ASIRI SURGICAL HOSPITAL
LIVE MORE
A Softlogic Group Company

LEADING THE FUTURE OF SURGICAL CARE



ASIRI SURGICAL HOSPITAL PLC

ANNUAL REPORT 2025/26

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LEADING THE FUTURE OF SURGICAL CARE

At Asiri Surgical Hospital PLC, innovation is not an aspiration; it is the standard by which we measure every decision, every investment, and every advancement we bring to our patients. This year, we took deliberate steps to place ourselves at the leading edge of surgical care by acquiring technologies that redefine what is possible in the operating theatre, and building an environment where precision is not the exception, but the expectation.

From the most advanced minimally invasive surgical systems to next-generation imaging and post-operative care environments designed around the science of recovery, every element of our hospital reflects a singular commitment: to give every patient access to the best that modern surgery can offer.

Our innovative spirit is carried by people who understand that behind every procedure is a life – of a person who placed their trust in our hands – being restored. That trust is what drives us to keep raising the bar, to keep searching for better outcomes, faster recoveries, and experiences that feel as human as they are advanced.

This is what it means to lead the future of surgical care. This is who we are.

ASIRI SURGICAL HOSPITAL
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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 stakeholders

About
the company

BEDS
155+

CHANNELLING
200,000+

SURGERIES
10,000+

CENTRES OF EXCELLENCE

- Cardiology
- Oncology
- Orthopedics
- Urology
- Neurology
- Organ Transplantation
- Gastroenterology

“Asiri Surgical Hospital (ASH) continues to stand as Sri Lanka's premier private sector surgical hospital, recognised year after year for its unwavering commitment to delivering exceptional surgical care.”

Specialising across a broad range of surgical disciplines, ASH offers everything from routine procedures to the most complex surgeries, performed within state-of-the-art operating theatres equipped with advanced diagnostic facilities and the latest medical technology. Innovation remains at the heart of everything we do, and this year has been no exception. We have continued to invest in cutting-edge medical technologies and surgical techniques, reinforcing our position at the forefront of healthcare and ensuring patients have access to the most advanced treatment options available.

Patient care at ASH extends far beyond the operating room. From pre-surgical consultations and detailed diagnostic evaluations to personalised postoperative care, our dedicated team of clinicians and support staff continues to play a vital role in securing the best possible clinical outcomes for every patient we serve. We remain steadfast in upholding the highest standards of medical excellence, underpinned by stringent protocols for infection control and patient safety, and by a culture of continuous improvement across the hospital.

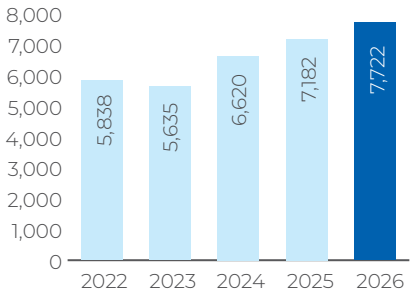
ASH remains a beacon of healthcare excellence, bringing world-class surgical care within reach of patients across Sri Lanka, a commitment we carry forward with renewed purpose into the year ahead.



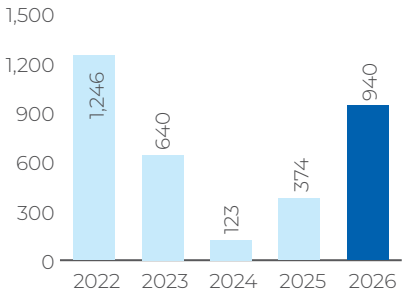
Financial Highlights

Year Ended 31st March		Group 2026	Group 2025
OPERATING RESULTS			
Revenue	Rs. 000	**7,721,581**	7,182,101
Profit before Interest and Tax	Rs. 000	**1,307,248**	672,158
Profit after Tax	Rs. 000	**940,467**	373,728
Return on Equity (%)		**12.40**	5.77
BALANCE SHEET HIGHLIGHTS			
Total Assets	Rs. 000	**16,522,965**	14,438,946
Total Equity	Rs. 000	**7,587,451**	6,473,584
SHAREHOLDER INFORMATION			
Earnings per Share	Rs.	**1.54**	0.50
Net Assets per Share	Rs.	**14.36**	12.25
Dividend per Share	Rs.	**0.00**	0.30
Share Price (31st March)	Rs.	**15.40**	11.50

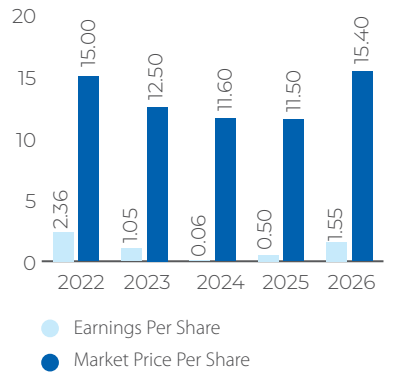
REVENUE (LKR MN.)



PROFIT AFTER TAX (LKR MN.)



EARNINGS AND MARKET VALUE (LKR MN.)





EXECUTIVE REVIEWS

This year at Asiri Surgical Hospital PLC, our progress was shaped by specific action, calculated investment and a shared commitment towards shaping the future of surgical care. Through the perspectives of our leadership, we reflect on the milestones that strengthened our hospital, the innovations that advanced our capabilities and the purpose that continues to guide us: restoring lives with compassion and trust.

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Chairman's Review



> **Our ambition is to build an environment in which technology, specialist knowledge, patient safety and compassionate care come together to deliver outcomes that patients can trust.**

Dear Shareholder,

I am pleased to present the Annual Report of Asiri Surgical Hospital for the financial year ended 31st March 2026.

As the country advances through an important period of economic recovery and renewal, the need for a strong, resilient and forward-looking healthcare system has become increasingly evident. At Asiri Surgical Hospital, we remain committed to playing our part in that journey by advancing the standards of care in Sri Lanka and ensuring that the country is increasingly capable of meeting its own needs for sophisticated and specialised healthcare. Our vision extends to building capabilities, expertise and confidence that will serve our patients and our country well into the future.

ECONOMIC LANDSCAPE

Sri Lanka's economy continued its gradual recovery during 2025/26, with greater macroeconomic stability, easing inflationary pressures and improving confidence providing a more predictable environment for businesses and consumers. The recovery in tourism and remittances continued to support foreign-exchange earnings and domestic activity, while fiscal consolidation and ongoing reforms remained central to restoring economic resilience. However, the recovery remained uneven, with businesses continuing to navigate higher taxation, elevated operating costs and the need for sustained structural reforms.

These conditions presented both opportunities and challenges for the healthcare sector. Rising consumer confidence can support

greater demand for private healthcare, particularly specialist, preventive and elective services, while the growing burden of non-communicable diseases and an ageing population will continue to drive demand for more sophisticated care. At the same time, the depreciation of the Rupee and higher utility and operating costs placed pressure on hospitals, particularly given the sector's dependence on imported medicines, medical equipment and specialised technologies. Despite these pressures, Asiri Surgical Hospital remained focused on maintaining operational resilience while continuing to invest in clinical expertise, infrastructure and advanced technology.

The economic case for strengthening Sri Lanka's domestic healthcare capabilities has also become increasingly compelling. Developing advanced services locally can reduce the foreign exchange outflow associated with patients seeking complex treatment overseas, while creating an opportunity to attract international patients and generate new foreign-exchange earnings through medical tourism. Sri Lanka's skilled medical workforce, established private healthcare infrastructure and competitive cost base provide a foundation for this opportunity. Against this backdrop, investments such as robotic surgery, transplantation, advanced cardiac care and oncology are not only expanding treatment choices for Sri Lankan patients but also helping position the country to participate in the growing regional market for specialised healthcare.

INVESTING IN THE FUTURE OF SURGERY

Significant steps were taken during the year to introduce Sri Lanka's first AI-enabled robotic surgical system. This is an important milestone not only for Asiri Surgical Hospital, but for the healthcare sector overall. The platform, which is used in more than 60 countries, provides surgeons with high-definition 3D visualisation and enhanced precision and control during minimally invasive procedures. The significance of this investment goes beyond the technology itself. Robotic-assisted surgery gives experienced consultant surgeons an additional tool with which to undertake increasingly complex procedures, while potentially offering patients the benefits associated with minimally invasive surgery, including smaller incisions, reduced trauma, less blood loss, shorter hospital stays and faster recovery.

More importantly, it means that Sri Lankan patients will increasingly have access to advanced surgical options without having to travel overseas. The specialty also creates an opportunity to develop local expertise and, over time, broaden the application of robotic-assisted surgery across a number of specialties. The first robotic-assisted procedures will commence in early 2026, marking the beginning of what we believe will be an important new chapter in Sri Lanka's surgical care.

Our other major area of progress has been transplant medicine. The establishment and continued development of our Liver and Kidney Transplant Programmes represent a significant expansion of the country's capacity to undertake complex transplant procedures locally, further building the clinical experience and multidisciplinary expertise required for these highly specialised services. For Sri Lanka, it means retaining healthcare expenditure that might otherwise leave the country and developing specialist capabilities that can serve future generations.

BUILDING ON OUR CLINICAL STRENGTH

These new capabilities complement a broad base of established specialist services. Cardiac care remains a particular strength, with the continued development of structural heart interventions. Oncology has also become an increasingly important component of our clinical offering, supported by advanced multidisciplinary expertise. The combination of established specialist expertise with robotic-assisted surgery provides a strong platform for the next stage of development in minimally invasive urological procedures. Across these disciplines, our objective is to bring diagnosis, treatment, recovery and follow-up together in a coordinated patient journey.

Our commitment to quality remains equally important. The continued maintenance of ACHSI accreditation and other recognised quality standards provides assurance that our investments in advanced technology and complex clinical services are supported by strong systems of governance, patient safety and clinical oversight.

Chairman's Review

AT THE FOREFRONT OF MEDICAL INNOVATION

Medical tourism is a largely untapped area of potential for the country, particularly in high-value and complex treatments. Sri Lanka has a strong foundation in the form of experienced medical professionals, internationally recognised healthcare standards and a competitive cost proposition.

Asiri Surgical Hospital's capabilities in robotic surgery, transplantation, cardiac interventions, oncology and other specialised treatments provide a strong platform from which to attract patients from regional markets and the Sri Lankan diaspora. Developing this segment can generate foreign exchange for the country while helping establish Sri Lanka as a credible destination for advanced healthcare.

The next phase will be about building depth around the capabilities we have established. We will continue to develop robotic and minimally invasive surgery, transplantation, cardiac interventions, oncology and specialist surgical services, while investing in the people and infrastructure required to support them.

Our ambition is to build an environment in which technology, specialist knowledge, patient safety and compassionate care come together to deliver outcomes that patients can trust.

ACKNOWLEDGEMENTS

I 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.

I also wish to express my appreciation to our consultants, nurses, allied health professionals and every member of the Asiri Surgical Hospital team. Their dedication has made these advances possible.

Finally, I thank our partners and shareholders for their continued confidence and support.

Sgd
Ashok Pathirage
Chairman/ Managing Director

31 August 2026

Operational Review

OVERVIEW

FY 2025/26 was a defining year for Asiri Surgical Hospital, with strong operational growth supported by the continued development of established clinical disciplines, introduction of advanced treatment programmes, investment in technology and infrastructure, and a clear focus on strengthening the hospital's position as a leading tertiary care institution in Sri Lanka. The focus during the year was centred on strengthening key specialties, increasing clinical activity, improving utilisation of hospital infrastructure and developing more integrated patient pathways.

Cardiac care, surgery, oncology and urology continued to be major contributors to hospital performance, while the introduction and expansion of robotic surgery, liver transplantation, specialised clinics and hair transplantation broadened the hospital's clinical offering. Considerable attention was also given to theatre utilisation, critical care capacity, patient flow, service quality, clinical governance and the overall patient experience.

At the same time, the hospital continued to invest in its physical environment and supporting services to ensure that growth in clinical activity was matched by improvements in service delivery.

REVIEW OF OPERATIONS

One of the most important developments during the year was the establishment of Sri Lanka's first robotic surgery programme. The programme was introduced following extensive preparation involving infrastructure development, theatre readiness, clinical governance, credentialing and multidisciplinary training.

A structured training programme was undertaken 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 and provides significant potential for the future development of urology and other surgical specialties.

The Liver Transplant Programme was another significant achievement during the year. The service was established in collaboration with an internationally recognised transplant team and required close coordination across surgery, anaesthesia, critical care, laboratory services, blood bank, radiology, pharmacy and nursing. The successful establishment of the programme has considerably strengthened the hospital's transplant capability and its ability to provide advanced treatment locally. The hospital also continued to develop its kidney and liver transplant pathways, including dedicated transplant clinics for patient assessment, preparation, multidisciplinary review and follow up.

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.

Together with established cardiac, oncology, transplant and surgical services, robotic surgery provides an increasingly attractive clinical proposition for international patients seeking advanced treatment in Sri Lanka. 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.

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. Clinical governance, quality systems and operational processes continued to be reviewed and strengthened in preparation for future accreditation requirements.

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 were one of the principal areas of strength and a major contributor to overall clinical activity. The hospital provides

Operational
Review

an integrated cardiac service covering preventive and diagnostic cardiology, coronary angiography, percutaneous coronary intervention, electrophysiology, cardiac surgery, cardiac critical care, rehabilitation and preoperative and postoperative management. 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, including MIDCAB, 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 focus remains on providing continuity of care from screening and diagnosis through intervention, surgery, recovery, rehabilitation and long term follow up.

Oncology continued to record encouraging growth and remains an important area of strategic development. 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 ability to bring these services together within a single hospital setting allows patients to move through investigation, diagnosis, staging, treatment and follow up in a coordinated manner. Continued growth across oncology services demonstrates the value of this integrated approach and further strengthens the hospital's position as a comprehensive private sector oncology provider.

Urology remains one of the hospital's leading surgical disciplines. 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.

Progress was also seen across general surgery, orthopaedics, neurology, ENT, vascular surgery and other specialist disciplines. Operational focus across these areas remained on improving access, increasing appropriate clinical volumes, strengthening theatre utilisation and supporting consultants in developing specialised services.

The development of specialised clinics has strengthened outpatient services while providing clearer pathways for patients requiring further investigation, intervention or surgical management.

The Breast Clinic, Lymph Node Clinic, Vascular Clinic, Kidney Transplant Clinic, Liver Transplant Clinic, cardiac clinics, neurology services, Headache Clinic and Back Pain Clinic were among the focused services developed and strengthened during the year. These clinics have enabled more structured access to specialist opinion while improving the connection between consultation, diagnostics, imaging, intervention and follow up.

The Vascular Clinic has strengthened the hospital's pathway for patients requiring specialist vascular assessment and subsequent medical, interventional or surgical management. The Wellness Centre continued to perform well during the year and remains an important component of the hospital's broader approach to preventive healthcare.

FUTURE OUTLOOK

The progress achieved during FY 2025/26 provides a strong platform for the next phase of development at Asiri Surgical Hospital. Our focus will remain on strengthening the disciplines in which the hospital has established leadership while developing new areas that complement our clinical capability and infrastructure. The expansion of robotic and minimally invasive surgery, continued development of TAVI and MIDCAB, growth of oncology and transplantation, further strengthening of urology, development of specialised clinics and wellness services and greater focus on international patients will remain central to this direction.

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. The progress made during the year reflects the commitment of our consultants, nursing teams, allied health professionals and operational and support teams, and provides a solid foundation to continue strengthening Asiri Surgical Hospital's position within the country's private healthcare sector.

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.



LEADERSHIP & GOVERNANCE

Behind every advancement is leadership that understands the weight of trust placed in our hands, and at Asiri Surgical Hospital PLC, our leaders' approach is shaped by accountability, foresight and a clear commitment to raising the standards of surgical care. Through every decision, we continue to build an institution where innovation is guided by responsibility, and progress is measured by the confidence we inspire.

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Board of Directors



MR. ASHOK PATHIRAGE
Chairman/Managing Director



MR HARESH KUMAR KAIMAL
Non-Independent Non-Executive Director



MR. HEMANTHA GUNAWARDENA
Non-Independent Non-Executive Director



MR. MOHAMED IMRAN FURKAN
Independent Non-Executive Director



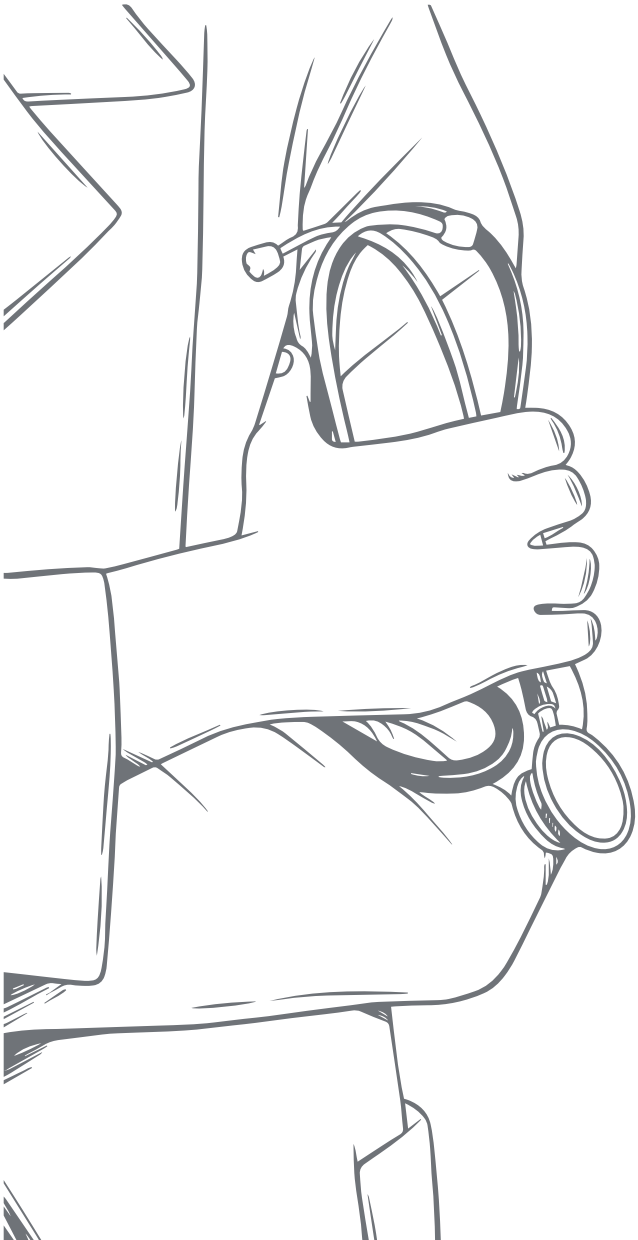
MR. KALUM DE SILVA
Independent Non-Executive Director



MR. SAAR SHAPIRA
Independent Non-Executive Director



MR. R. SELVASKANDAN
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. 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. 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. 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.



