554,639	Total Equity and Liabilities	5,248,583,360	4,715,022,305
6.90	Net Assets Per Share	7.81	6.88

Sgd.
Mr. Ajith Karunarathne
Chief Financial Officer

Sgd.
Mr. Ashok Pathirage
Chairman / Managing Director

15 February 2018
Colombo

Sgd.
Dr. Manjula Karunaratne
Director / Chief Executive Officer

STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Available for Sale Reserve	Revaluation Reserves	Retained Earnings	Total
Balance as at 01 April 2016	1,393,327,565	27,291	1,171,644,803	1,104,543,954	3,669,543,613
Fair Value Adjustment - Guarantees	-	-	-	(11,490,775)	(11,490,775)
Profit for the Period	-	-	-	191,764,680	191,764,680
Other comprehensive Income	-	(104,141)	-	-	(104,141)
Total Comprehensive Income	-	(104,141)	-	191,764,680	191,660,539
Interim Dividend Paid	-	-	-	(211,383,018)	(211,383,018)
Balance as at 31 December 2016	1,393,327,565	(76,850)	1,171,644,803	1,073,434,841	3,638,330,359
Balance as at 01 April 2017	1,393,327,565	(2,990,798)	1,304,758,951	951,923,028	3,647,018,746
Fair Value Adjustment - Guarantees	-	-	-	(7,209,549)	(7,209,549)
Profit for the Period	-	-	-	493,025,073	493,025,073
Other comprehensive Income	-	(7,723,489)	-	-	(7,723,489)
Total Comprehensive Income	-	(7,723,489)	-	493,025,073	485,301,585
Balance as at 31 December 2017	1,393,327,565	(10,714,287)	1,304,758,951	1,437,738,552	4,125,110,781

CASH FLOW STATEMENT

	Period Ended 31 December	
	2017	2016
	Rs.	Rs.
Cash Flows From Operating Activities		
Profit Before Income Tax Expense	606,430,462	249,653,853
Adjustments for		
Depreciation	176,557,955	152,127,968
Amortization of Leasehold Assets	777,700	777,700
Loss / (Profit) on Sale of Property, Plant and Equipment	(271,708)	4,387,772
Provision for Bad Debts	3,153,342	476,562
Provision for Retirement Gratuity	10,870,564	9,809,170
Finance Expense	35,375,940	40,263,383
Finance Income	(67,951,844)	(81,929,792)
Share of Joint Venture Profit	(4,227,868)	-
Operating Profit Before Working Capital Changes	<u>760,714,542</u>	<u>375,566,616</u>
Changes in Working Capital		
(Increase)/Decrease in Inventories	(6,905,882)	(26,544,471)
(Increase)/Decrease in Trade and Other Receivables	(211,800,107)	(202,854,719)
Increase/(Decrease) in Trade and Other Payables	57,784,954	97,465,002
Increase/(Decrease) Amounts Due from Related Parties	137,347	116,296,778
(Increase)/Decrease Amounts Due to Related Parties	-	(120,017)
Cash Generated From Operations	<u>599,930,854</u>	<u>359,809,190</u>
ESC/Income Tax paid	(46,017,897)	(68,592,662)
Finance Costs paid	(34,261,940)	(37,087,028)
Defined Benefit Plan Costs paid	(3,659,962)	(4,389,949)
Net Cash From Operating Activities	<u>515,991,055</u>	<u>249,739,551</u>
Cash Flows From/(Used in) Investing Activities		
Acquisition of Property, Plant and Equipment	(276,061,342)	(82,858,409)
Proceeds from Sale of Property, Plant & Equipment	916,344	43,612,167
Interest Received	64,514,028	67,262,667
Net Cash Flows From Investing Activities	<u>(210,630,970)</u>	<u>28,016,425</u>
Cash Flows from/(Used in) Financing Activities		
Repayment of Interest Bearing Loans and Borrowings	(47,952,000)	(48,713,224)
Proceeds From Interest Bearing Loans and Borrowings	132,000,000	-
Dividend Paid	-	(210,972,859)
Net Cash Flows Used in Financing Activities	<u>84,048,000</u>	<u>(259,686,083)</u>
Net Increase in Cash and Cash Equivalents	389,408,085	18,069,894
Cash and Cash Equivalents at the beginning of the period	<u>135,867,613</u>	<u>129,935,325</u>
Cash and Cash Equivalents at the end of the period	<u>525,275,698</u>	<u>148,005,219</u>
Cash & Cash Equivalents		
Cash and Bank Balances	560,236,844	198,211,020
Bank Overdrafts	(34,961,146)	(50,205,801)
	<u>525,275,698</u>	<u>148,005,219</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at 31 December 2017

