ASIRI SURGICAL HOSPITAL
LIVE MORE

PROVISIONAL ACCOUNTS FOR THE PERIOD ENDED 30 June 2018

Asiri Surgical Hospital PLC

STATEMENT OF PROFIT OR LOSS

	Period Ended 30 June			
	2018	**2017**	**Variance**	**Variance**
	Rs. **Not Audited**	**Rs.** **Not Audited**	**Rs.**	**%**
Revenue	779,428,750	803,315,487	(23,886,737)	(3. 0 %)
Cost of Services	(493,867,791)	(516,832,644)	22,964,853	4. 4 %
Gross Profit	285,560,959	286,482,843	(921,884)	(0. 3 %)
Other Income	7,053,399	5,481,341	1,572,058	28. 7 %
Administrative Expenses	(180,904,004)	(175,236,056)	(5,667,948)	(3. 2 %)
Selling and Distribution Costs	(18,446,415)	(15,656,380)	(2,790,035)	(17. 8 %)
Finance Cost	(10,922,910)	(12,008,202)	1,085,292	9. 0 %
Finance Income	23,020,054	20,232,669	2,787,385	13. 8 %
Exchange Gain /(Loss)	(105,705)	37,182	(142,887)	(384. 3 %)
Share of Joint Venture Profit	1,700,013	-	1,700,013	100. 0 %
Profit Before Tax	106,955,391	109,333,397	(2,378,006)	(2. 2 %)
Income Tax Expense	(54,252,410)	(27,456,583)	(26,795,827)	(97. 6 %)
Profit for the Period	52,702,981	81,876,814	(29,173,833)	(35. 6 %)

Earnings Per Share - Basic	0.10	0.15
Dividend Per Share	0.00	0.00

Asiri Surgical Hospital PLC

STATEMENT OF COMPREHENSIVE INCOME

	Period Ended 30 June	
	2018	2017
	Rs.	Rs.
	Not Audited	Not Audited
Profit for the Period	52,702,981	81,876,814
Other Comprehensive Income/(Loss)		
Net Other Comprehensive Income not to be reclassified to profit or loss in subsequent periods (net of tax)	-	-
Other Comprehensive Income/(Loss) to be reclassified to profit or loss in subsequent periods (net of tax) :		
Gain/(Loss) on valuation of Financial Assets - Available for Sale	(30,742,669)	10,610,965
Net Other Comprehensive Income to be reclassified to profit or loss in subsequent periods (net of tax)	(30,742,669)	10,610,965
Other Comprehensive Income/(Loss) for the period, net of tax	(30,742,669)	10,610,965
Total Comprehensive Income for the period, net of tax	21,960,312	92,487,779