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

DR. MANJULA KARUNARATNE
Advisor/Consultant - Asiri Health

Senior Management



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



DR. HARRY PRASAD
Director Operations - Asiri Surgical Hospital



DR. HASANTHIE IDDAMALGODA
Medical Director - Asiri Surgical Hospital



MR. S. L. R. PIYAL
Director Finance



MR. N. P. JOHN
Director Laboratories



MS. BUDDHIKA MANAGE
Group Director - Human Resources



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



MS. MIHIRI CABANDUGAMA
Director - Strategic Planning & Laboratory Development



MRS. ROSHANI SENANAYAKE
Group Head of Marketing



MR. SUDATH HEWAGE
Director Pharmacy Operations



DR. ARUNI LADDUWAHETTY
Chief Medical officer



DR. NIMMI DE ZYLVA
Chief Medical officer



MS. SENANI DEEGALA
Chief Nursing officer

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 Surgical Hospital PLC (ASH). 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, 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 18 to 19 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 two 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 one Director who is experienced in accounting and finance professional. 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.

COMPOSITION OF THE BOARD

Executive Chairman (1)

Senior Independent Directors (1)

Independent Non-Executive Directors (4)

Non-Independent Non-Executive (2)

Non- Executive Directors (6)

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 - Member Mr. H.K. Kaimal – Non Independent Non Executive Director - Member	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 - Member Mr. H.K. Kaimal – Non Independent Non Executive Director - Member	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 - Member Mr. H.K. Kaimal – Non Independent Non Executive Director - Member	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. G.D.K.L.De Silva – Independent Non-Executive Director - Member Mr. H.K. Kaimal – Non Independent Non Executive Director - Member	Responsible for evaluate of the appointment of Directors to the Board of Directors and Board Committees of the Company Frequency of Meeting: Committee Meets once each year or as required

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BOARD MEETINGS & ATTENDANCE

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;

Director	Board	Board Sub Committees		
		Audit Committee	HR & Remuneration Committee	Related Party Transactions Review Committee
Mr. A.K. Pathirage	1/1	-		-
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. R. Selvaskandan
2. Mr. G. W. D. H. U Gunawardena

CHAIRMAN & MANAGING DIRECTOR

The Chairman's main responsibility is to lead and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Chairman also serves as the Managing Director, who is responsible for the recommending of strategy to the Board, leading the Executive Directors and for making and implementing operational decisions.

INDEPENDENCE OF THE DIRECTORS

Mr. R. Selvaskandan, Mr. S. Saar, Mr. M.I.Furkan and Mr. G.D.K.L.De Silva function as Independent Directors of the Company. As per the rules issued by the Colombo Stock Exchange, above Directors meets all the criteria of independence.

The Board having evaluated all the factors concluded that their independence has not been impaired due to them serving on the Board of another Company which has a significant shareholding in the Company.

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 46 provides further information. The aggregate remuneration paid to the Directors is disclosed in the Notes to the Financial Statements on page 141 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 82 to 145
- Statement of Director's Responsibilities - page 50
- Annual Report of the Board of Directors on the Affairs of the Company – page 51 to 54

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 all of whom are Independent 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 19 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 105 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

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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 page 35 to 41 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 33 of the Financial Statements on pages 139 to 140 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.

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

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Principle	Compliance and Implementation	Effective Date	Status
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
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

Principle	Compliance and Implementation	Effective Date	Status
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.	1st Jan 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
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

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Principle	Compliance and Implementation	Effective Date	Status
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
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

Principle	Compliance and Implementation	Effective Date	Status
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

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Principle	Compliance and Implementation	Effective Date	Status
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
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

Principle	Compliance and Implementation	Effective Date	Status
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
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

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Principle	Compliance and Implementation	Effective Date	Status
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
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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.

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.

Risk Management
Report

Risk	Potential Impact	Mitigation Strategy
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. The Group continues to strengthen compliance monitoring to ensure timely identification, escalation and resolution of regulatory matters.
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 where appropriate. Contingency arrangements and resource prioritisation measures are maintained to support continuity of essential clinical services.

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 Management
Report

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.

Risk	Potential Impact	Mitigation Strategy
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
Report

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.	IT disruption may affect access to patient information, clinical workflows, communication, billing and other essential hospital processes. Information security incidents may result in loss or compromise of confidential information, regulatory consequences, financial losses and reputational damage. A prolonged technology outage could also have a direct impact on business continuity and patient care.	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.

Risk	Potential Impact	Mitigation Strategy
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.

Audit Committee Report

ROLE AND MANDATE

The Audit Committee of Asiri Surgical Hospital 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 Audit Committee of the company's parent, Asiri Hospital Holdings PLC, functions as the Audit Committee of the company, as permitted by the Listing Rule of the Colombo Stock Exchange.

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 18 to 19.

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:

Member	Attendance	Attendance %
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.

Audit Committee
Report

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 Surgical Hospital PLC for the financial year ended 31 March 2026.

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

31 August 2026
Colombo

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 Association sometime 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

31 August 2026
Colombo

CLINICAL ETHICS COMMITTEE FOR TISSUE TRANSPLANTATION

Members

Dr. Hasanthie Iddamalgoda, (Chairperson) (Director Medical Services)
Dr. Ajith Tennakoon (Senior Lecturer / Head of Forensic Medicine)
Dr. N.D.N. Asela Mendis (Forensic Pathologist)
Dr. Thurul Attygalle (Consultant Physician)
Mrs. Savithri Fernando (Attorney-at-Law)
Mr. S.D.S. Kuruppu (Justice of the Peace - Whole Island)

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 6 on page 105 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 HEAD

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

31 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 Surgical Hospital PLC 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	Position	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 Company 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.

Related Party Transactions
Review Committee Report

REVIEW OF THE RELATED PARTY TRANSACTIONS DURING THE YEAR

The Committee reviewed all proposed Related Party Transactions of Asiri Surgical Hospital 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 33 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

31 August 2026
Colombo

Nominations and Governance Committee Report

The Nominations and Governance Committee of Asiri Surgical Hospital 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 Surgical Hospital PLC and subsidiaries are subject to the Nominations and Governance Committee of Asiri Surgical Hospital PLC. Nominations to the Boards of all Group Companies shall be reviewed and approved by this Committee prior to appointment.

COMPOSITION AND ATTENTION

The Nominations and Governance Committee of Asiri Surgical Hospital 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	Independent Non-Executive Director	1/1
Mr. G. D. K. L. De Silva	Independent Non-Executive Director	1/1
Mr. H. K. Kaimal	Non-Executive Non- Independent 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 - Nomination and Governance Committee

31 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 page 78 to 81 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 82 to 145 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 31 to the Financial Statements covering contingent liabilities.

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

Sgd.
Mr. H.K. Kaimal
Director

31 August 2026
Colombo

Annual Report of The Board of Directors
on The Affairs of The Company

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

GENERAL

Asiri Surgical Hospital PLC is a public company incorporated in Sri Lanka on 30th of March 2000, under the Companies Act No.17 of 1982, with limited liability.

The Company has re -registered on 13th October 2008 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. 04 of 1978.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.

REVIEW OF OPERATIONS

A review of the operations of the Company and its performance during the year is contained in the Operations Review on page 11 to 13 of the Annual Report. This review together with the Financial Statements reflects the state of affairs of the Company. These reports form an integral part of the Directors' Report.

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 82 to 145 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 50.

AUDITOR'S REPORT

The Auditor's Report on the financial statements is given on page 78 to 81 of the Annual Report.

ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial statements are given on pages 88 to 102 of the Annual Report. There was no change in the accounting policies adopted from the previous year except for the standards listed in Note 2.4.

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 109 to 113.

CAPITAL EXPENDITURE

The total capital expenditure incurred on the acquisition of property, plant and equipment for the Group and the Company amounted to LKR 520,836,247/- (2025 LKR 312,411,077/-) and LKR 472,881,261/- (2025 LKR 306,031,117/-) respectively. Details of capital expenditure and their movements are given in Note 9 to the Financial Statements on pages 109 to 113 of the Annual Report.

RESERVES

The reserves for the Group and the Company amounted to LKR 6,194,123,101/- (2025 LKR 5,080,256,339/-) and LKR 7,280,768,405/- (2025 LKR 5,993,277,495/-) 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 LKR 899,996/- (2025 LKR 20,000/-)

STATED CAPITAL

The stated capital of the Company as at 31st March 2026 was LKR 1,393,327,565/- There was no change in the stated capital of the Company during the year under review

Annual Report of The Board of Directors
on the Affairs of the Company

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 32 to the Financial Statements.

TAXATION

The information relating to income tax and deferred taxation is given in Note 7 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 31.2 to the Financial Statements, covering contingent liabilities.

MATERIAL ISSUES PERTAINING TO THE EMPLOYEES AND INDUSTRIAL RELATIONS

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

RELATED PARTY TRANSACTIONS

The Company's transactions with Related Parties, given in Note 33 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 16 to 19.

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

Mr. H.K. Kaimal

Mr. G.W.D.H.U. Gunawardena

Mr. R. Selvaskandan

Mr. S. Shapira

Mr. M.I. Furkan

Mr. G.D.K.L. De Silva

FIT AND PROPER CRITERIA

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.

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		
Mr. H.K. Kaimal	-	-
Mr. G.W.D.H.U.Gunawardena	-	
Mr. R. Selvaskandan	-	-
Mr. S. Shapira	-	-
Mr. M.I. Furkan	-	-
Mr. G.D.K.L.De Silva	-	-

DIRECTORS' REMUNERATION

Directors' remuneration in respect of the Company for the financial year ended 31st March 2026 was LKR 6,620,833/- (2025 LKR 3,267,473/-). 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 33 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 OF THE BOARD OF DIRECTORS

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 Rule of the Colombo stock Exchange for the year.

SHAREHOLDERS' INFORMATION

The distribution of shareholders is indicated on page 148 to 149 of the Annual Report. There were 4,014 registered shareholders as at 31st March 2026 (31st March 2025– 3,576).

SHARE INFORMATION

Information on share trading is given on page 149 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.

RISK MANAGEMENT

The Group's risk management objectives and policies and the exposure to risks, are set out in pages 35 and 41 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 22 to 34 of the annual Report.

DIVIDENDS

There were no Dividend declared during the period.

THE AUDITORS

Company's Auditors during the period under review were Messrs. Ernst & Young, Chartered Accountants.

The following payments were made to them during the year:

* Audit fees - LKR 1,741,164/-

As far as the Directors are aware the Auditors do not have any relationship with the Company or any of its subsidiaries other than those disclosed above. Auditors also do not have any interest in the Company or any of the Group companies.

RELATED PARTY TRANSACTIONS

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

Annual Report of The Board of Directors
on the Affairs of the Company

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 26th Annual General Meeting of the Company will be held on Friday 25th September 2026 at 10.15 am. The Notice of the Annual General Meeting is on page 152 of the Annual Report.

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

Sgd.
Mr. H.K. Kaimal
Director

Softlogic Corporate Services (Pvt) Ltd
Secretaries

31 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 Surgical Hospital 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

31 August 2026
Colombo

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 Surgical Hospital PLC and its subsidiary, Asiri AOI Cancer Centre (Pvt) Ltd (together referred to as the "Company," and individually as the "Parent" and the "Subsidiary"), within the financial reporting boundary, in line with the Company'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 Asiri Surgical Hospital PLC's subsidiary, Asiri AOI Cancer Centre (Pvt) Ltd, over which it exercises control.

The organisational boundary reflects the Company's consolidated operations, encompassing Asiri Surgical Hospital and AOI Cancer Center, and captures climate-related risks and opportunities across its full operational footprint.

The Company'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 Company'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 Company'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 Company 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 Company 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 Company'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 Company'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 Company'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 Company 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 Company 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

    Health Care Delivery Sustainability Accounting Standard

The Company 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 Company'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 Company's annual financial reporting cycle to ensure consistency and comparability.

6. Time Horizon

The Company 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 Company'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 Company's strategy and performance.

Relevant Section in Annual Report	Description of Connectivity
Governance	
Corporate Governance Section (Refer page 22 to 34) Board Audit Committee Report (Refer page 42 to 44)	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	
Risk Management Section (Refer page 35 to 40)	Describes the Company's overall risk management framework, within which climate-related risks are identified, assessed, monitored and managed alongside other principal risks.
Metrics and Targets	
Refer to page 73 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 Company to measure and monitor climate-related performance.

SLFRS Sustainability
Related Financial Disclosures

8. Transitional Relief

The Company 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 Company 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 Company 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 Company 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 Company 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 Company 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 Company 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.

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.

Category	Assessment Methodology	Key Limitations & Uncertainties
a. Materiality	The assessment evaluates whether specific CRROs could have a material impact on the Company'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 Company'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 Company'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.

Category	Assessment Methodology	Key Limitations & Uncertainties
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 Company'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 Company'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 Surgical Hospital PLC and its subsidiary (collectively, the Company) for the year ended 31 March 2026. The Company'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 Company's sustainability strategy and policies, monitoring sustainability-related and climate-related risks and opportunities, reviewing related targets and performance, and overseeing the Company'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 Company has conducted, and continues to conduct, targeted training and capacity-building initiatives for members of the Board Audit Committee and the Company ESG Management Committee.

Inform

The Company'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 Company Sustainability Department.

Address

The Board Audit Committee considers climate-related risks and opportunities (CRROs) as part of its oversight of the Company's strategy, decision-making and risk management processes. In discharging its responsibilities, the Committee will review information relating to the impacts of the

SLFRS Sustainability
Related Financial Disclosures

Company'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 Company ESG Management Committee plays a central coordinating role in driving sustainability initiatives at the Company 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 Company 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 Company, providing periodic data and performance inputs.

Policies and procedures

The Company 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 Company 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 Company's other principal risks. The Company 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 Company recognises climate change as a material and systemic risk with the potential to significantly influence its operating landscape. As a specialised provider of surgical and oncology care, the Company is particularly attentive to climate-related impacts on facility operations, patient care continuity, and resource availability. As a leading private healthcare provider in Sri Lanka, the Company 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 Company 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 Company has established a climate strategy that integrates both adaptation and mitigation measures, as detailed below.

Adaptation (Managing Physical Climate Risks)

Strengthening resilience

The Company 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 Company'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 Company 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 its surgical and oncology care operations.

Addressing solid waste pollution

The Company 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 Company has implemented structured collection and recycling programmes for non-hazardous waste streams — including cardboard and paper, PET plastics, glass, and food waste — generated at its facility.

To advance its climate strategy, the Company intends to place greater emphasis on internal awareness building across its facility 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 Company 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 Company'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 operation 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 Company's revenue generation, increase operating costs, and constrain the Company's ability to sustain consistent service delivery and growth across Asiri Surgical Hospital and Asiri AOI Cancer Center.
	Physical Risk or Transition Risk	Physical Risk
	Time Horizon	S, M, L
	Define time horizon	Refer Note 6 Time Horizon in basis of preparation

SLFRS Sustainability
Related Financial Disclosures

CRRO 1	Extreme Weather Events	
Business Model and Value Chain	Current Effects on Business Model and Value Chain	During the reporting period, the Company's business model and value chain were affected to a limited extent by Cyclone Ditwah (November 2025). The Company experienced revenue loss and asset loss as a result of the event; however, no impact has been assessed as significant or material to the Company on a standalone basis. The Company sustained uninterrupted delivery service throughout the reporting period, with no material disruption to operations.
	Anticipated Effects on Business Model and Value Chain	Adverse weather events, including floods, droughts, and severe storms, could materially affect the Company'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 Company'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 risk was most evident in supply chain continuity and dependency on utility systems (power and water). Adverse weather conditions of this nature can disrupt utility supply and logistics networks, affecting business continuity.

CRRO 1	Extreme Weather Events	
Strategy and Decision Making	Plans to respond to in Strategy, Risk Management, Transition Plans and Climate-related Targets	**Business Continuity & Operational Resilience:** The Company 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 Company's long-term operational resilience. **Enhanced Risk Assessment Frameworks:** The Company conducts an annual Hazard Vulnerability Analysis (HVA) across its facility to systematically identify, assess, and prioritise climate-related and other operational hazards. This structured, facility-level approach enables the Company 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.
	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 requirement. **Insurance:** The Company 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. 5.9 Mn for the Financial Year 2025/2026. **HUMAN CAPITAL** **Training and Development Programmes:** The Company implements training programmes for the employees focused on climate risk management, disaster recovery, and stakeholder engagement strategies relevant to extreme weather events. **Collaboration with Government Agencies** The Company collaborates with local government agencies to support national objectives and address community needs in the event of a disaster.

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Related Financial Disclosures

CRRO 1	Extreme Weather Events	
	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 team participated in disaster risk management training programmes covering disaster recovery planning and sustainable operational practices, amounting to over 400 man-hours of training across the Company. **BUSINESS CONTINUITY AND SUPPLY RESILIENCE** Critical Stock Buffering: The Company 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 and based on the risk assessment, comprehensive disaster recovery plans is put in place to address contingencies, which is annually reviewed and updated. Regular Reviews: The Facility Management and Safety Committee of the 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 Company's operations were affected by Cyclone Ditwah (November 2025); however, the financial effects on the Company's Profit & Loss, Balance Sheet, and Cash Flow Statement for the current year have been assessed and are not considered material.
	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 58 Transitional Relief in basis of preparation

CRRO 1	Extreme Weather Events	
Climate resilience	Resilience Assessment	Refer Note 8 of page 58 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 58 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.
	Uncertainties	◆ The timing, frequency, and severity of future extreme weather events affecting the Company's facilities remain inherently unpredictable, notwithstanding data suggesting an increasing frequency and 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.

SLFRS Sustainability
Related Financial Disclosures

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.
	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 Company'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 the facility 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). ◆ **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 Company's ability to proactively manage thermal resilience supports continuity of care and staff well-being.
	Where is it Concentrated?	The impact is concentrated within hospital facilities.
	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. ◆ **Facility Design Standards:** Incorporating climate resilience considerations into design specifications for new facilities and major refurbishments.

CRRO 2	Chronic Temperature rise and increasing heat stress	
	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
	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 Company continues to monitor energy consumption trends and cooling system performance. 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 attributable to chronic temperature rise or heat stress have been identified for the current financial year, consistent with 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 58 Transitional Relief in basis of preparation

SLFRS Sustainability
Related Financial Disclosures

CRRO 2	Chronic Temperature rise and increasing heat stress	
Climate resilience	Resilience Assessment	Refer Note 8 of page 58 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 58 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.

RISK MANAGEMENT

Processes and Policies Relating to Climate-Related Risks

Identification

i. Inputs and Parameters Used

The Company 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 Company 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 Company'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:

	External 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)

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

Assessment

iii. How the Company Assesses CRROs

The Company 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 Company 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 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.

SLFRS Sustainability
Related Financial Disclosures

Magnitude/Exposure

The magnitude of climate-related risks is assessed based on the potential level of operational disruption and financial impact on the Company. 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 Company 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 Level	Threshold (% of Total Revenue)	Description
Insignificant	No measurable impact	No discernible or quantifiable effect on Company 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.
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 Company.