- The Highest and the Lowest Market Price per Share

	Quarter ended December 2017	Quarter ended March 2017
- Highest Market Price – Rs	12.10	15.30
- Lowest Market Price – Rs.	10.00	9.10
- Last Traded Price – Rs	10.50	9.20

- Company and the Group has followed the Accounting Policies and methods of computation as disclosed in the Annual Report for the year ended March 31, 2017. Company and the Group are in compliance with Sri Lanka Accounting Standard LKAS 34 - Interim Financial Reporting. Further, the Interim Financial Statements of the Company and the Group have been prepared in accordance to the Provisions of the Companies Act No. 7 of 2007.
- The Company's investments in its joint venture is accounted for using the equity method. Under the equity method, the investment in joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the company's share of net assets of the joint venture since the acquisition date.
- On 29th September 2017, Asiri Surgical Hospital divested 50% stake of Asiri AOI Cancer Centre (Private) Limited amounting to 2,700,000 shares for a consideration of Rs. 212,500,000 to Cancer Treatment Services Hyderabad Private Limited and the gain on sale of shares amounts to Rs. 185,500,000 recorded under other income.
- Loans granted to related parties includes loan granted to Asiri Hospital Holdings PLC amounted to Rs.468,000,000/-. The interest is charged at prevailing market interest rates for this loan.
- The presentation and classification of the Financial Statements of the previous year have been amended, where relevant, for better presentation and to be comparable with those of the current year.
- The Interim Condensed Financial Statements of the Company for the period ended 31 December 2017 were authorised for issue by the Board of Directors on 15 February 2018.
- Issued and fully paid number of Ordinary Shares as at 31 December 2017 stands at 528,457,545
- A dispute has arisen with the Department of Inland Revenue with regard to the applicability of the income tax exemption in terms of the agreement entered between Asiri Surgical Hospital PLC and the Board of Investment of Sri Lanka (BOI) in 2000. Since there is litigation in the Court of Appeal in CA (Writ) 386/ 2016 with regard to this matter, 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. The aforesaid matter is coming up for argument on 18th of July 2018.
- Except the above disclosure there were no significant changes in the nature of the contingent liabilities and contingent assets which were disclosed in the annual report for the year ended 31st March 2017.
- The Company commenced tax payments on business profit with effect from 1st January 2015
- No other events have been occurred, which require disclosures in the Interim Financial Statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

No of Shares Representing Stated Capital

	As at 31 December 2017	As at 31 March 2017
No of Ordinary Shares	528,457,545	528,457,545

Directors Shareholding

Name of Director	As at 31 December 2017	As at 31 March 2017
Mr. A. K. Pathirage	-	-
Dr. S. Selliah	17,000	17,000
Dr. K. M. P. Karunaratne	133	133
Mr. G. L. H. Premaratne	-	-
Mr. S. A. B. Rajapaksa	-	-