Asiri Surgical Hospital PLC

STATEMENT OF FINANCIAL POSITION

As at 31-Mar-18 Rs. Not Audited		As at 30-Jun-18 Rs. Not Audited	As at 30-Jun-17 Rs. Not Audited
	ASSETS		
	Non-current Assets		
3,177,555,145	Property, Plant and Equipment	3,242,345,105	2,974,941,663
84,164,446	Leasehold Property	83,905,208	84,942,141
32,902,066	Investment in Joint Venture	34,602,080	1,000,000
468,000,000	Loans Granted to Related Parties	768,000,000	468,000,000
332,670,672	Financial Assets - AFS	301,928,003	347,315,336
4,095,292,329		**4,430,780,396**	**3,876,199,140**
	Current Assets		
167,901,404	Inventories	151,360,888	175,922,009
154,503,567	Trade and Other Receivables	176,347,740	152,808,897
96,064,359	Advances and Prepayments	248,708,617	240,828,630
1,600,048	Amounts Due from Related Parties	1,600,048	1,600,048
383,767,134	Cash and Cash Equivalents	51,483,896	301,665,020
803,836,512		**629,501,189**	**872,824,604**
4,899,128,841	**Total Assets**	**5,060,281,585**	**4,749,023,744**
	EQUITY AND LIABILITIES		
	Capital and Reserves		
1,393,327,565	Stated Capital	1,393,327,565	1,393,327,565
1,149,128,779	Revaluation Reserve	1,149,128,779	1,304,758,952
(18,903,472)	Available for Sale Reserve	(49,646,141)	7,620,167
1,044,199,365	Retained Earnings	1,095,449,439	1,030,186,108
3,567,752,237	**Total Equity**	**3,588,259,642**	**3,735,892,792**
	Non-current Liabilities		
22,056,667	Amount due on Leasehold Property	22,056,666	26,128,666
255,682,000	Interest Bearing Loans and Borrowings	239,698,000	303,634,000
116,104,526	Post Employment Benefit Liability	118,438,400	103,553,576
515,841,417	Deferred Tax Liability	527,514,542	198,633,660
909,684,610		**907,707,608**	**631,949,902**
	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
471,152	Bank Overdraft	119,671,214	34,093,214
261,106,722	Trade and Other Payables	251,841,872	261,602,406
-	Amounts Due to Related Parties	-	1,000,000
85,061,513	Tax Payable	117,760,543	9,315,062
7,044,607	Dividend Payable	7,032,706	7,162,368
421,691,994		**564,314,335**	**381,181,050**
4,899,128,841	**Total Equity and Liabilities**	**5,060,281,585**	**4,749,023,744**
6.75	Net Assets Per Share	6.79	7.07

Sgd.
Mr. Ajith Karunarathne
Chief Financial Officer

Sgd.
Mr. Ashok Pathirage
Chairman / Managing Director

Sgd.
Dr. Manjula Karunaratne
Director / Chief Executive Officer

13 August 2018
Colombo

STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Available for Sale Reserve	Revaluation Reserves	Retained Earnings	Total
Balance as at 01 April 2017	1,393,327,565	(2,990,798)	1,304,758,952	951,923,028	3,647,018,747
Fair Value Adjustment - Guarantees	-	-	-	(3,613,734)	(3,613,734)
Profit for the Period	-	-	-	81,876,814	81,876,814
Other comprehensive Income	-	10,610,965			10,610,965
Total Comprehensive Income	-	10,610,965	-	81,876,814	92,487,779
Balance as at 30 June 2017	**1,393,327,565**	**7,620,167**	**1,304,758,952**	**1,030,186,108**	**3,735,892,792**
Balance as at 01 April 2018	1,393,327,565	(18,903,472)	1,149,128,779	1,044,199,365	3,567,752,237
Fair Value Adjustment - Guarantees				(1,452,907)	(1,452,907)
Profit for the Period	-	-	-	52,702,981	52,702,981
Other comprehensive Income	-	(30,742,669)			(30,742,669)
Total Comprehensive Income	-	(30,742,669)	-	52,702,981	21,960,312
Balance as at 30 June 2018	**1,393,327,565**	**(49,646,141)**	**1,149,128,779**	**1,095,449,439**	**3,588,259,642**