Prioritisation

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

Climate-related risks are prioritised as part of the Company'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 Company 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 Company'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 Company.

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

LIKELIHOOD		CONSEQUENCE (Impact)					Risk Score	
		Extreme (05)	Major (04)	Moderate (03)	Minor (02)	Insignificant (01)		
Almost Certain	(05)	25	20	15	10	5	16+	Extreme
Likely	(04)	20	16	12	8	4	10 to 15	High
High	(03)	15	12	9	6	3	5 to 9	Medium
Unlikely	(02)	10	8	6	4	2	1 to 4	Low
Rare	(01)	5	4	3	2	1		

Monitoring

v. How the Company Monitors Climate-Related Risks

The Company 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. The Company follows a structured, bottom-up approach to risk identification and management, whereby risks are first identified and assessed at the facility level by the Facility Management and Safety Committee.

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

Climate-related risks are periodically reviewed as part of the Company'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 Company 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 Company 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 Company 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 Company's strategic priorities, and feasibility of implementation — including opportunities related to resource efficiency, adoption of renewable energy, and improved operational resilience.

SLFRS Sustainability
Related Financial Disclosures

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

The Company 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 Company intends to progressively develop its capabilities in this area in future reporting periods.

Integration into Overall Enterprise Risk Management

The Company's processes for identifying, assessing, prioritising, and monitoring CRROs are aligned with its overall risk management approach. These processes are currently supported through the Company'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 Company 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 Company's risk profile.

METRICS AND TARGETS

Cross Industry Metrics

1) Greenhouse Gas Emissions (GHG)

Basis of Determination of Organisational Boundary and Operational Boundary
The Company 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 Company's sustainability performance framework.

Methodology used for the measurement and disclosure of GHG Emissions

The Company'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 operations, while Scope 2 emissions are measured using a location-based approach for purchased electricity. The Company'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 (tCO2e)
Scope 1	733.51
Scope 2	1955.16
Scope 3 (Note: refer Transitional Relief)	-
Total	2688.67

GHG Scope 1 and Scope 2 Emissions

Description	Scope 1	Scope 2	Total
Consolidated accounting group	733.51	1955.16	2688.67
Other investee (associates / joint ventures)	N/A	N/A	N/A
Total (Operational Control Approach)	733.51	1955.16	2688.67

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 – R410A, R22 (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)	Electricity bills	Sri Lanka national grid emission factor; GWP: IPCC AR6

2) Climate-related Physical Risks

Climate-related physical risks arise 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.

3) Climate-related Transition Risks

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

4) Climate-related Opportunities

The Company evaluates the strategic nature, operational feasibility, and information sensitivity of climate-related opportunities within the context of its surgical and oncology care operations. No such opportunities have been identified to date.

5) Capital Expenditure

The Company 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 Company's transition toward a lower-carbon, more resource-efficient operating model. However, the Company 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 Company 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 overtime.

SLFRS Sustainability
Related Financial Disclosures

7) Remuneration

Climate-related considerations are not currently incorporated into executive remuneration structures. The Company 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. 23764.69 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) 65.03 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
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.** Company 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 Company'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.

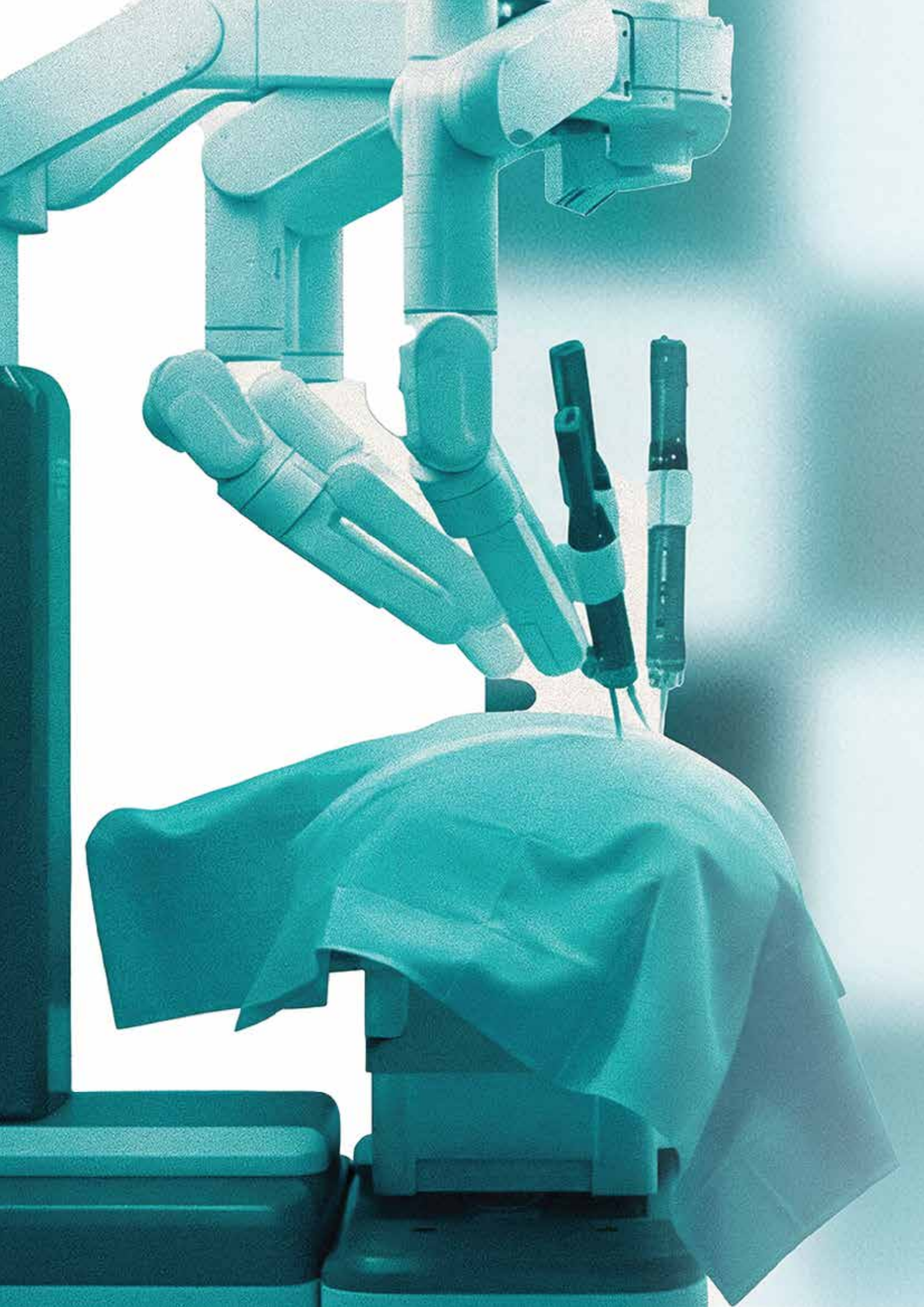
Topic	Metric	Category	Unit of Measure	Code	Disclosure/Response
					Morbidity and mortality patterns linked to climate change The Company monitors climate-sensitive health trends relevant to its patient population, including conditions linked to vector-borne disease, heat exposure, and water quality, as part of its broader clinical and environmental health oversight. **Emergency preparedness and response** Asiri Surgical Hospital 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) Hospital - 1 (2) Ward beds 122 ICU beds 24 Emergency Treatment Unit beds 8
Number of (1) inpatient admissions and (2) outpatient visits	Quantitative	Number	HC-DY-000.B	(1) Inpatient admissions – 10812 (2) Outpatient visits – 23728

Climate-related Targets

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



FINANCIAL REPORTS

At Asiri Surgical Hospital PLC, our financial performance reflects a hospital built on sustained progress, strategic advancement and the continuous pursuit of better outcomes. Every investment we make is guided by a responsibility to strengthen the standard of care we deliver. As we invest in technology, people and patient-care environments, we ensure that growth remains purposeful, sustainable and aligned with the future of surgical care and excellence.

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Auditor's Report

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TO THE SHAREHOLDERS OF ASIRI SURGICAL HOSPITLA PLC

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Asiri Surgical Hospital 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.

Partners: G G S Manatunga FCA, Y A De Silva FCA, W K B S P Fernando FCA FCMA (UK) FCCA, B E Wijesuriya FCA FCMA (UK), R N de Saram ACA FCMA (UK), N M Sulaiman FCA FCMA (UK), L K H L Fonseka FCA, P V K N Sajeewani FCA, A A J R Perera FCA ACMA (UK), N Y R L Fernando ACA, D N Gamage FCA ACMA (UK), C A Yalagala ACA ACMA (UK), P S Paranavitane ACA ACMA (UK) LLB (Colombo), B Vasanthan ACA ACMA (UK), W D P L Perera ACA, M U M Mansoor ACA, S B G Jayawardena ACA ACMA (UK) ACCA

Principals: T P M Ruberu FCMA (UK) FCCA MBA, G B Goudian ACMA (UK), D L B Karunathilaka ACMA (UK), W S J De Silva Bsc (Hons) - MIS Msc - IT, V Shakthivel B.Com (Sp)

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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. 1,279,002,917 Rs. 447,192 Rs. 1,723,048,228 as disclosed in Notes 13, 18 and 19 to the financial statements. Management assessed the recoverability of these balances during the year and recognised adjustments where necessary, as disclosed in Note 19 to the financial statements. This was a key audit matter due to: ◆ Materiality of the reported balances and related impairment provisions. Outstanding amounts from related parties represented 18% 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 19 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 ◆ 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 13 ,18 and 19 and to the financial statements
Revenue	
The Group derives its revenue of Rs. 7,721,581,006 by providing healthcare services as disclosed in Notes 2.3.15 and 3 to the financial statements Revenue was a key audit matter due to: ◆ Materiality of the reported revenues coupled with the increase of 8% 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 2.3.15 and 3 to the financial statements.

Independent
Auditor's Report

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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.

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.

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- 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.

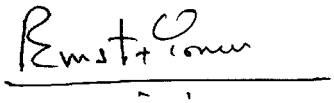
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken 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.



31 August 2026
Colombo

Statement of Profit or Loss

Year ended 31 March	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Revenue	3.1	7,721,581,006	7,182,101,294	7,014,756,896	6,448,457,858
Cost of Services		(4,227,662,046)	(4,180,926,870)	(3,943,550,371)	(3,876,272,373)
Gross Profit		3,493,918,960	3,001,174,424	3,071,206,525	2,572,185,485
Other Income	4	87,821,701	47,145,816	137,189,597	93,170,549
Administrative Expenses		(2,110,437,027)	(2,131,621,912)	(2,068,360,371)	(2,066,844,741)
Selling and Distribution Costs		(164,055,621)	(244,540,075)	(136,052,307)	(216,207,725)
Finance Cost	5.1	(273,527,924)	(341,042,132)	(325,173,650)	(378,335,646)
Finance Income	5.2	584,194,298	562,068,796	583,187,485	559,758,994
Change in Fair Value of Investment Property	11	-	-	5,508,000	58,600,000
Profit Before Tax	6	1,617,914,387	893,184,917	1,267,505,279	622,326,916
Tax Expense	7	(677,447,662)	(519,456,799)	(526,966,730)	(428,830,575)
Profit For the Year		940,466,725	373,728,118	740,538,549	193,496,340
Attributable to:					
Equity holders of the parent		814,053,393	265,665,080		
Non-controlling interest		126,413,332	108,063,038		
		940,466,725	373,728,118		
Earnings Per Share - Basic	8	1.54	0.50	1.40	0.37
Dividend Per Share - Ordinary Shares	8.1	0.00	0.30	0.00	0.30

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages 88 through 145 form an integral part of these Financial Statements.

Statement of Comprehensive Income

Year ended 31 March	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Profit for the year		940,466,725	373,728,118	740,538,549	193,496,340
Other Comprehensive Income that will not to be reclassified to profit or loss in subsequent periods (net of tax):					
Revaluation Surplus on Building	9	466,077,879	243,412,726	460,569,879	184,812,726
Actuarial Gain/(Loss) on Employee Benefit Liability	25	(38,140,926)	(9,549,734)	(37,405,205)	(9,545,833)
Net gain/ (loss) on Investment subsidiary at fair value through other comprehensive income	12	-	-	358,195,843	407,378,229
Net Gain/(Loss) on Equity Instrument at Fair Value through Other Comprehensive Income		-	11,146,224	-	11,146,224
		427,936,953	245,009,217	781,360,517	593,791,347
Deferred Tax Charge on Other Comprehensive Income	7.2	(128,381,086)	(70,161,238)	(234,408,155)	(174,793,537)
Net Other Comprehensive Income that will not to be reclassified to profit or loss in subsequent periods (net of tax):		299,555,867	174,847,979	546,952,362	418,997,810
Other Comprehensive Income for the Year, Net of Tax		299,555,867	174,847,979	546,952,362	418,997,810
Total Comprehensive Income for the Year, Net of Tax		1,240,022,592	548,576,098	1,287,490,911	612,494,150
Total Comprehensive Income Attributable to:					
Equity Holders of the Parent Company		1,113,866,762	440,515,595		
Non-Controlling Interest		126,155,830	108,060,503		
		1,240,022,592	548,576,098		

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages 88 through 145 form an integral part of these Financial Statements.

Statement of Financial Position

As at 31 March	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
ASSETS					
Non-current Assets					
Property, Plant and Equipment	9	6,101,875,793	5,524,084,997	5,718,448,922	5,147,839,808
Right of Use Asset	10	23,454,377	17,067,993	23,454,377	17,067,993
Investment Property	11	-	-	231,908,000	226,400,000
Investment in Subsidiary	12	-	-	2,239,390,572	1,881,194,729
Loans Granted to Related Parties	13	3,258,531,934	3,180,696,329	3,258,531,934	3,180,696,329
Other Non Current Assets	14	25,982,000	25,982,000	25,982,000	25,982,000
		9,409,844,104	8,747,831,319	11,497,715,805	10,479,180,859
Current Assets					
Inventories	17	206,894,718	138,362,803	203,099,131	135,318,841
Trade and Other Receivables	18	1,724,715,053	1,315,483,686	1,787,122,558	1,170,798,966
Other Current Assets	19	1,723,048,228	1,342,393,590	1,723,048,228	1,342,393,590
Loans Granted to Related Parties	20	2,807,084,920	2,558,475,175	2,807,084,920	2,558,475,175
Cash and Balances with Banks	29.1	651,378,071	336,399,603	150,601,651	57,999,515
		7,113,120,990	5,691,114,859	6,670,956,488	5,264,986,087
Total Assets		16,522,965,094	14,438,946,178	18,168,672,293	15,744,166,946
EQUITY AND LIABILITIES					
Capital and Reserves					
Stated Capital	21	1,393,327,565	1,393,327,565	1,393,327,565	1,393,327,565
Other Components of Equity	22	2,959,646,342	2,633,391,827	4,478,661,946	3,905,525,939
Retained Earnings		3,234,476,759	2,446,864,512	2,802,106,459	2,087,751,556
Equity Attributable to Equity Holders of the Parent		7,587,450,666	6,473,583,903	8,674,095,970	7,386,605,060
Non-Controlling Interests		544,916,132	418,760,302	-	-
Total Equity		8,132,366,798	6,892,344,205	8,674,095,970	7,386,605,060
Non-current Liabilities					
Lease Liability	23	25,586,481	25,586,483	25,586,481	25,586,483
Interest Bearing Borrowings	24	191,385,324	557,668,563	191,385,324	557,668,563
Employee Benefit Liability	25	240,005,496	184,869,607	231,828,161	179,009,334
Deferred Tax Liability	7.2	1,396,571,685	1,259,268,153	1,980,118,936	1,771,780,071
		1,853,548,986	2,027,392,805	2,428,918,902	2,534,044,451
Current Liabilities					
Trade and Other Payables	26	3,040,913,379	2,363,782,158	3,029,020,826	2,265,491,425
Dividend Payable		3,603,041	14,401,722	3,603,041	14,401,722
Lease Liability	23	11,880,810	5,420,408	11,880,810	5,420,408
Interest Bearing Borrowings	24	1,646,001,314	1,842,659,723	1,646,001,314	1,842,659,723
Loan Due to Related Party	27	-	-	596,700,000	471,700,000
Income Tax Payable	28	980,400,067	818,195,302	924,200,731	749,094,301
Bank Overdraft	29.2	854,250,699	474,749,856	854,250,699	474,749,856
		6,537,049,310	5,519,209,168	7,065,657,421	5,823,517,436
Total Equity and Liabilities		16,522,965,094	14,438,946,178	18,168,672,293	15,744,166,946

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
Chairman

Sgd
Mr. Haresh Kaimal
Director

The Accounting Policies and Notes on pages 88 through 145 form an integral part of these Financial Statements.

31 August 2026
Colombo

Statement of Changes in Equity

GROUP	Note	Attributable to Equity Holders of Parent						
		Stated Capital	Fair Value Reserve of Financial Assets as at FVOCI	Revaluation Reserve	Retained Earnings	Total	Non-Controlling Interest	Total Equity
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Balance As at 01 April 2024		1,393,327,565	(237,743,562)	2,463,002,918	2,573,018,652	6,191,605,575	310,699,799	6,502,305,372
Profit for the Year		-	-	-	265,665,080	265,665,080	108,063,038	373,728,118
Other Comprehensive Income		-	11,146,224	170,388,908	(6,684,618)	174,850,514	(2,536)	174,847,979
Total Comprehensive Income		-	11,146,224	170,388,908	258,980,461	440,515,594	108,060,503	548,576,097
Transfer to Retained Earnings		-	226,597,338	-	(226,597,338)	-	-	-
Interim Dividends 2024/25	8.1	-	-	-	(158,537,264)	(158,537,264)	-	(158,537,264)
Balance As at 31 March 2025		1,393,327,565	-	2,633,391,827	2,446,864,512	6,473,583,904	418,760,302	6,892,344,205
Profit for the Year		-	-	-	814,053,393	814,053,393	126,413,332	940,466,725
Other Comprehensive Income		-	-	326,254,515	(26,441,146)	299,813,369	(257,502)	299,555,867
Total Comprehensive Income		-	-	326,254,515	787,612,247	1,113,866,762	126,155,830	1,240,022,592
Balance As at 31 March 2026		1,393,327,565	-	2,959,646,342	3,234,476,759	7,587,450,666	544,916,132	8,132,366,798

The Accounting Policies and Notes on pages 88 through 145 form an integral part of these Financial Statements..