Major Shareholdings

Twenty Largest Shareholders	As at 31 December 2017	%	As at 31 March 2017	%
Asiri Hospital Holdings PLC	414,243,632	78.39	389,391,719	73.68
Mr. D.K. Subasinghe / Mrs. S.N. Subasinghe	40,014,793	7.57	49,514,806	9.37
Mr. P.P. Subasinghe	7,955,542	1.51	8,404,943	1.59
Mrs. Neetha Weerasinghe	7,500,015	1.42	7,500,015	1.42
Mrs. N. Weerasinghe / Miss. L.I. Weerasinghe	-	-	7,499,999	1.42
Mrs. N. Weerasinghe / Miss. T.T. Weerasinghe	-	-	7,499,999	1.42
Mr. D.M. Rajapaksa / Dr. M.D.B.D. Rajapaksa	3,080,250	0.58	3,080,250	0.58
Mr. M.D.N. Jayaratne / Mrs. H.C.D. Jayaratne	2,249,998	0.43	2,249,998	0.43
Mr. M.R. Weerasinghe	2,000,000	0.38	2,000,000	0.38
Mrs. Chandani Vishaka Ariyaratne	1,333,333	0.25	1,333,333	0.25
Mrs. Menaka Priyadarsani Rajapakse	1,283,333	0.24	1,283,333	0.24
Mr. Uditha Harilal Paliakkara/Mrs. D.S. Paliakkara	1,069,192	0.20	1,036,197	0.20
Bank Of Ceylon - NO2 A/C	1,000,000	0.19	1,000,000	0.19
Dr. Dammearachchi Anuja Somaratne	862,499	0.16	862,499	0.16
Mr. Chaminda Dilantha Weerasinghe (Deceased)	833,333	0.16	833,333	0.16
Mr. D.M. Rajapaksa / Dr. M.D.B.D. Rajapaksa	791,687	0.15	-	-
Mrs. Sithy Jazeema Badurdeen	749,999	0.14	749,999	0.14
Dr. W.M. Swarnamali Welagedara	749,999	0.14	749,999	0.14
Dr. Himali Rangika Jayasekera	749,999	0.14	766,665	0.15
Mr. Mohamed Faizer Hashim	748,726	0.14	782,059	0.15
Mr. N.D. Kurukulasuriya	730,361	0.14	730,361	0.14
Mr. G.P. Kapilasena	722,499	0.14	-	-
	488,669,190	92.33	487,269,507	92.21
Shares held by the balance shareholdings	39,788,355	7.53	41,188,038	7.79
Total Issued Shares	528,457,545	100.00	528,457,545	100.00

Public Shareholding	114,196,780	21.61	139,048,693	26.31
Total Number of Public Shareholders	3,188		3,325	

Corporate Information

Name of the Company

Asiri Surgical Hospital PLC

Registered Office

No. 21, Kirimandala Mawatha, Colombo 05, Sri Lanka. Telephone : 011 4524400

Email : info@asiri.lk

Web : www.asirihealth.com

Legal Form

A Quoted Public Company incorporated in Sri Lanka, under the Companies Act No. 17 of 1982 with limited liability.

The Company has re-registered under the Companies Act No. 07 of 2007. An undertaking approved by the Board of Investment of Sri Lanka (BOI) under the Board of Investment of Sri Lanka Law No. 4 of 1978.

Stock Exchange Listing

The Ordinary Shares of the Company are listed with the Colombo Stock Exchange.

Company Registration Number

PQ 208

Date of Incorporation

2nd March 2000

Directors

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

Dr. S. Selliah - Deputy Chairman

Dr. Manjula Karunaratne - Group Chief Executive Officer

Mr. G.L.H. Premaratne

Mr. S.A.B. Rajapaksa

Auditors

Messrs Ernst & Young (Chartered Accountants) No. 201, De Saram Place, Colombo 10.

Secretaries

Messrs Softlogic Corporate Services (Pvt) Ltd. No. 14, De Fonseka Place, Colombo 05.

Stock Code

AMSL.N0000

Banks

Commercial Bank PLC

Hatton National Bank PLC

Nations Trust Bank PLC

Sampath Bank PLC

Cargills Bank Limited

Audit Committee

Chairman

Mr. S A B Rajapaksa

Independent Non -executive Director

Committee Members

Mr. G L H Premaratne

Independent Non-executive Director

Mr. J E Huxtable

Independent Non-executive Director

Frequency of meetings

Committee meets quarterly

Remuneration Committee

Chairman

Mr. G L H Premaratne

Independent Non-executive Director

Committee Members

Dr. S Selliah

Independent Non-executive Director

Frequency of meetings

Committee meets once a year

Related Party Transaction Review Committee

Chairman

Mr. J E Huxtable

Independent Non-executive Director

Committee Members

Mr. G L H Premaratne

Independent Non-executive Director

Mr. S A B Rajapaksa

Independent Non -executive Director

Frequency of meetings

Committee meets at least once a quarter

Joint Venture Companies

Asiri AOI Cancer Centre (Private) Limited

No. 181, Kirula Road, Colombo 05