Asiri Surgical Hospital PLC

CASH FLOW STATEMENT

	Period Ended 30 June	
	2018	**2017**
Cash Flows From Operating Activities	**Rs.**	**Rs.**
Profit Before Income Tax Expense	106,955,391	109,333,397
Adjustments for		
Depreciation	56,429,749	58,842,026
Amortization of Leasehold Assets	259,233	259,233
Loss / (Profit) on Sale of Property, Plant and Equipment	-	(480,082)
Share of Profit of Joint Venture	(1,700,013)	-
Provision for Bad Debts	1,538,379	94,111
Provision for Retirement Gratuity	4,038,929	3,624,773
Finance Expense	10,922,910	12,008,202
Finance Income	(23,020,054)	(20,232,669)
Operating Profit Before Working Capital Changes	155,424,524	163,448,991
Changes in Working Capital		
(Increase)/Decrease in Inventories	16,540,516	5,370,499
(Increase)/Decrease in Trade and Other Receivables	(177,665,769)	(102,235,418)
Increase/(Decrease) in Trade and Other Payables	(7,637,789)	(20,288,749)
(Increase)/Decrease Amounts Due from Related Parties	-	137,347
	(168,763,042)	(117,016,321)
Cash Generated From Operations	(13,338,518)	46,432,670
ESC/Income Tax paid	(9,880,255)	(18,612,703)
Finance Costs paid	(10,536,146)	(11,637,202)
Defined Benefit Plan Costs paid	(1,705,055)	(694,057)
Net Cash From Operating Activities	(35,459,974)	15,488,708
Cash Flows From/(Used in) Investing Activities		
Acquisition of Property, Plant and Equipment	(121,219,705)	(20,089,450)
Proceeds from Sale of Property, Plant & Equipment	-	4,041,000
Interest Received	21,180,379	16,247,935
Loans repayments from Related Parties	-	132,000,000
Loans Granted to Related Parties	(300,000,000)	-
Net Cash Flows From Investing Activities	(400,039,326)	132,199,485
Cash Flows from /(Used in) Financing Activities		
Repayment of Interest Bearing Loans and Borrowings	(15,984,000)	(15,984,000)
Net Cash Flows Used in Financing Activities	(15,984,000)	(15,984,000)
Net Increase in Cash and Cash Equivalents	(451,483,300)	131,704,193
Cash and Cash Equivalents at the beginning of the period	383,295,982	135,867,613
Cash and Cash Equivalents at the end of the period	(68,187,318)	267,571,806
Cash & Cash Equivalents		
Cash and Bank Balances	51,483,896	301,665,020
Bank Overdrafts	(119,671,214)	(34,093,214)
	(68,187,318)	267,571,806

NOTES TO THE INTERIM FINANCIAL STATEMENTS

As at 30 June 2018

- The Highest and the Lowest Market Price per Share

	Quarter ended June 2018	Quarter ended June 2017
- Highest Market Price – Rs	10.80	10.70
- Lowest Market Price – Rs.	10.00	9.20
- Last Traded Price – Rs	10.10	9.90

- 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.

- Loans granted to related parties includes loan granted to Asiri Hospital Holdings PLC amounted to Rs.768,000,000/-. 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 30 June 2018 were authorised for issue by the Board of Directors on 13 August 2018.

- Issued and fully paid number of Ordinary Shares as at 30 June 2018 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 3rd of October 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 30 June 2018	As at 30 June 2017
No of Ordinary Shares	528,457,545	528,457,545

Directors Shareholding

Name of Director	As at 30 June 2018	As at 30 June 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 30 June 2018	%	As at 30 June 2017	%
Asiri Hospital Holdings PLC	414,243,632	78.39	389,391,719	73.68
Mr. D.K. Subasinghe / Mrs. S.N. Subasinghe	40,014,806	7.57	49,514,806	9.37
Mr. P.P. Subasinghe	7,955,542	1.51	8,106,144	1.53
Mrs. Neetha Weerasinghe	7,500,015	1.42	7,500,015	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 Palihakkara/Mrs. D.S. Palihakkara/Mr.K.D.H Palihakkara	1,071,692	0.20	1,036,197	0.20
Bank Of Ceylon - NO2 A/C	1,000,000	0.19	1,000,000	0.19
Mr. D.M. Rajapaksa / Dr. D.S.D. Rajapaksa	946,212	0.18	478,372	0.09
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
Dr. Himali Rangika Jayasekera	802,322	0.15	766,665	0.15
DR. Kalutara Koralalage Don Gamini Jayaweera	800,000	0.15	621,645	0.12
Mr. Mohamed Faizer Hashim	751,664	0.14	782,059	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
Mr. N.D. Kurukulasuriya	730,361	0.14	730,361	0.14
	488,958,990	92.53	473,070,727	89.52
Shares held by the balance shareholdings	39,498,555	7.47	55,386,818	10.48
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	3,246		3,230	

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