Statement of
Changes in Equity

COMPANY	Note	Stated Capital Rs.	FV Reserve of Financial Assets at FVOCI Rs.	Revaluation Reserve Rs.	Retained Earnings Rs.	Total Rs.
Balance as at 01 April 2024		1,393,327,565	770,267,916	2,482,980,793	2,286,071,900	6,932,648,174
Profit for the Year		-	-	-	193,496,340	193,496,340
Other Comprehensive Income		-	296,310,984	129,368,908	(6,682,083)	418,997,810
Total Comprehensive Income		-	296,310,984	129,368,908	186,814,258	612,494,150
Interim Dividends 2024/25	8.1	-	-	-	(158,537,264)	(158,537,264)
Transfer to Retained Earnings		-	226,597,338	-	(226,597,338)	-
Balance as at 31 March 2025		1,393,327,565	1,293,176,237	2,612,349,702	2,087,751,556	7,386,605,060
Profit for the Year		-	-	-	740,538,549	740,538,549
Other Comprehensive Income		-	250,737,090	322,398,916	(26,183,646)	546,952,361
Total Comprehensive Income		-	250,737,090	322,398,916	714,354,903	1,287,490,910
Balance as at 31 March 2026		1,393,327,565	1,543,913,327	2,934,748,618	2,802,106,459	8,674,095,970

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages 88 through 145 form an integral part of these Financial Statements.

Statement of Cash Flow

Year ended 31 March	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Cash Flows From Operating Activities					
Profit Before Tax		1,617,914,387	893,184,917	1,267,505,279	622,326,916
Adjustments for					
Amortisation of Right of Use Asset	10	7,296,473	234,343	7,296,473	234,343
Depreciation	9.1.2 & 9.2.2	406,130,829	389,790,735	359,849,522	345,269,354
Loss on Disposal of Property, Plant and Equipment	4	1,910,314	8,936	1,910,314	8,936
Finance Income	5.2	(584,194,298)	(562,068,796)	(583,187,485)	(545,316,646)
Finance Costs	5.1	273,527,924	341,042,132	325,173,650	378,335,646
Unrealised Foreign Currency Exchange Gain		(613,735)	(5,462,244)	(613,735)	(5,462,244)
Provision for Gratuity	25	37,532,154	37,746,242	35,835,573	36,246,064
Provision for Bad Debt	18.2	(32,672,434)	62,066,491	(32,672,434)	62,066,491
Inventory Write-off	17	-	5,857,605	-	5,857,605
ROU Liability reassessment Loss	23	-	29,389,537	-	29,389,537
Impairment of loans & other receivables	19.5	70,221,003	313,246,762	70,221,003	313,246,762
Scrip dividends received		-	(14,442,348)	-	(14,442,348)
Change in Fair Value of Investment Property	11	-	-	(5,508,000)	(58,600,000)
Operating Profit Before Working Capital Changes		1,797,052,617	1,490,594,308	1,445,810,160	1,169,160,414
(Increase)/Decrease in Inventories		(68,531,915)	68,480,061	(67,780,290)	67,274,988
(Increase)/Decrease in Trade and Other Receivables		(773,225,286)	(682,453,556)	(980,317,512)	(565,519,281)
(Increase)/Decrease in Other Current Assets		(380,654,638)	(1,365,150,335)	(380,654,638)	(1,365,150,335)
(Decrease)/Increase in Trade and Other Payables		666,332,539	1,016,805,122	752,730,719	960,405,847
Cash Generated From Operations		1,240,973,317	528,275,600	769,788,439	266,171,633
Income Tax Paid	28	(505,839,396)	(299,798,638)	(377,448,535)	(218,655,959)
Finance Costs Paid		(289,181,978)	(326,862,484)	(340,827,704)	(364,155,998)
Employee Benefit Paid	25	(20,537,190)	(24,270,226)	(20,421,950)	(24,270,226)
Net Cash From Operating Activities		425,414,753	(122,655,746)	31,090,250	(340,910,549)
Cash Flows From/(Used in) Investing Activities					
Acquisition of Property, Plant and Equipment	9.1 & 9.2	(520,836,247)	(312,411,077)	(472,881,261)	(306,031,117)
Proceeds from Sale of Shares	13.1	-	270,388,572	-	270,388,572
Proceeds from Sale of Property, Plant and Equipment		1,082,168	-	1,082,168	-
Finance Income Received	5.2	584,194,298	534,892,378	583,187,485	532,582,576
Loans Received/repayment from Related Parties	27	-	-	125,000,000	150,000,000
Loans Granted to Related Parties	20.1.1	-	(17,000,000)	-	(17,000,000)
Net Cash Flows From/ (Used in) Investing Activities		64,440,219	475,869,874	236,388,392	629,940,032
Cash Flows From /(Used in) Financing Activities					
Payment of Lease Liability	23	(13,297,312)	(5,420,408)	(13,297,312)	(5,420,408)
Repayment of Interest Bearing Loans and Borrowings	24.1 & 24.2	(3,734,474,475)	(571,544,820)	(3,734,474,475)	(554,044,820)
Proceeds From Interest Bearing Loans and Borrowings	24.1 & 24.2	3,193,486,739	198,727,233	3,193,486,739	198,727,233
Dividend Paid		(92,298)	(50,785,633)	(92,298)	(50,785,633)
Net Cash Flows From/(Used in) Financing Activities		(554,377,346)	(429,023,628)	(554,377,346)	(411,523,628)
Net Increase/(Decrease) in Cash and Balances with Banks		(64,522,375)	(75,809,501)	(286,898,706)	(122,494,146)
Cash and Balances with Banks at the Beginning of the Year	29	(138,350,253)	(62,540,752)	(416,750,342)	(294,256,196)
Cash and Balances with Banks at the End of the Year	29	(202,872,628)	(138,350,253)	(703,649,048)	(416,750,342)

Figures in brackets indicate deductions.

The Accounting Policies and Notes on pages 88 through 145 form an integral part of these Financial Statements.

Notes to the Financial Statements

1. CORPORATE INFORMATION

1.1 General

Asiri Surgical Hospital 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. 21, Kirimandala Mawatha, Colombo 5.

1.2 Principal Activities and Nature of Operations

During the year, principal activities of the Company were to operate a two-tier hospital and provide healthcare services.

1.3 Parent Enterprise and Ultimate Parent Enterprise

The Company's immediate parent undertaking is Asiri Hospital Holdings PLC.

In the opinion of the Directors, Softlogic Holdings PLC is the ultimate parent undertaking and controlling party of the Company.

1.4 Date of Authorisation for Issue

The Consolidated Financial Statements of Asiri Surgical Hospital PLC for the year ended 31 March 2026 was authorised for issue in accordance with a resolution of the Board of Directors on 31 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 OTHER 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 buildings on lease hold land, investment properties, fair valued through other comprehensive income financial assets, which have been measured at fair value.

Materiality and Aggregation

Each material class of similar items is presented cumulatively in the Financial Statements. Items of dissimilar nature or function are presented separately unless they are immaterial as permitted by the Sri Lanka Accounting Standard - LKAS 1 'Presentation of Financial Statements'.

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 of Functional Currency

The Consolidated 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.

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 the statements of the current year except for the note 34 to the financial statements.

2.1.1 Basis of Consolidation

The Consolidated Financial Statements of Asiri Surgical Hospital PLC and its subsidiary (referred to as the 'Group') comprise the Financial Statements of the Group as at 31 March 2026.

Subsidiaries are disclosed in note 12 to the Financial Statements

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

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; and
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 liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in Income Statement. Any investment retained is recognised at fair value.

Notes to the Financial Statements

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

Company	Effective Holding 2026	Effective Holding 2025	Principal Activities
Asiri AOI Cancer Centre (Pvt) Ltd	50.00%	50.00%	The principal activities of the Company are to carry out cancer treatment services.

The Group management re-assessed the control and operating structure of A.O.I., following which it was determined a subsidiary of Asiri Surgical Hospital PLC group (with 50% direct shareholding) effective 01 April 2020.

Summary of Significant Accounting Policies

A summary of significant accounting policies has been disclosed along with relevant individual notes in the subsequent pages.

The accounting policies presented with each note, have been applied consistently by the Company.

Current Versus Non-Current Classification

The Group presents assets and liabilities in the statement of Financial Position based on a current/ non-current classification.

An asset is current when it is:

Expected to be realised or intended to be sold or consumed in the normal operating cycle,

Held primarily for the purpose of trading,

Expected to be realised within twelve months from the reporting date, or

A cash or cash equivalent unless restricted from exchange or use to settle a liability for at least twelve months after the reporting date.

All other assets are classified as non-current.

A liability is current when it is:

Expected to be settled in the normal operating cycle,

Incurred primarily for the purpose of trading,

Due to be settled within twelve months after the reporting date, and

Not affected by any unconditional right to defer settlement for at least twelve months after the reporting date.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Foreign Currency Translation

The Consolidated 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 Income Statement.

2.2 Summary of Significant Accounting Judgments, Estimates and Assumptions

In preparing these Financial Statements of the Group, the management has made judgements, estimates and assumptions that affect the application of Group's accounting policies and the reported amounts of assets, liabilities, income, expenses and its disclosure of contingent liabilities. Judgements and estimates are based on historical experience and other factors,

including expectations that are believed to be reasonable under the circumstances. Hence, actual results may differ from these judgements and estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and revisions to accounting estimates are recognised prospectively.

The management considered the following items, where significant judgements, estimates and assumptions have been used in preparing these Consolidated Financial Statements.

a) Fair Value of Property, Plant and Equipment

The Group measures buildings on lease hold land at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group engaged an independent valuation specialist to assess fair value of such assets as at 31 March 2026. Refer Note 9.5 to these financial statements for Significant unobservable valuation input.

b) Fair Value of Investment Property

The Group measures building which is recognised as investment property at fair value amount with change in value being the open market approach in determining the fair value of the building. Further details on fair value of investment property are disclosed in Note 11 to the financial statements.

c) Taxes

Significant judgement was required to determine the total provision for current and deferred taxes due to uncertainties that exist with respect to the interpretation of the applicability of tax law at the time of the preparation of these financial statements.

Further, judgement has been exercised in relation to the income tax exemption under the agreement entered into between Asiri Surgical Hospital PLC and the Board of Investment, as disclosed in Note 28.

d) Post-Employment Benefit Plan

The cost of the post-employment 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 increases, staff turnover, and retirement age and going concern of the Company. Due to the long-term nature of the plan, such estimates are subject to significant uncertainty. (Refer Note 25 to these Financial Statements)

e) 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 18.2)

f) 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 9.8

g) 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)

h) 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

Notes to the Financial Statements

using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates. (Refer Note 10)

i) Provision for impairment related to loans granted to related parties, other receivables from related parties 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. (Refer Note 19.4)

2.3 Summary of Significant Accounting Policies Applied

The following are the significant accounting policies applied by the Group in preparing its Consolidated Financial Statements:

2.3.1 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 combination 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 Income Statement.

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 Income Statement 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 Income Statement.

The Company has recognised the Investment in Joint venture Asiri AOI Cancer Centre (Pvt) Ltd as a subsidiary and the existing investment which is measured under equity method is recognised as the investment value of the acquire.

2.3.2 Fair Value Measurement

Fair value related disclosures for non-financial assets and financial instruments that are measured at fair value or where fair values are disclosed are summarised in Note 9.5, 11,12, 13 and 16 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.

2.3.3 Property, Plant and Equipment

Property, plant and equipment are initially stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. 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 Income Statement as incurred.

Building on lease hold land are subsequently measured at fair value at the date of revaluation, less accumulated depreciation and accumulated impairment on buildings subsequent to the date of revaluation. Valuations are performed with sufficient frequency to ensure that the fair value of a revalued asset does not differ materially from its carrying amount.

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.

A revaluation surplus is recognised in other comprehensive income and credited to the revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in the Income Statement, the increase is recognised in the Income Statement. A revaluation deficit is

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recognised in Income Statement, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

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 Income Statement in the year the asset is derecognised.

2.3.4 Investment Properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the reporting date. Gains or losses arising from changes in the fair values of investment properties are included in Income Statement in the period in which they arise, including the corresponding tax effect. Fair values are determined based on an annual valuation performed by an accredited external independent valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of (i.e., at the date the recipient obtains control) or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal.

Transfers are made to (or from) investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use. If owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under property, plant and equipment up to the date of change in use.

2.3.5 Right of Use Assets and Lease Liabilities

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.

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.

Company as a Lessor

Leases in which the Company 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 Income Statement 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.

2.3.6 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.

2.3.7 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 2.3.15 Revenue from contracts with customers.

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.

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Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (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:

Financial assets at amortised cost (debt instruments)

Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)

Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de-recognition (equity instruments)

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 Finance income in the Income Statement 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 listed 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 derecognised (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.

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

Trade receivables Note 18 to the financial statement.

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

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amortised cost using the EIR method. Gains and losses are recognised in Income Statement 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 Income Statement.

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

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 are recognised in the Income Statement.

2.3.8 Equity Accounted Investees

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investment in joint venture is accounted for using the equity method till 31 March 2020. The group management re-assessed the control and operating structure of AOI, following which they determined that AOI as a subsidiary of the Asiri Surgical Hospital PLC with effect from 1 April 2020 and accounted as a subsidiary of Asiri Surgical Hospital PLC Group with 50% direct shareholdings.

2.3.9 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 less the estimated cost of completion and the estimated cost necessary to make the sale.

The cost incurred in bringing inventories to its present location and conditions are accounted for using the first-in first-out basis.

2.3.9.1 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. Contract assets of the Group have been disclosed in trade and other receivable Note 18 to the financial statements.

2.3.10 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 higher of asset's fair value less costs to sell and its value in use. It 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. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

2.3.11 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 the statement of cash flows, 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.

2.3.12 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 Income Statement net of any reimbursement.

2.3.13 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 increases 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 Statement of Other Comprehensive Income.

The Group is liable to pay gratuity in terms of the relevant statute.

The Gratuity liability is not externally funded.

b. Defined Contribution Plans

Employees' 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 towards Employees' Provident Fund and Employee' Trust Fund respectively.

2.3.13.1 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.

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2.3.14 Dividend Payable

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 Company. A corresponding amount is recognised directly in equity.

2.3.15 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, applies to all contracts with customers to provide goods and services in the ordinary course of business. The Company adopts principle based five steps model for revenue recognition.

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

The parties to the contract have approved the contract/s;

The Group can identify each party's rights regarding goods or services to be transferred;

The Group can identify the payment term for the goods or services to be transferred;

The contract has commercial substance;

It is probable that the Group 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 the point in time when control of the asset is 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.

2.3.16 Other Income

Other income is recognised in the Income Statement as it accrues.

2.3.17 Dividend Income

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

2.3.18 Finance Income

Finance income comprises interest income on funds invested, dividend income and Guarantee fee 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 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 income statement. Guarantee fee earned for the provision of guarantee over a period are accrued over that period.

2.3.19 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.

2.3.20 Expenditure

Expenses are recognised in the income statement 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 income statement.

For the purpose of presentation of the income statement, the "function of expenses" method has been adopted, on the basis that it presents fairly the elements of the Group performance.

2.3.21 Taxation

Current tax

Current tax assets and liabilities for the current and prior periods 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 in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and for items recognised in other comprehensive income is recognised in other comprehensive income and not in the income statement.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Taxation

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial temporary differences 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, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and 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.

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.

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Financial Statements

2.3.22 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.

2.3.23 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 Group's 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 Standards Issued But Not Yet Effective

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

2.4.1 Standards Issued But Not Yet Effective

Effect of Sri Lanka Accounting Standards Issued But Not Yet Effective:

The following Sri Lanka Accounting Standards and interpretations have been issued by the Institute of Chartered Accountants of Sri Lanka which are not yet effective as at 31st March 2026.

- **SLFRS 18 Presentation and Disclosure in Financial Statements**

SLFRS 18, which replaces LKAS 1, introduces significant enhancements to the way financial information is organised and communicated. The standard establishes new categories and subtotals in the statement of profit or loss to improve consistency and comparability across entities. It also requires entities to disclose management-defined performance measures (as specified in the standard), together with clear explanations and reconciliations. In addition, SLFRS 18 introduces strengthened requirements regarding the location, aggregation, and disaggregation of financial information. These changes are designed to ensure that financial statements present information more transparently and in a way that enhances users' understanding of an entity's financial performance and position.

SLFRS 18, and consequential amendments to the other accounting standards, are effective for annual reporting periods beginning on or after 1 January 2027. Early application is permitted.

The potential impact of SLFRS 18 on the financial statements and the related notes is currently being identified and evaluated.

- **Classification and Measurement of Financial Instruments - Amendments to SLFRS 9 and SLFRS 7**

The amendments introduce enhancements to the classification, measurement, derecognition, and disclosure requirements for financial instruments. Their objective is to strengthen transparency, promote greater consistency in financial reporting, and respond to emerging market developments - particularly features such as sustainability linked terms and nature dependent electricity contracts.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application is permitted.

The amendments are not expected to have a material impact on the financial statements.

3. REVENUE AND OTHER INCOME

3.1 Revenue

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Healthcare Services	**7,542,089,114**	6,938,569,032	**6,834,533,559**	6,204,475,571
Sales of Goods	**180,478,410**	249,865,468	**180,478,410**	249,865,468
Loyalty points	**(986,518)**	(6,333,206)	**(255,073)**	(5,883,182)
	7,721,581,006	7,182,101,294	**7,014,756,896**	6,448,457,858

3.2 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 generated and is measured consistently with revenue in the financial statements.

The Company 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 OPD pharmacy revenue

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

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Pre care	**3,018,720,093**	2,744,279,629	**2,311,895,983**	2,010,636,193
Post Care	**4,522,382,503**	4,187,956,197	**4,522,382,503**	4,187,956,197
Pharmaceutical	**180,478,410**	249,865,468	**180,478,410**	249,865,468
	7,721,581,006	7,182,101,294	**7,014,756,896**	6,448,457,858

3.3 Timing of Revenue Recognition

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Services and Goods Transferred at a Point In Time	**3,199,198,503**	2,994,145,097	**2,492,374,393**	2,260,501,660
Services Transferred over Time	**4,522,382,503**	4,187,956,197	**4,522,382,503**	4,187,956,197
	7,721,581,006	7,182,101,294	**7,014,756,896**	6,448,457,858

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4 OTHER INCOME

	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Rental Income	4.1	47,895,033	31,775,660	98,939,661	79,631,868
Sundry Income		40,700,011	11,474,789	39,023,279	11,040,462
Loss on Disposal of Property, Plant and Equipment		(1,910,314)	(8,936)	(1,910,314)	(8,936)
Exchange Gain/(Loss)		1,136,971	3,904,303	1,136,971	2,507,155
		87,821,701	47,145,816	137,189,597	93,170,549

4.1 Company's Rental income includes Rs. 51,044,628 from Asiri AOI Cancer Centre (Private) Limited & 18,925,200 from Asiri Hospital Holdings PLC rentals.

5 FINANCE COST AND INCOME

5.1 Finance Cost

	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Interest Expense on Overdrafts		49,936,235	49,904,480	49,936,235	49,904,480
Interest Expense on Borrowings	5.1.1	206,337,653	274,303,456	258,178,128	311,747,668
Interest on Guarantees		7,102,359	7,855,842	7,102,359	7,855,842
Bank Charges on Interest Bearing Borrowings		3,851,822	2,654,548	3,657,073	2,503,851
Finance cost on lease liability		6,299,855	6,323,806	6,299,855	6,323,806
		273,527,924	341,042,132	325,173,650	378,335,646

5.1.1 Company's Interest Expense Includes Loan interest of Rs.51,840,475 from Asiri AOI Cancer Centre (Private) Limited.

5.2 Finance Income

	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Interest Income	5.2.1	575,894,298	534,892,378	574,887,485	532,582,576
Guarantee Income		8,300,000	2,800,000	8,300,000	2,800,000
Dividend Income on Financial assets		-	24,376,418	-	24,376,418
		584,194,298	562,068,796	583,187,485	559,758,994

5.2.1 Interest Income

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Interest Income on other receivables on related parties	**178,528,763**	97,149,269	**178,528,763**	97,149,269
Interest Income on Intercompany Loans	**397,273,367**	435,427,188	**396,266,554**	435,427,188
Other Interest Income	**92,168**	2,315,922	**92,168**	6,120
	575,894,298	534,892,378	**574,887,485**	532,582,576

6. PROFIT BEFORE TAX

Profit Before Tax stated after charging all Expenses including the following:

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Included in Cost of Sales				
Depreciation	**235,670,428**	227,167,191	**197,540,102**	189,264,873
Staff Expenses including the following:	**1,059,171,014**	65,791,404	**1,132,498,980**	1,071,182,021
Defined Contribution Plan Costs - EPF and ETF	**91,407,694**	88,921,848	**86,230,660**	82,968,620
Included in Administrative Expenses				
Depreciation	**164,800,400**	158,782,833	**162,309,420**	156,004,481
Staff Expenses including the following:	**502,193,127**	491,694,040	**491,304,966**	474,796,748
Defined Benefit Plan Costs - Gratuity	**37,532,154**	37,746,242	**35,835,573**	36,246,064
Defined Contribution Plan Costs - EPF and ETF	**18,097,719**	16,735,029	**17,213,424**	16,735,029
Directors' Fees and Remuneration	**6,620,833**	3,267,473	**6,620,833**	3,267,473
Amortisation of Leasehold Property	**7,469,699**	234,343	**7,469,699**	234,343
Donations	**899,996**	20,000	**899,996**	20,000
Legal Fees	**27,123,659**	32,014,887	**27,123,659**	32,014,887
Audit Fees and Related Expenses	**2,091,164**	1,844,420	**1,741,164**	1,524,404
Impairment of Related Party Loans	**37,192,822**	180,438,437	**37,192,822**	180,438,437
Impairment on Other Receivables From Related Party	**33,019,373**	132,762,245	**33,019,373**	132,762,245
Impairment on Trade Receivables From Related Party	**8,809**	46,079	**8,809**	46,079
Included in Selling and Distribution Costs				
Advertising Costs	**15,236,256**	21,813,254	**13,756,378**	14,725,662
Provision for Bad Debts	**(32,672,434)**	62,066,491	**(32,672,434)**	62,066,491

Notes to the Financial Statements

7. TAX EXPENSE

	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Current Income Tax					
Current Income Tax Charge	7.1	537,144,431	438,972,321	421,655,235	329,163,989
Additional Provision		131,380,784	120,013,545	131,380,784	120,000,000
		668,525,215	558,985,866	553,036,019	449,163,989
Deferred Income Tax					
Deferred Taxation income/ (Expense)	7.2	8,922,447	(39,529,067)	(26,069,289)	(20,333,414)
Income Tax Expenses Reported in the Statement of Profit or Loss		677,447,662	519,456,799	526,966,730	428,830,575
Deferred Income Tax					
Deferred Tax Expenses Reported in the Other Comprehensive Income	7.2	128,381,086	70,161,238	234,408,155	174,793,537
Income Tax Expenses Reported in the Statement of Total Comprehensive Income		805,828,748	589,618,037	761,374,886	603,624,113

7.1 Reconciliation between Current Tax Expense and Accounting Profit

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Accounting Profit before Income Tax	1,617,914,387	893,184,917	1,267,505,279	622,326,916
Other Console Adjustments	(5,724,710)	58,037,019	-	-
Profit/(Loss) after Adjustments	1,612,189,677	951,221,936	1,267,505,279	622,326,916
Disallowable Expenses	576,504,823	890,495,053	466,549,592	794,685,036
Allowable Expenses	(391,568,092)	(307,845,770)	(321,892,449)	(249,168,505)
Other Adjustments	-	17,808,513	-	17,808,513
Profit Exempt from Income Tax	(733,319,406)	(700,653,106)	(680,472,117)	(700,653,106)
Assessable Income from Business	1,063,807,002	851,026,626	731,690,305	484,998,854
Assessable Income from Investment	726,674,435	612,214,444	673,827,146	612,214,444
Taxable Income	1,790,481,437	1,463,241,070	1,405,517,451	1,097,213,298
Income Tax Expenses - 30%	537,144,431	438,972,321	421,655,235	329,163,989
	537,144,431	438,972,321	421,655,235	329,163,989

7.2 Deferred Tax (Assets) / Liabilities

Group	Statement of Financial Position		Statement of Profit or Loss		Statement of Other Comprehensive Income	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.	**2026 Rs.**	2025 Rs.
Deferred Tax Liability						
Revaluation of Building	**1,160,055,161**	1,020,231,799	**-**	-	**139,823,364**	73,023,818
Accelerated Depreciation for Tax Purposes	**313,624,513**	291,060,711	**22,563,802**	(30,866,742)	**-**	-
	1,473,679,674	1,311,292,509	**22,563,802**	(30,866,742)	**139,823,364**	73,023,818
Deferred Tax Assets						
ECL Allowance	**(902,467)**	(1,235,222)	**332,755**	(1,235,222)	**-**	-
Tax Losses	**-**	-	**-**	-	**-**	-
Defined Benefit Obligation	**(72,001,648)**	(54,970,804)	**(5,588,567)**	(7,991,276)	**(11,442,278)**	(2,862,580)
Right of Use Assets	**(4,203,874)**	4,181,669	**(8,385,544)**	564,173	**-**	-
	(77,107,989)	(52,024,356)	**(13,641,355)**	(8,662,325)	**(11,442,278)**	(2,862,580)
Deferred Tax Expense			**8,922,447**	(39,529,067)	**128,381,086**	70,161,238
Net Deferred Tax Liability	**1,396,571,685**	1,259,268,153				

Company	Statement of Financial Position		Statement of Profit or Loss		Statement of Other Comprehensive Income	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.	**2026 Rs.**	2025 Rs.
Deferred Tax Liability						
Investment Property	**10,705,545**	1,275,871	**9,429,674**	9,802,726	**-**	-
Investment in Subsidiary	**661,677,140**	554,218,387	**-**	-	**107,458,753**	122,213,469
Revaluation of Building	**1,160,725,809**	1,022,554,847	**-**	-	**138,170,963**	55,443,818
Accelerated Depreciation for Tax Purposes	**221,665,231**	244,487,319	**(22,822,088)**	(21,927,378)	**-**	-
	2,054,773,725	1,822,536,424	**(13,392,414)**	(12,124,652)	**245,629,716**	177,657,287
Deferred Tax Assets						
ECL Allowance	**(902,467)**	(1,235,222)	**332,755**	(1,235,222)	**-**	-
Defined Benefit Obligation	**(69,548,448)**	(53,702,800)	**(4,624,087)**	(7,537,712)	**(11,221,561)**	(2,863,750)
Right-of-use Assets	**(4,203,874)**	4,181,669	**(8,385,544)**	564,173	**-**	-
	(74,654,789)	(50,756,353)	**(12,676,875)**	(8,208,762)	**(11,221,561)**	(2,863,750)
Deferred Tax Expense			**(26,069,289)**	(20,333,414)	**234,408,155**	174,793,537
Net Deferred Tax Liability	**1,980,118,936**	1,771,780,071				

Notes to the
Financial Statements

8. 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 weighted average number of ordinary shares outstanding during the year and the previous year are adjusted for events that have changed the number of ordinary shares outstanding, without a corresponding change in the resources such as a bonus issue.

The following reflects the income and share data used in the Basic/Diluted Earnings Per Share computations.

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Profit / (Loss) for the Year	**814,053,393**	265,665,080	**740,538,549**	193,496,340
Weighted Average Number of Ordinary Shares in Issue	**528,457,545**	528,457,545	**528,457,545**	528,457,545
Basic Earnings Per Share - Continuing Operations (Rs.)	**1.54**	0.50	**1.40**	0.37

Number of Ordinary Shares used as the Denominator	**2026 Number**	2025 Number
Weighted Average number of Ordinary Shares in Issue Applicable		
to Basic/Diluted Earnings Per Share	**528,457,545**	528,457,545

8.1 Dividends Paid

Declared and Paid During the Year as follows:

	Group/Company	
	2026 Rs.	2025 Rs.
Equity Dividends on Ordinary Shares :		
Interim Dividend : 0.30 per share	-	158,537,264
	-	158,537,264

9. PROPERTY, PLANT AND EQUIPMENT

9.1 Group

9.1.1 Gross Carrying Amounts

	Balance as at 01.04.2025 Rs.	Additions Rs.	Revaluation Rs.	Disposals Rs.	Transfers Rs.	Balance as at **31.03.2026** **Rs.**
At Valuation						
Buildings on Leasehold Land	4,329,632,495	1,914,629	466,077,879	-	(108,601,008)	**4,689,023,995**
	4,329,632,495	1,914,629	466,077,879	-	(108,601,008)	**4,689,023,995**
At Cost						
Medical Equipment	3,173,259,063	488,237,487	-	(6,910,737)	(95,209,717)	**3,559,376,096**
Furniture and Fittings	174,989,974	6,298,393	-	(358,222)	(97,732)	**180,832,413**
Motor Vehicles	56,303,180	-	-	(400,000)	-	**55,903,180**
Sundry Equipment	896,242,953	24,385,738	-	(3,558,779)	-	**917,069,912**
	4,300,795,170	518,921,618	-	(11,227,738)	(95,307,449)	**4,713,181,601**
Total Value of Depreciable Assets	8,630,427,665	520,836,247	466,077,879	(11,227,738)	(203,908,457)	**9,402,205,596**

9.1.2 Accumulated Depreciation

	Balance as at 01.04.2025 Rs.	Charge for the Year Rs.	Disposals Rs.	Transfers Rs.	Balance as at **31.03.2026** **Rs.**
At Valuation					
Buildings on Leasehold Land	-	108,601,008	-	(108,601,008)	**-**
	-	108,601,008	-	(108,601,008)	**-**
At Cost					
Medical Equipment	2,258,439,209	237,345,142	(3,998,020)	(95,189,304)	**2,396,597,027**
Furniture and Fittings	138,502,248	8,150,456	(360,390)	(35,975)	**146,256,339**
Motor Vehicles	44,588,541	3,162,500	(400,000)	-	**47,351,041**
Sundry Equipment	664,812,669	48,871,723	(3,558,996)	-	**710,125,396**
	3,106,342,667	297,529,821	(8,317,406)	(95,225,279)	**3,300,329,803**
Total Accumulated Depreciation	3,106,342,667	406,130,829	(8,317,406)	(203,826,287)	**3,300,329,803**

Notes to the
Financial Statements

9.2 Company

9.2.1 Gross Carrying Amounts

	Balance as at 01.04.2025 Rs.	Additions Rs.	Revaluation Rs.	Disposals Rs.	Transfers Rs.	Balance as at **31.03.2026** **Rs.**
At Valuation						
Building on Leasehold Land	4,116,038,500	1,914,629	460,569,879	-	(102,941,008)	**4,475,582,000**
	4,116,038,500	1,914,629	460,569,879	-	(102,941,008)	**4,475,582,000**
At Cost						
Medical Equipment	2,732,083,909	440,323,487	-	(6,910,737)	(95,209,717)	**3,070,286,942**
Furniture and Fittings	171,910,877	6,298,393	-	(358,222)	(97,732)	**177,753,316**
Motor Vehicles	56,303,180	-	-	(400,000)	-	**55,903,180**
Sundry Equipment	858,064,753	24,344,752	-	(3,558,779)	-	**878,850,726**
	3,818,362,719	470,966,632	-	(11,227,738)	(95,307,449)	**4,182,794,164**
Total Value of Depreciable Assets	7,934,401,219	472,881,261	460,569,879	(11,227,738)	(198,248,457)	**8,658,376,164**

9.2.2 Accumulated Depreciation

	Balance as at 01.04.2025 Rs.	Charge for the Year Rs.	Disposals Rs.	Transfers Rs.	Balance as at **31.03.2026** **Rs.**
At Valuation					
Building on Leasehold Land	-	102,941,008	-	(102,941,008)	**-**
	-	102,941,008	-	(102,941,008)	**-**
At Cost					
Medical Equipment	1,971,389,816	197,540,102	(3,998,021)	(95,189,305)	**2,069,742,592**
Furniture and Fittings	137,210,818	7,633,701	(360,390)	(35,975)	**144,448,154**
Motor Vehicles	44,588,543	3,162,500	(400,000)	-	**47,351,043**
Sundry Equipment	633,372,238	48,572,211	(3,558,996)	-	**678,385,453**
	2,786,561,415	256,908,514	(8,317,407)	(95,225,280)	**2,939,927,242**
Total Accumulated Depreciation	2,786,561,415	359,849,522	(8,317,407)	(198,166,288)	**2,939,927,242**

9.3 Net Book Values

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
At Valuation				
Building on Leasehold Land	**4,689,023,995**	4,329,632,495	**4,475,582,000**	4,116,038,500
At Cost				
Medical Equipment	**1,162,779,069**	914,819,853	**1,000,544,350**	760,694,094
Furniture and Fittings	**34,576,074**	36,487,726	**33,305,162**	34,700,059
Motor Vehicles	**8,552,139**	11,714,639	**8,552,137**	11,714,638
Sundry Equipment	**206,944,516**	231,430,284	**200,465,273**	224,692,516
	1,412,851,798	1,194,452,502	**1,242,866,922**	1,031,801,308
Total Carrying Amount of Property, Plant and Equipment	**6,101,875,793**	5,524,084,997	**5,718,448,922**	5,147,839,808

9.4 During the year, the Group acquired Property, Plant and Equipment to the aggregate value of Rs. 520,836,247 (2025 -Rs. 312,411,077.12). Cash payments amounting to Rs. 520,836,247 (2025 -Rs. 312,411,077.12) 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. 472,881,261 (2025 -Rs. 306,031,117). Cash payments amounting to Rs. 472,881,261 (2025 -Rs. 306,031,117) were made during the year for purchase of Property, Plant and Equipment.

9.5 The following properties are fair valued and recorded under buildings. Fair Value measurement disclosure for revalued building based on unobservable inputs are as follows,

Location	Extent	Independent Valuer	Effective Date of Valuation	Method of Valuation	Estimated Price Per Square Feet		Range of Significant unobservable input (Rate of Return)		Fair Value
					Building Value Per Square Feet				
					2026	2025	2026	2025	Rs.
No 21, Kirimandala Mawatha, Narahenpita	386,187 Sq. ft	S. Sivaskantha	31 March 2026	IA*	**Rs. 12,000/- to Rs. 23,750/-**	Rs. 11,000/- to Rs. 22,000/-	**7.50%**	7.50%	4,475,582,000/-
No 21 and 23, Kirimandala Mawatha, Narahenpita	6,710 Sq. ft	S. Sivaskantha	31 March 2026	IA*	**Rs. 625/-**	Rs. 275/- to Rs. 610/-	**8.00%**	8.00%	231,908,000/-

* 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.

Notes to the
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The Investment property of the Company identified as Property Plant and Equipment in the Group Financials. Refer Note 11.1.

The surplus arising from the revaluation net of deferred tax is recognised in the Other Comprehensive Income and transferred to Revaluation Reserve in Equity.

9.6 Valuation Process of the Group

The Group/Company usually engage an external Independent and qualified valuer to determination the fair value of Land and Building. When significant changes in fair values are expected between two valuations, that necessitates a more regular basis of valuation adopted. The last revaluation was carried out with an effective of 31 March 2026.

Professional Valuer: S. Sivaskantha B.SC Mgt. & Val. (Sri Lanka)

Diploma In Valuation (Sri Lanka), F.I.V Chartered Valuer

9.7 Sensitivity

Entity	Valuation Technique	Significant Unobservable Input	Sensitivity of the input to fair value
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. (179) Mn and Rs. 434 Mn respectively
Asiri AOI Cancer Center (Pvt) Ltd	Income Approach	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

9.8 Depreciation

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

	2025/2026
Buildings on Leasehold Land	Over 60 Years
Medical Equipment	
Medical Equipment	Over 10 Years
Short life Assets	Over 2-3 Years
Furniture and Fittings	Over 10 Years
Motor Vehicles	Over 5-8 Years
Sundry Equipment	
Computer and Office Equipment	Over 4-5 Years
Other	Over 10 Years

9.9 Company's property, plant and equipment with a cost of Rs. 1,737 Mn (2025 - Rs. 1,693 Mn) have been fully depreciated and Group's property, plant and equipment with a cost of Rs. 1,822 Mn (2025 - Rs. 1,776 Mn) have been fully depreciated and continue to be in use by the company.

9.10 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;

Class of Asset	Cost	Cumulative Depreciation If assets were carried at cost	Net Carrying Amount	Net Carrying Amount
			2026	2025
	Rs.	Rs.	Rs.	Rs.
Building on Leasehold Land	1,268,405,497	403,962,631	**864,442,866**	883,665,438
	1,268,405,497	403,962,631	**864,442,866**	883,665,438

10. RIGHT-OF-USE ASSET

	Group		Company	
	2026	2025	**2026**	2025
	Rs.	Rs.	**Rs.**	Rs.
At the Beginning of the Year	**17,067,993**	21,931,772	**17,067,993**	21,931,772
Additions	**13,856,083**	-	**13,856,083**	-
ROU Asset re-assessed Adjustment	**-**	(4,629,436)	**-**	(4,629,436)
Amortisation for the Year	**(7,469,699)**	(234,343)	**(7,469,699)**	(234,343)
At the End of the Year	**23,454,377**	17,067,993	**23,454,377**	17,067,993

10.1 Leasehold Property - Board of Investment of Sri Lanka (BOI)

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.

10.2 Expenses relating to short-term leases and leases of low-value assets amounting to Rs. 6.4 Mn (2025 - Rs. 14.9 Mn) were recognised in profit or loss. During the year, rental arrangements with lease terms exceeding two years amounting to Rs. 13.8 Mn were accounted for in accordance with SLFRS 16 and recognised as additions to right-of-use assets.

Notes to the Financial Statements

10.3 The incremental borrowing rates used for Group/Company for the year ended 31 March 2026, are as follows:

Entity	AWPLR + Margin	
	Lower Range	Higher Range
Asiri Surgical Hospital PLC	9.93%	21.96%
Asiri AOI Cancer Centre (Pvt) Ltd	9.10%	

11. INVESTMENT PROPERTY

	Company	
	2026 Rs.	2025 Rs.
At the Beginning of the Year	**226,400,000**	167,800,000
Change in Fair Value during the Year	**5,508,000**	58,600,000
At the End of the Year	**231,908,000**	226,400,000

The Company's investment property consists of a building situated at No 21, Kirimandala Mawatha, Narahenpita.

	Company	
	2026 Rs.	2025 Rs.
Rental income derived from Investment Properties	**51,044,628**	47,856,208
Profit arising from investment properties carried at fair value	**51,044,628**	47,856,208

Fair value hierarchy disclosures for investment properties are in Note 16.

11.1 Fair Value measurement disclosure for investment property

The description of valuation techniques used and key inputs to valuation of investment property :

Location	Extent	Independent Valuer	Effective Date of Valuation	Valuation Details	Estimated Price Per Square Feet		Fair Value
					2026	2025	Rs.
No 21 and 23, Kirimandala Mawatha, Narahenpita	6,710 Sq. ft	S. Sivaskantha	31 March 2026	IA*	**Rs. 625/-**	Rs. 275/- to Rs. 610/-	231,908,000/-

* 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.

12. INVESTMENT IN SUBSIDIARY COMPANIES

	Company	
	2026 Rs.	2025 Rs.
Unquoted investments- Asiri AOI Cancer Centre (Pvt) Ltd		
Balance at the Beginning of the Year	**1,881,194,729**	1,473,816,500
Fair Value Gain	**358,195,843**	407,378,229
Balance at the End of the Year	**2,239,390,572**	1,881,194,729

12.1 Accounting judgements, estimates and assumptions

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.

Investment made in	Valuation methodology used	Terminal Growth Significant Unobservable Inputs			Discount Rate Significant Unobservable Inputs		
		2026	2025	2024	**2026**	2025	2024
Asiri AOI Cancer Centre (Pvt) Ltd	DCF based on the proportionate fair valuation of assets and liabilities of Asiri AOI Cancer Centre (Pvt) Ltd.	**4.00%**	4.00%	4.00%	**14.00%**	13.85%	16.34%

12.2 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 Input	
Asiri AOI Cancer Center (Pvt) Ltd	Terminal Growth Rate 4%	1% increase/(decrease) in the growth rate would result in increase/(decrease) in fair value by LKR 186 Mn and (LKR 152 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 346 Mn) and LKR 424 Mn respectively.

Notes to the Financial Statements

12.3 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 Interest :

Financial assets at FVOCI:

Company Name	No of shares	Holding %	2026 Rs.	2025 Rs.
Asiri AOI Cancer Centre (Pvt) Ltd	2,700,000	50%	2,239,390,572	1,881,194,729

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

	2026 Rs.	2025 Rs.
Revenue	706,824,111	733,643,436
Cost of Services	(284,111,676)	(304,654,499)
Profit for the Year	241,797,616	230,151,506
Total Comprehensive Income for the Year	241,282,611	230,146,435
Attributable to Non-Controlling Interests	120,641,306	115,073,217

Summarised Statement of Financial position as at 31 March:

	2026 Rs.	2025 Rs.
Current Assets	1,181,888,956	978,310,876
Non-Current Assets	402,246,362	437,781,066
Current Liabilities	243,138,551	276,826,949
Non-Current Liabilities	261,760,274	301,309,943
Total Equity	1,079,236,491	837,955,050
Attributable to:		
Equity Holders of parent	539,618,246	418,977,525
Non-Controlling Interest	539,618,246	418,977,525

Summarised Statement of Cash Flow for the year ended 31 March:

	2026 Rs.	2025 Rs.
Cashflow from / (used) in Operating Activities	268,528,656	78,376,811
Cashflow from / (used) in Investing Activities	4,892,303	33,664,042
Cashflow from / (used) in Financing Activities	(51,044,628)	(65,356,207)
Net increase / (decrease) in Cash and Cash Equivalents	222,376,331	46,684,645

13. LOANS GRANTED TO RELATED PARTIES

	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Loans Granted to Parent Company	13.1	1,979,529,017	1,979,529,017	1,979,529,017	1,979,529,017
Loans Granted to Other Related Parties	13.2	1,279,002,917	1,201,167,312	1,279,002,917	1,201,167,312
		3,258,531,934	3,180,696,329	3,258,531,934	3,180,696,329

13.1 Long Term Loan-Parent Company

	Relationship	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Asiri Hospital Holdings PLC	Parent Company	1,979,529,017	1,979,529,017	1,979,529,017	1,979,529,017
		1,979,529,017	1,979,529,017	1,979,529,017	1,979,529,017

13.1.1 Long Term Loan Movement

	Group/Company	
	2026 Rs.	2025 Rs.
Balance as at 01 April	1,979,529,017	1,808,900,000
Loan increase due to dividends	-	170,629,017
Balance as at 31 March	1,979,529,017	1,979,529,017

Loan to related party is made up of working capital loan which is given to Asiri Hospital Holdings PLC (Parent Company) as per the agreements made. The interest for the loans granted to the Related Parties were changed based on AWPLR 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.

Notes to the
Financial Statements

13.2 Other Related Parties

	Relationship	Group		Company	
		2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Softlogic Holdings PLC	Ultimate Parent Company	**297,924,865**	297,924,865	**297,924,865**	297,924,865
Softlogic Retail (Private) Limited	Companies under Common Control	**709,524,745**	664,142,436	**709,524,745**	664,142,436
Softlogic Communications (Private)Limited	Companies under Common Control	**492,299,092**	460,846,007	**492,299,092**	460,846,007
Softlogic Brands (Private)Limited	Companies under Common Control	**620,178,128**	581,985,095	**620,178,128**	581,985,095
Less : Impairment on loan receivables (Note 19.4)		**(840,923,913)**	(803,731,090)	**(840,923,913)**	(803,731,090)
		1,279,002,917	1,201,167,312	**1,279,002,917**	1,201,167,312

13.2.1 Loans granted to Other Related Parties Movement

Group/Company	**2026 Rs.**	2025 Rs.
Balance as at 01 April	**1,201,167,312**	1,543,520,954
Loans Granted	**-**	-
Interest Charge	**115,028,427**	142,132,025
Loans Settlements	**-**	(304,047,230)
Loan Impairment	**(37,192,822)**	(180,438,437)
Balance as at 31 March	**1,279,002,917**	1,201,167,312

13.2.2 The loans receivable balances are expected in the following future time period :Softlogic Group

Group/Company	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	-	297,924,865	297,924,865	-	297,924,865	297,924,865
Softlogic Retail (Private) Limited	-	709,524,745	709,524,745	-	664,142,436	664,142,436
Softlogic Communications (Private) Limited	-	492,299,092	492,299,092	-	460,846,007	460,846,007
Softlogic Brands (Private) Limited	-	620,178,128	620,178,128	-	581,985,095	581,985,095
Less : Impairment on loan receivables	-	(840,923,913)	(840,923,913)	-	(803,731,090)	(803,731,090)
	-	1,279,002,917	1,279,002,917	-	1,201,167,312	1,201,167,312

Loan to related parties is 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 the Related Parties were changed based on AWPLR plus agreed margin. Outstanding balances as at the year-end were unsecured and settlement occurs in intercompany invoices to be set off.

14 OTHER NON CURRENT ASSETS

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Security Deposits	25,982,000	25,982,000	25,982,000	25,982,000
	25,982,000	25,982,000	25,982,000	25,982,000

Notes to the Financial Statements

15. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial Assets and Liabilities by Categories in accordance with SLFRS 9:

15.1 Financial Assets

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Financial Assets at Fair value through OCI				
Investment in Subsidiary	-	-	2,239,390,572	1,881,194,729
Financial Assets at Amortised Cost				
Loans Granted to Related Parties	6,065,616,854	5,739,171,504	6,065,616,854	5,739,171,504
Other Receivables From Related Party	1,723,048,228	1,342,393,590	1,723,048,228	1,342,393,590
Trade Receivables	1,104,348,292	773,784,868	1,187,993,330	775,235,074
Cash in Hand and at Bank	651,378,071	336,399,603	150,601,651	57,999,515
Carrying value of Financial Assets	9,544,391,445	8,191,749,565	11,366,650,635	9,795,994,412
Fair Value of Financial Assets	9,544,391,445	8,191,749,565	11,366,650,635	9,795,994,412

15.2 Financial Liabilities

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Financial Liabilities at Amortised Cost				
Lease Liability	37,467,291	31,006,891	37,467,291	31,006,891
Interest Bearing Borrowings	1,837,386,638	2,400,328,286	1,837,386,638	2,400,328,285
Loan Due to Related Party	-	-	596,700,000	471,700,000
Trade Payables	2,602,138,067	1,751,807,555	2,631,018,273	1,744,186,811
Dividend Payable	3,603,041	14,401,722	3,603,041	14,401,722
Bank Overdraft	854,250,699	474,749,856	854,250,699	474,749,856
Carrying value of Financial Liabilities	5,334,845,736	4,672,294,311	5,960,425,943	5,136,373,566
Fair Value of Financial Liabilities	5,334,845,736	4,672,294,311	5,960,425,943	5,136,373,566

The management assessed that, cash in hand and at bank, loans granted to related parties, trade and other receivables and trade and other payables 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 does not significantly vary from the value based on the amortised cost methodology for the Company. Lease liability and interest bearing loans and borrowings are estimated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

16. FAIR VALUE HIERARCHY

The Company 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

Group Assets Measured at Fair Value:	Note	**31 March 2026** **Rs.**	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.
Building on Leasehold Land	9.3	**4,689,023,995**	-	-	4,689,023,995

Group	Note	31 March 2025 Rs.	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.
Building on Leasehold Land	9.3	**4,329,632,495**	-	-	4,329,632,495

Company Assets Measured at Fair Value:	Note	**31 March 2026** **Rs.**	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.
Building on Leasehold Land	9.3	**4,475,582,000**	-	-	4,475,582,000
Investment Property	11	**231,908,000**	-	-	231,908,000
Investment in Subsidiary	12	**2,239,390,572**	-	-	2,239,390,572

Company	Note	31 March 2025 Rs.	Level 1 Rs.	Level 2 Rs.	Level 3 Rs.
Building on Leasehold Land	9.3	**4,116,038,500**	-	-	4,116,038,500
Investment Property	11	**226,400,000**	-	-	226,400,000
Investment in Subsidiary	12	**1,881,194,729**	-	-	1,881,194,729

Notes to the Financial Statements

17. INVENTORIES

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Finished Goods				
- Pharmaceuticals and Surgical Inventory	**172,936,117**	107,634,673	**169,140,529**	104,590,711
- Consumables	**33,958,602**	30,728,130	**33,958,602**	30,728,130
	206,894,719	138,362,803	**203,099,131**	135,318,841

18. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Trade Debtors - External		**194,291,175**	294,391,857	**192,767,494**	221,567,789
Less - Impairment of Trade Debtors (ECL Method)	18.2	**(3,008,222)**	(4,117,407)	**(3,008,222)**	(4,117,407)
		191,282,953	290,274,450	**189,759,272**	217,450,382
Trade Debtor - Related Party (Companies under common control - Softlogic Life)	18.1	**25,979,264**	10,183,273	**25,979,264**	10,183,273
Trade Debtor - Related Party (Subsidiaries of Asiri Group of Companies)	18.1	**918,281,045**	536,078,632	**1,003,449,765**	610,352,906
Less - Impairment of Trade Debtors (ECL Method)	18.2	**(31,642,163)**	(63,217,408)	**(31,642,163)**	(63,217,408)
		912,618,147	483,044,497	**997,786,866**	557,318,771
Trade Debtor - Related Party (Companies under common control - Softlogic Holdings PLC and Its Subsidiaries)	18.1	**502,080**	512,000	**502,080**	512,000
Less - Impairment of Trade Debtors (DCF Method)	19.4	**(54,888)**	(46,079)	**(54,888)**	(46,079)
		447,192	465,921	**447,192**	465,921
		1,104,348,292	773,784,868	**1,187,993,330**	775,235,074

Trade receivables are non-interest bearing and are generally on terms of 30 days.

18.1 Related Parties-Subsidiaries of Asiri Group of companies

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Ultimate Parent Company				
Softlogic Holdings PLC	**291,600**	291,600	**291,600**	291,600
Parent Company				
Asiri Hospital Holdings PLC	**764,157,486**	333,329,696	**763,907,456**	333,329,696
Subsidiary Company				
Asiri AOI Cancer Centre (Private) Limited	**-**	-	**86,870,236**	75,425,761
Companies Under Common Control				
Asiri Diagnostic Services (Private) Limited	**875,439**	670,248	**875,439**	670,248
Asiri Hospital Galle (Private) Limited	**17,014,477**	35,209,006	**17,014,477**	35,209,006
Asiri Hospital Matara (Private) Limited	**7,030,978**	2,596,075	**7,030,978**	2,596,075
Asiri Academy Health Science (Private) Limited	**2,772,185**	227,593	**2,772,185**	227,593
Central Hospital Limited	**126,430,480**	164,046,015	**124,978,994**	162,894,528
Softlogic Automobiles (Private) Limited	**117,000**	117,000	**117,000**	117,000
Softlogic Communications Services (Private) Limited	**32,000**	32,000	**32,000**	32,000
Softlogic Information Technologies (Private) Limited	**6,500**	6,500	**6,500**	6,500
Softlogic International (Private) Limited	**45,500**	45,500	**45,500**	45,500
Softlogic Life Insurance PLC	**25,458,795**	10,183,273	**25,458,795**	10,183,273
Softlogic Life Insurance Lanka Limited	**520,469**	-	**520,469**	-
Softlogic Supermarket (Private) Limited	**9,480**	19,400	**9,480**	19,400
	944,762,389	546,773,905	**1,029,931,109**	621,048,179

Outstanding balances as at the year end are unsecured and settlement occurs in cash.

Notes to the Financial Statements

18.2 Impairment Provision on Trade Receivables

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Balance at the Beginning of the Year	67,334,815	5,268,324	67,334,815	5,268,324
Impairment loss allowance recognised in Profit or Loss During the Year	(32,684,430)	62,066,491	(32,684,430)	62,066,491
Balance at the End of the Year	34,650,385	67,334,815	34,650,385	67,334,815

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns .The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

18.3 Sensitivity Analysis

The impairment provision is sensitive to changes in key assumption particularly the Weighted Average Cost of Capital (WACC)

Entity	Significant Unobservable Inputs	Sensitivity of the input to fair value
Asiri Surgical Hospital PLC	Weighted Average Cost of Capital (WACC) 14.00%	0.5% increase/(decrease) in the WACC would result in increase/(decrease) in impairment by LKR 1,177,113 and (LKR 1,181,075) respectively.

18.4 Other Receivables

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Other Advances and Prepayments	610,694,443	483,282,128	594,221,162	341,911,453
Other Tax Receivables	9,672,317	58,416,690	4,908,066	53,652,439
	620,366,760	541,698,819	599,129,228	395,563,892

19. OTHER CURRENT ASSETS

	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Other Receivables From Related Party	19.1	1,723,048,228	1,342,393,590	1,723,048,228	1,342,393,590
		1,723,048,228	1,342,393,590	1,723,048,228	1,342,393,590

19.1 Other Receivables From Related Party

	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Softlogic Holdings PLC		88,310,313	643,900,984	88,310,313	643,900,984
Softlogic Supermarket (Private) Limited		1,463,424,501	614,756,323	1,463,424,501	614,756,323
Softlogic Capital PLC		60,870,856	46,308,528	60,870,856	46,308,528
Softlogic Retail (Private) Limited		12,379,305	36,624,692	12,379,305	36,624,692
ODEL PLC		259,782,250	133,565,308	259,782,250	133,565,308
Softlogic Brands (Private) Limited		4,062,621	-	4,062,621	-
Less : Impairment on other Receivables From Related Party	19.4	(165,781,618)	(132,762,245)	(165,781,618)	(132,762,245)
Total		1,723,048,228	1,342,393,590	1,723,048,228	1,342,393,590

19.2 Other Receivables From Related Party Movement

Group/Company	2026 Rs.	2025 Rs.
Balance as at 01 April	1,342,393,590	-
Advance Granted	1,057,070,768	2,161,668,494
Interest Charge	178,528,762	97,149,269
Advance Setoff	(821,925,519)	(783,661,927)
Impairment	(33,019,373)	(132,762,245)
Balance as at 31 March	1,723,048,228	1,342,393,590

Other receivable from related parties is made up of working capital loans which are given to Softlogic group of companies as per the agreement made. The interest for the other receivables from related parties were charge based on treasury bond rate. Outstanding balance as at year end were unsecured and settlement occurs through the off-setting of inter company balances.

19.3 Impairment Provision Movement

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Opening Balance	936,539,415	623,292,653	936,539,415	623,292,653
Provision for the Period	70,221,004	313,246,762	70,221,004	313,246,762
Closing Balance	1,006,760,419	936,539,415	1,006,760,419	936,539,415

Notes to the Financial Statements

19.4 Provision for Impairment

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Impairment on Other Receivables From Related Party	**165,781,618**	132,762,245	**165,781,618**	132,762,245
Impairment on Loan Granted To Related Party	**840,923,913**	803,731,090	**840,923,913**	803,731,090
Impairment on Trade Receivables From Related Party	**54,888**	46,079	**54,888**	46,079
	1,006,760,419	936,539,415	**1,006,760,419**	936,539,415

19.5 Impact on Current year Expense

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Impairment on Other Receivables From Related Party	**33,019,373**	132,762,245	**33,019,373**	132,762,245
Impairment on Loan Granted To Related Party	**37,192,822**	180,438,437	**37,192,822**	180,438,437
Impairment on Trade Receivables From Related Party	**8,809**	46,079	**8,809**	46,079
	70,221,004	313,246,762	**70,221,004**	313,246,762

19.6 The provision for the impairments for loans granted to related parties and other receivables are assessed based on foretasted repayment plans.

19.7 The expected recoverable amount have been estimated using the foretasted cash flows from repayments provided by management discounted using Company/ Group weighted average cost of capital (WACC).

19.8 Sensitivity Analysis

The impairment provision is sensitivity to changes in key assumption particularly to the Weighted Average Cost of Capital (WACC).

Entity	Significant Unobservable Inputs	Sensitivity of the input to fair value
Asiri Surgical Hospital PLC	Weighted Average Cost of capital (WACC) 14.00%	0.5% increase/(decrease) in the WACC would result in increase/(decrease) in impairment by LKR 28.07 Mn and LKR (28.5) Mn respectively.

20 LOANS GRANTED TO RELATED PARTIES

	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Loans Granted to Asiri Group	20.1	2,807,084,920	2,558,475,175	2,807,084,920	2,558,475,175
		2,807,084,920	2,558,475,175	2,807,084,920	2,558,475,175

20.1

Asiri Group	Relationship	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Asiri Hospital Holdings PLC	Parent Company	1,123,581,641	945,689,367	1,123,581,641	945,689,367
Asiri Central Hospital Limited	Companies under Common Control	664,812,242	625,001,622	664,812,242	625,001,622
Asiri Hospital Matara (Private) Limited	Companies under Common Control	212,147,472	227,072,260	212,147,472	227,072,260
Central Hospital Limited	Companies under Common Control	806,543,565	760,711,926	806,543,565	760,711,926
		2,807,084,920	2,558,475,175	2,807,084,920	2,558,475,175

20.1.1 Loans granted to Related Parties Movement :Asiri Group

Group/Company	2026 Rs.	2025 Rs.
Balance as at 01 April	2,558,475,175	2,273,127,391
Loans Granted	-	17,000,000
Interest Charge	281,238,127	293,295,163
Interest Settlements	(32,628,382)	(24,947,378)
Balance as at 31 March	2,807,084,920	2,558,475,175

Notes to the Financial Statements

20.1.2 The loans receivable balances are expected in the following future time period :Asiri Group

Group/Company	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.
Asiri Hospital Holdings PLC	1,123,581,641	-	1,123,581,641	945,689,367	-	945,689,367
Asiri Central Hospital Limited	664,812,242	-	664,812,242	625,001,622	-	625,001,622
Asiri Hospital Matara (Private) Limited	212,147,472	-	212,147,472	227,072,260	-	227,072,260
Central Hospital Limited	806,543,565	-	806,543,565	760,711,926	-	760,711,926
	2,807,084,920	-	2,807,084,920	2,558,475,175	-	2,558,475,175

21 STATED CAPITAL

	2026		2025	
	Number	Rs.	Number	Rs.
Fully Paid Ordinary Shares				
At the Beginning of the Year	528,457,545	1,393,327,565	528,457,545	1,393,327,565
At the End of the Year	528,457,545	1,393,327,565	528,457,545	1,393,327,565

22 OTHER COMPONENTS OF EQUITY

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Revaluation Reserve	2,959,646,342	2,633,391,827	2,934,748,618	2,612,349,702
Fair Value Reserve of Financial Assets at FVOCI	-	-	1,543,913,327	1,293,176,237
	2,959,646,342	2,633,391,827	4,478,661,945	3,905,525,939

22.1 Revaluation reserve consists of the net surplus on the revaluation of Property, Plant and Equipment.

22.2 Fair value reserve of financial assets at FVOCI includes changes in fair values of quoted & unquoted financial instruments which designated as financial assets at FVOCI.

23. LEASE LIABILITY

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
At the Beginning of the Year	31,006,891	713,957	31,006,891	713,957
Additions	13,457,857	-	13,457,857	-
Interest Charged	6,299,855	6,323,806	6,299,855	6,323,806
Repayments	(13,297,312)	(5,420,408)	(13,297,312)	(5,420,408)
ROU Liability re-assessment adjustment	-	29,389,537	-	29,389,537
At the End of the Year	37,467,291	31,006,891	37,467,291	31,006,891
Repayable within one year	11,880,810	5,420,408	11,880,810	5,420,408
Repayable after one year	25,586,481	25,586,483	25,586,481	25,586,483
	37,467,291	31,006,891	37,467,291	31,006,891

23.1 Leasehold Property - Board of Investment of Sri Lanka (BOI)

23.1.1 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 29th March 2000.

24. INTEREST BEARING BORROWINGS

24.1

Group	2026			2025		
	Amount Repayable Within 1 Year Rs.	Amount Repayable After 1 Year Rs.	Total Rs.	Amount Repayable Within 1 Year Rs.	Amount Repayable After 1 Year Rs.	Total Rs.
Short Term Loans (Note 24.1.1)	1,228,743,095	-	1,228,743,095	1,262,143,507	-	1,262,143,507
Long Term Loans (Note 24.1.1)	417,258,219	191,385,324	608,643,543	580,516,217	557,668,563	1,138,184,779
	1,646,001,314	191,385,324	1,837,386,638	1,842,659,723	557,668,563	2,400,328,285

Notes to the
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24.1.1 A Reconciliation of Liabilities arising from Financing Activities is as Follows:

	As at 01.04.2025	Acquisition of Subsidiary	Loans Obtained	Repayment of borrowings	Accrued Interest	**As at 31.03.2026**
	Rs.	Rs.	Rs.	Rs.	Rs.	**Rs.**
Short Term Loans	1,262,143,506	-	3,125,772,439	(3,266,003,546)	106,830,696	**1,228,743,095**
	1,262,143,506	-	3,125,772,439	(3,266,003,546)	106,830,696	**1,228,743,095**

	As at 01.04.2025	Acquisition of Subsidiary	Loans Obtained	Repayment of borrowings	Accrued Interest	**As at 31.03.2026**
	Rs.	Rs.	Rs.	Rs.	Rs.	**Rs.**
Long Term Loans	1,138,184,779	-	67,714,300	(696,762,492)	99,506,956	**608,643,543**
	1,138,184,779	-	67,714,300	(696,762,492)	99,506,956	**608,643,543**

24.2

Company	**2026**			2025		
	Amount Repayable Within 1 Year	Amount Repayable After 1 Year	Total	Amount Repayable Within 1 Year	Amount Repayable After 1 Year	Total
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Short Term Loans (Note 24.2.1)	**1,228,743,095**	**-**	**1,228,743,095**	1,262,143,506	-	1,262,143,506
Long Term Loans (Note 24.2.1)	**417,258,219**	**191,385,324**	**608,643,543**	580,516,216	557,668,563	1,138,184,779
	1,646,001,314	**191,385,324**	**1,837,386,638**	1,842,659,722	557,668,563	2,400,328,285

24.2.1 A Reconciliation of Liabilities arising from Financing Activities is as Follows:

	As at 01.04.2025	Loans Obtained	Repayment of borrowings	Accrued Interest	**As at 31.03.2026**
	Rs.	Rs.	Rs.	Rs.	**Rs.**
Short Term Loans	1,262,143,506	3,125,772,439	(3,266,003,546)	106,830,696	**1,228,743,095**
	1,262,143,506	3,125,772,439	(3,266,003,546)	106,830,696	**1,228,743,095**

	As at 01.04.2025	Loans Obtained	Repayment of borrowings	Accrued Interest	**As at 31.03.2026**
	Rs.	Rs.	Rs.	Rs.	**Rs.**
Long Term Loans	1,138,184,779	67,714,300	(696,762,492)	99,506,956	**608,643,543**
	1,138,184,779	67,714,300	(696,762,492)	99,506,956	**608,643,543**

24.3 Security and Repayment Terms;

Lending Institution	Nature of Facility	Interest rate	Repayment Terms	Security	Security Amount	Outstanding Balance	
						2026	2025
					Rs.	Rs.	Rs.
24.3.1 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/-	Mortgage Bond over Credit/Debit card receivables of the card operations of Asiri Surgical Hospital PLC	350Mn	**141,251,765**	216,132,206
	Term Loan	AWPLR plus margin	35 equal monthly instalments of Rs. 3,300,000/- each and Final instalment of Rs.3,900,000/-	Mortgage Bond over GE advance cath lab model of Asiri Surgical Hospital PLC.	119.4Mn	**77,531,401**	121,667,413
	Term Loan	AWPLR plus margin	11 equal monthly instalments of Rs. 1,965,600/- and final instalment of Rs. 1,978,400/-	Mortgage bond Over Video Endoscope system of Asiri Surgical Hospital PLC.	23.6Mn	**-**	22,055,698
	Term Loan	AWPLR plus margin	12 equal monthly instalments of Rs. 2,042,757/-	Mortgage Bond over Cyst scope and Bipolar Turis Resectoscope semi Rigid Ureteroscope of Asiri Surgical Hospital PLC.	24.5Mn	**-**	24,765,902
	Term Loan	AWPLR plus margin	12 equal monthly instalments of Rs. 1,709,525/-	Mortgage bond over High-end Echo Cardiography System of Asiri Surgical Hospital PLC	20.5Mn	**10,377,827**	-
	Term Loan	AWPLR plus margin	23 equal monthly instalments of Rs. 1,966,600/- and final instalment of Rs. 1,968,200/-	Mortgage bond over CT Tude for Bright Speed of Asiri Surgical Hospital PLC	47.2Mn	**39,757,178**	-
	Short Term Loan	AWPLR plus margin	6 equal monthly instalments of Rs. 5,202,350/-	-	-	**-**	31,681,626
Hatton National Bank PLC	Short Term Loan	AWPLR	Full amount in each Maturity	-	-	**1,228,743,095**	1,230,461,880

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Lending Institution	Nature of Facility	Interest rate	Repayment Terms	Security	Security Amount	Outstanding Balance	
						2026	2025
					Rs.	**Rs.**	Rs.
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.	Corporate guarantee of Asiri Hospital Holdings PLC	1,200 Mn	**279,248,011**	493,666,265
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.	Assignment over all future debit/credit card and cash receivable of the company for Rs.1,000,000,000/=	-	**41,953,666**	201,730,759
	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.		-	**18,523,695**	58,166,536
					1,737 Mn	**1,837,386,638**	2,400,328,285

25. EMPLOYEE BENEFIT LIABILITY

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
At the Beginning of the Year	**184,869,606**	160,018,468	**179,009,334**	155,662,273
Transfers In/(Out)	**3,656,275**	1,825,389	**3,629,615**	1,825,389
Interest Cost	**17,005,887**	19,202,216	**17,005,887**	18,679,473
Current Service Cost	**20,526,267**	18,544,026	**18,829,686**	17,566,591
Actuarial Loss	**38,140,926**	9,549,734	**37,405,205**	9,545,833
Benefit Paid	**(24,193,465)**	(24,270,226)	**(24,051,565)**	(24,270,226)
At the End of the Year	**240,005,496**	184,869,607	**231,828,162**	179,009,334

25.1 Messrs. Actuarial and Management Consultants (Private) Limited Actuaries, carried out an actuarial valuation of the defined benefit plan gratuity on 31 March of every year. Appropriate and compatible assumptions were used in determining the cost of retirement benefits. The principal assumptions used are as follows:

Principal Actuarial Assumptions

The principal financial assumptions underlying the valuation are as follows:

	Group/Company	
	2026	2025
Discount Rate	**9% p.a**	9.5% p.a
Salary Increase Rate	**8% p.a**	6% p.a

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

25.2 Sensitivity to Assumptions used

A percentage change in the principle assumptions would have the following effect on employee benefit liability.

Discount Rate	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Increase by one percentage point	**(7,725,784)**	(6,302,040)	**(7,488,924)**	(6,145,764)
Decrease by one percentage point	**8,294,212**	6,786,818	**8,040,466**	6,619,491

Notes to the Financial Statements

Salary Increase Rate	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Increase by one percentage point	9,403,120	7,814,443	9,111,592	7,615,088
Decrease by one percentage point	(8,909,193)	(7,369,799)	(8,632,130)	(7,180,357)

25.3 The following payments are expected on account of employees benefit liability in future years.

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Within the next 12 months	65,353,673	41,901,638	62,206,791	39,581,466
Between 1 to 2 years	63,747,218	55,069,830	62,092,970	53,528,991
Between 3 to 5 years	61,981,697	45,710,808	60,926,548	44,985,036
Between 6 to 10 years	40,679,691	34,110,113	38,586,830	32,952,703
Beyond 10 years	8,243,216	8,077,219	8,015,021	7,961,137
	240,005,495	184,869,608	231,828,160	179,009,334

The Company average duration of the defined benefit plan obligation at the end of the reporting period is 3.6 years (2025 - 4 years).

26. TRADE AND OTHER PAYABLES

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Trade Payables	1,145,696,166	1,063,672,811	1,141,911,144	975,984,827
Trade Payable - Related Party (Note 26.1)	1,456,441,901	688,134,744	1,489,107,129	768,201,984
Sundry Creditors including Accrued Expenses	422,030,514	597,300,343	398,002,553	521,304,614
Contract Liability	16,744,798	14,674,259	-	-
	3,040,913,379	2,363,782,158	3,029,020,826	2,265,491,425

26.1 Trade Payable - Related Party

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Ultimate Parent Company				
Softlogic Holdings PLC	-	-	-	-
Parent Company				
Asiri Hospital Holdings PLC	**1,327,598,046**	605,292,580	**1,304,798,816**	596,974,157
Subsidiary Company				
Asiri AOI Cancer Centre (Private) Limited	-	-	**56,154,217**	88,875,916
Companies Under Common Control				
Central Hospital Limited	**98,372,463**	35,345,652	**97,889,783**	34,862,971
Asiri Hospital Matara (Private) Limited	**949,185**	1,741,729	**949,185**	1,741,729
Asiri Hospital Galle (Private) Limited	**2,018,941**	3,122,502	**2,018,941**	3,122,502
The Central Hospital Limited	-	55,209	-	55,209
Softlogic Computers (Private) Limited	**496,580**	371,631	**496,580**	371,631
Softlogic Corporate Services (Private) Limited	**11,027,100**	5,451,600	**10,832,400**	5,451,600
Softlogic Information Technologies (Private) Limited	**842,496**	9,440	**842,496**	9,440
NEXTAGE (Private) Limited	**93,456**	96,260	**93,456**	96,260
Softlogic Retail (Private) Limited	**877,963**	3,733	**877,963**	-
Softlogic Supermarkets (Private) Limited	-	8,378,492	-	8,378,492
Softlogic Life Insurance PLC	**289,439**	5,292,015	**289,439**	5,292,015
Softlogic Pharmaceuticals (Private) Limited.	**11,002,742**	22,049,634	**11,002,742**	22,049,634
Softlogic Rewards (Private) Limited	**1,291,500**	924,267	**1,279,122**	920,427
Softlogic Automobiles (Private) Limited	**24,517**	-	**24,517**	-
Future Automobiles (Private) Limited	**8,596**	-	**8,596**	-
Footwear Retailer (Private) Limited - BATA	**1,548,877**	-	**1,548,877**	-
	1,456,441,901	688,134,744	**1,489,107,129**	768,201,984

Outstanding balances as at the year end are unsecured and settlement occurs in cash.

Notes to the Financial Statements

27 LOAN DUE TO RELATED PARTY

	2026 Rs.	2025 Rs.
Balance as at 01 April	471,700,000	322,328,844
Loans Obtained	125,000,000	150,000,000
Loans Settlement	(51,840,475)	(38,363,043)
Accrued Interest	51,840,475	37,734,199
Balance as at 31 March	596,700,000	471,700,000

This Loan has obtain from Asiri AOI Cancer Centre (Pvt) Limited (Subsidiary) & Interest is charged at AWPLR plus agreed Margin. Outstanding balances as at the year end were unsecured and settlement occurs in intercompany invoices to be set off.

28 INCOME TAX PAYABLE

	Note	Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Balance as at 01 April		818,195,302	559,008,074	749,094,301	518,586,271
Current year provision	7	537,144,431	438,972,321	421,655,235	329,163,989
Self assessment payment		(506,320,450)	(299,798,638)	(377,929,589)	(218,655,959)
Additional Provision	7	131,380,784	120,013,545	131,380,784	120,000,000
Balance as at 31 March		980,400,067	818,195,302	924,200,731	749,094,301

29. CASH AND BALANCES WITH BANKS IN THE CASH FLOW STATEMENT

		Group		Company	
		2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
29.1	**Favourable Cash and Balances with Banks**				
	Cash and Bank Balances	**651,378,071**	336,399,603	**150,601,651**	57,999,515
		651,378,071	336,399,603	**150,601,651**	57,999,515
29.2	**Unfavourable Cash and Balances with Banks**				
	Bank Overdraft	**(854,250,699)**	(474,749,856)	**(854,250,699)**	(474,749,856)
	Total Cash and Balances with Banks for the Purposes of the Cash Flow Statement	**(202,872,628)**	(138,350,253)	**(703,649,048)**	(416,750,342)

30. RECLASSIFICATION OF COMPARATIVES

Where necessary, comparative figures have been adjusted to confirm with change in presentation in the current year. A summary of such changes is as follows:

Impact on the statement of financial position as at 31 March 2025

	Previously Reported Rs.	Impact Adjustment Rs.	Reclassified Amount Rs.
Loans Granted to Related Parties - Non Current Asset	1,979,529,017	1,201,167,312	3,180,696,329
Trade and Other Receivables	1,170,845,045	(46,079)	1,170,798,966
Other Current Assets	1,365,150,335	(22,756,745)	1,342,393,590
Loans Granted to Related Parties - Current Asset	3,736,839,663	(1,178,364,488)	2,558,475,175
	8,252,364,060	-	8,252,364,060

31. COMMITMENTS AND CONTINGENCIES

31.1 Capital Expenditure and Other Commitments

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

	Group		Company	
	2026 Rs.	2025 Rs.	2026 Rs.	2025 Rs.
Capital Expenditure	**909,562,860**	860,996,235	**868,362,860**	374,107,935

Notes to the Financial Statements

31.2 Contingent Liabilities

a. Legal Claims

Pending litigations against the Company with a Maximum liability of Rs. 70 Mn exist as at the reporting date. (2025 - Rs. 70 Mn)

Based on the information currently available the management is in the view that the ultimate resolution of such legal procedures would not likely to have a material adverse effect on the result of the operations, financial position or liquidity of the company. Accordingly, no provision for any liability has been made in these financial statements.

b. Guarantees

The Directors of the Company have signed Corporate Guarantee Bonds with the following banks securing the following banking facilities obtained by Asiri Hospital Holdings PLC.

	Group		Company	
	2026 Rs. Mn	2025 Rs. Mn	**2026 Rs. Mn**	2025 Rs. Mn
Sampath Bank PLC	**463**	463	**463**	463
Hatton National Bank PLC	**180**	180	**180**	180
Commercial Bank of Ceylon PLC	**-**	550	**-**	550
	643	1,193	**643**	1,193

Loan outstanding balances relating to above corporate guarantees are Sampath 100 Mn, HNB 180 Mn as at 31 March 2026.

31.3 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. 520Mn was provided at 31 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.

Other than above, there are no significant changes in the nature of the contingent liabilities and contingent assets which were disclosed in the Annual Report for the year ended 31 March 2026.

32. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Subsequent to the reporting date, Asiri Hospital Holdings PLC, the parent company of the Company, 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 control and remains the parent company of the 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.

33. RELATED PARTY DISCLOSURES

33.1 Transactions with Related Parties

The Company carried out transactions in the ordinary course of its business with the following related parties.

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Ultimate Parent Company - Softlogic Holdings PLC				
Interest Income	**88,310,313**	58,930,871	**88,310,313**	58,930,871
Sale/(Purchase) of Goods/ Services including Staff Related Items	**(824,168,640)**	(308,688,000)	**(824,168,640)**	(308,688,000)
Impairment on Receivable	**(125,930,568)**	(65,380,618)	**(125,930,568)**	(65,380,618)
Repayment of Loans Granted and Fund Transfers	**824,168,640**	566,214,227	**824,168,640**	566,214,227
Immediate Parent Company - Asiri Hospital Holdings PLC				
Loans Setoff against Dividend	**-**	(170,629,017)	**-**	(170,629,017)
Interest Income	**177,892,274**	181,629,137	**177,892,274**	181,629,137
Sale/(Purchase) of Goods/ Services including Staff Related Items	**(555,598,615)**	87,782,551	**(555,848,645)**	93,982,733
Repayment of Loans Granted and Fund Transfers	**25,433,985**	(8,470,763)	**25,433,985**	1,529,237
Channelling Fee Collected by Related Party/ (Company on behalf of the Related Party)	**139,040,078**	143,792,158	**139,040,078**	143,792,158
Expenses Incurred by the Company on behalf of Related Party/ (Related Party on behalf of the Group/Company)	**99,646,876**	(609,372,827)	**114,127,684**	(609,372,827)
Subsidiary - Asiri AOI Cancer Centre (Private) Limited				
Interest Expense	**-**	-	**(51,840,475)**	(37,734,199)
Sale/(Purchase) of Goods/ Services including Staff Related Items	**-**	-	**89,779,251**	70,494,572
Repayment of Temporary Finance Obtained and Fund Transfers	**-**	-	**(45,637,449)**	125,697,293
Channelling Fee Collected by Related Party/ (Company on behalf of the Related Party)	**-**	-	**(8,235,900)**	(7,828,900)
Expenses Incurred by the Company on behalf of Related Party/ (Related Party on behalf of the Company)	**-**	-	**60,100,748**	(1,311,200)

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	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Companies under Common Control				
Loans Granted	-	(17,000,000)	-	(17,000,000)
Interest Income	**405,741,996**	247,194,708	**405,741,996**	247,194,708
Sale/(Purchase) of Goods/ Services including Staff Related Items	**222,696,737**	253,515,676	**224,790,738**	263,945,301
Repayment of Loans Granted and Fund Transfers	**(68,289,126)**	(1,008,298,095)	**(70,479,782)**	(1,008,298,095)
Channelling Fee Collected by Related Party/ (Company on behalf of the Related Party)	**10,538,298**	11,285,365	**10,538,298**	11,285,365
Impairment on Receivable	-	(247,866,144)	-	(247,866,144)
Expenses Incurred by the Company on behalf of Related Party/ (Related Party on behalf of the Company)	**(275,218,376)**	(120,493,352)	**(275,218,376)**	(108,175,907)

The Group and the Company carried out transactions in the ordinary course of business with the following related entities. The list of the subsidiaries and associate companies have been disclosed in the Group Directory under the Supplementary Information section of the Annual Report.

Governance structure, nature of the entity's relationships, principal place of business and the country of incorporation have been disclosed in the "Report of the Related Party Transaction Review Committee" and Group directory.

Transactions with related parties are carried out in the ordinary course of business. Outstanding current account balances at year end are unsecured, interest free and settlement occurs in cash, except loan granted to related parties & other receivable related parties.

33.2 Off Balance Sheet Items

a. Guarantees made on behalf of Asiri Hospital Holdings PLC, has been given in Note 31.2.(b) to these Financial Statements.

b. Asiri Hospital Holdings PLC has granted Corporate Guarantees to DFCC Bank, Sampath Bank PLC and Hatton National Bank PLC to secure the banking facilities obtained by the Company, for the value of Rs. 1.2 Bn, Rs.100 Mn and Rs.100 Mn respectively.

33.3 Transactions with Key Management Personnel of the Company

The key management personnel include members of the Board of Directors of the Company, Subsidiary, immediate parent Company and ultimate parent Company.

33.3.1 Key Management Personnel Compensation

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Short Term Employment Benefits	**6,620,833**	3,267,473	**6,620,833**	3,267,473
Total Compensation paid to Key Management Personnel	**6,620,833**	3,267,473	**6,620,833**	3,267,473

34. 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 varies. 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 operational risk, credit risk, interest rate risk, legal risk, foreign exchange risk, investment risk, liquidity risk and equity price risk. Managing these risks are part of the Group's/Company's risk management process.

Mechanisms adopted by the Group/Company in managing eventual impact of such risk are given below:

34.1 Credit Risk

The Group/Company admits patients on placement of a deposit or in an emergency, even without a deposit. Further, the hospital admits 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 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 Company evaluates credit worthiness of companies before granting credit facilities to corporate clients in order to minimise the non-collection of bills.

The maximum risk positions of financial assets which are generally subject to credit risk are equal to their carrying amounts.

The following table shows the maximum risk positions;

	Note	Group		Company	
		2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Loans Granted to Related Parties	13.2 & 20	**6,065,616,854**	5,739,171,504	**6,065,616,854**	5,739,171,504
Other Receivable	19	**1,723,048,228**	1,342,393,590	**1,723,048,228**	1,342,393,590
Trade Receivables	18	**1,104,348,292**	773,784,868	**1,187,993,330**	775,235,074
Cash and Balances with Banks	29	**651,378,071**	336,399,603	**150,601,651**	57,999,515
		9,544,391,445	8,191,749,566	**9,127,260,063**	7,914,799,683

34.1.1 The loans are unsecured and classified as financial assets at amortised cost. Management has assessed the impairment and determined the impairment during the year. Credit risk on the loans are manage through off-setting of inter Company balances.

34.1.2 Trade and Other Receivables

GROUP	Neither past due nor Impaired	Past due but not Impaired						Allowance for Expected credit loss	Total
		31-60 Days	61-90 Days	91-180 Days	181-365 Days	Over 365 Days	Gross Carrying Value		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2026									
Trade Receivables	189,009,062	189,000,170	101,307,902	135,270,792	345,547,266	178,918,373	1,139,053,565	(34,705,273)	1,104,348,292
2025									
Trade Receivables	275,244,242	74,862,486	72,714,653	71,854,495	146,689,241	199,800,645	841,165,761	(67,334,815)	773,830,947

COMPANY	Neither past due nor Impaired	Past due but not Impaired						Allowance for Expected credit loss	Total
		31-60 Days	61-90 Days	91-180 Days	181-365 Days	Over 365 Days	Gross Carrying Value		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2026									
Trade Receivables	193,937,870	189,345,497	102,597,254	163,825,356	395,163,593	177,829,034	1,222,698,603	(34,705,273)	1,187,993,330
2025									
Trade Receivables	278,145,935	74,862,486	72,414,653	71,554,495	145,837,754	199,800,645	842,615,968	(67,334,815)	775,281,154

34.1.3 Cash and Balances with Bank

The Group/Company consciously manages the exposure to a single counterparty taking into consideration, where relevant, the rating or financial standing of the counterparty, where the position is reviewed as and when required, the duration of the exposure in managing such exposures and the nature of the transaction and agreement governing the exposure.

34.2 Market Risk

34.2.1 Interest Rate Risk

Interest rate risk is the Company's exposure to adverse movement in interest rates. The Company has obtained multiple facilities from various banks for working capital, capital expenditure and investment at varying terms and conditions. The finance function negotiates with banks and finance institutions to get the best interest rates and favourable terms for both long and short term borrowing facilities. Most lenders of the Company have granted loans under floating interest rates. Further, the Company has granted loans to related parties under floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's/Company's profit before tax.

	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Interest Rate				
Increase by 1%	**33,739,795**	28,412,905	**33,739,795**	28,412,905
Decrease by 1%	**(33,739,795)**	(28,412,905)	**(33,739,795)**	(28,412,905)

The spread of basis points used for the interest rate sensitivity analysis is based on the currently observable market environment.

34.2.2 Foreign Exchange Risk

Foreign Exchange Risk is the Company's exposure to adverse movement in foreign currency against the Sri Lankan Rupee. The Company do not have any significant direct impact from the foreign exchange risk.

34.3 Liquidity Risk

Cash flow forecasting is performed by the finance division. The finance division monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs. Such forecasting takes into consideration the Company's covenant compliance and compliance with internal balance sheet ratio targets.

The table below summarises the maturity profile of the Group's financial liabilities at 31 March 2026 based on contractual undiscounted payments.

Notes to the Financial Statements

Group	0-12 Months Rs.	1-5 years Rs.	>5 years Rs.	Total Rs.
2026				
Interest Bearing Borrowings	2,500,252,013	191,385,324	-	2,691,637,337
Trade Payables	2,602,138,067	-	-	2,602,138,067
Lease Liability	11,880,810	25,586,481	-	37,467,291
Corporate Guarantees Granted on Loans Obtained by Parent Company	643,000,000	-	-	643,000,000

	0-12 Months Rs.	1-5 years Rs.	>5 years Rs.	Total Rs.
2025				
Interest Bearing Borrowings	2,018,448,997	617,563,453	-	2,636,012,451
Trade Payables	1,751,807,555	-	-	1,751,807,555
Lease Liability	5,420,408	25,586,483	-	31,006,891
Corporate Guarantees Granted on loans obtained by Parent Company	1,193,000,000	-	-	1,193,000,000

The table below summarises the maturity profile of the Company's financial liabilities at 31 March 2026 based on contractual undiscounted payments.

Company	0-12 Months Rs.	1-5 years Rs.	>5 years Rs.	Total Rs.
2026				
Interest Bearing Borrowings	2,500,252,013	191,385,324	-	2,691,637,337
Trade Payables	2,631,018,273	-	-	2,631,018,273
Lease Liability	11,880,810	25,586,481	-	37,467,291
Corporate Guarantees Granted on loans obtained by Parent Company	643,000,000	-	-	643,000,000
Loan Due to Related Party	596,700,000	-	-	596,700,000

	0-12 Months Rs.	1-5 years Rs.	>5 years Rs.	Total Rs.
2025				
Interest Bearing Borrowings	2,532,083,127	617,563,453	-	3,149,646,581
Trade Payables	1,744,186,811	-	-	1,744,186,811
Lease Liability	5,420,408	25,586,483	-	31,006,891
Corporate Guarantees Granted on loans obtained by Parent Company	1,193,000,000	-	-	1,193,000,000
Loan Due to Related Party	471,700,000	-	-	471,700,000

34.4 Capital management

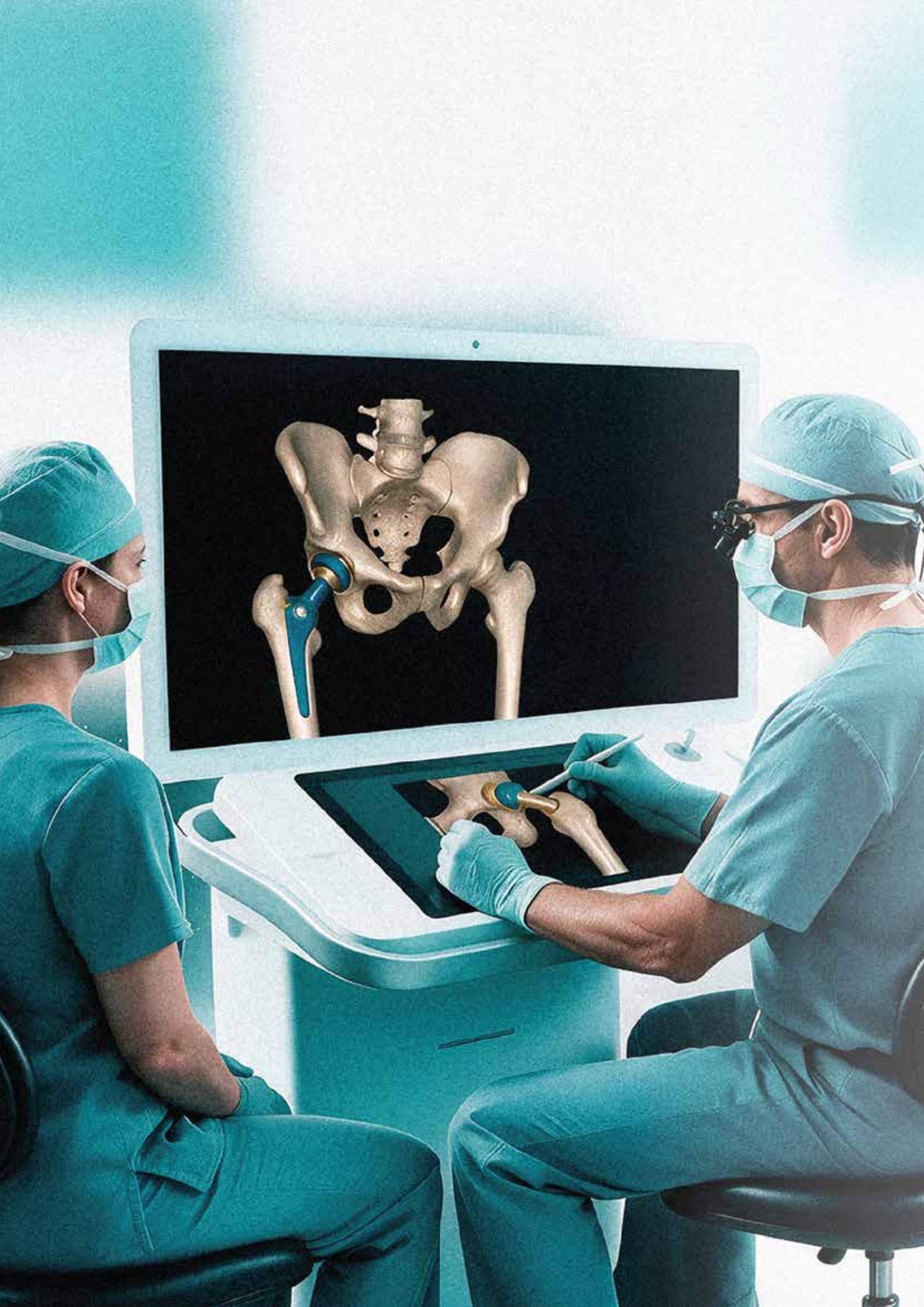
The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

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 Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2026.

The Group monitors capital using a gearing ratio for the company, 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, lease liability and bank overdraft less cash and cash equivalents.

As at 31 March	Group		Company	
	2026 Rs.	2025 Rs.	**2026 Rs.**	2025 Rs.
Net Debt	**2,077,726,557**	2,569,685,430	**2,578,502,977**	2,848,085,518
Net Equity	**7,587,450,666**	6,473,583,903	**8,674,095,969**	7,386,605,060
Capital and Total Net Debt	**9,665,177,223**	9,043,269,333	**11,252,598,946**	10,234,690,578
Gearing Ratio (X)	**0.21**	0.28	**0.23**	0.28





SUPPLEMENTARY INFORMATION

Beyond the operating theatre, every detail contributes to the care experience we create. The information in this section reflects the wider systems, structures and commitments that support our operational excellence. Together, they offer a clearer view of how Asiri Surgical Hospital PLC continues to strengthen our capabilities, enhance patient outcomes and uphold the standards of a future-focused healthcare leader.

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Shareholder Information

GENERAL

Stated Capital as at 31 March 2026 was Rs.1,393,327,565/= and Total Number of Shares were 528,457,545

STOCK EXCHANGE LISTING

The ordinary shares of the company are listed with Colombo Stock Exchange.

Public Share Holding

	2025/2026	2024/2025
The percentage of Ordinary Shares held by the public	20.04%	20.04%
Total number of share holders representing the public holding	4,013	3,575
Float Adjusted Market Capitalisation	1,630,904,537	1,217,883,258

The company has over 20% public shareholding and over 500 public shareholders meeting the minimum thresholds for compliance on minimum public holding under the option "5" 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)	17.80	13.2
Lowest (Rs)	11.00	10.5
As at 31st March	15.40	11.5
No. of Traders	11,942	5,558
No. of Share Traded	26,394,178	13,358,936
Value of Share Traded (Rs)	379,731,409	152,890,752
Market Capitalisation	8,138,246,193	6,077,261,768
Earning Per Share	1.54	0.5
Net Asset Per share	14.36	12.25
P/E Ratio	10.00	23.00

Distribution 0f Shareholders

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	2,507	599,165	0.11%	2,164	531,827	0.10%
1,001-10,000	941	3,576,633	0.68%	845	3,347,835	0.64%
10,001-100,000	464	14,175,344	2.68%	462	14,131,152	2.67%
100,001-1,000,000	91	24,473,329	4.63%	94	25,147,026	4.76%
1,000,001 & over	11	485,633,074	91.90%	11	485,299,705	91.83%
	4,014	528,457,545	100%	3,576	528,457,545	100%

Analysis of shareholders	31st March 2026			31st March 2025		
	No. of shareholders	No. of shares	%	No. of shareholders	No of shares	%
Individuals	3,918	93,873,267	17.76%	3,491	94,559,119	17.89%
Institutions	96	434,584,278	82.24%	85	433,898,426	82.11%
	4,014	528,457,545	100%	3,576	528,457,545	100%

Analysis of shareholders	31st March 2026			31st March 2025		
	No. of shareholders	No. of shares	%	No. of shareholders	No of shares	%
Resident	3,998	528,365,326	99.98%	3,564	528,312,188	99.97%
Non resident	16	92,219	0.02%	12	145,357	0.03%
	4,014	528,457,545	100%	3,576	528,457,545	100%

Investor Information

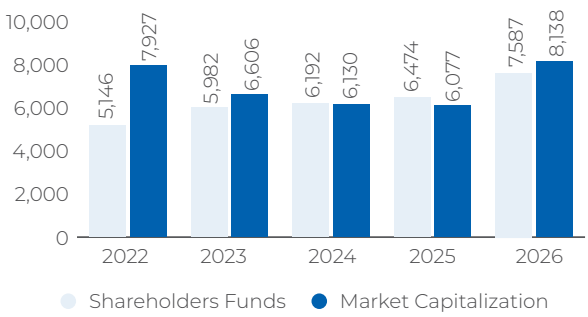
Name	No of shares	%
ASIRI HOSPITAL HOLDINGS PLC	422,555,413	79.96
MRS. SUMILA NIMAL SUBASINGHE	39,014,793	7.38
MR. PUJITHA PUNSIRI SUBASINGHE	8,092,598	1.53
EMPLOYEES TRUST FUND BOARD	4,418,750	0.84
J.B. COCOSHELL (PVT) LTD	2,384,677	0.45
MR. DIYUNUGE MAHINDA RAJAPAKSA	2,152,751	0.41
MR. MAHENDRA RAJA WEERASINGHE (DECEASED)	2,000,000	0.38
MR. UDITHA HARILAL PALIHAKKARA	1,352,046	0.26
MRS. CHANDANI VISHAKA ARIYARATNE	1,333,333	0.25
MRS. MAHAWATTAGE DONA GANGA NILUKSHI JAYARATNE	1,164,357	0.22
MRS. HIMALI SUSHAMA JAYARATNE	1,164,356	0.22
PEOPLE S LEASING AND FINANCE PLC/S.GOBINATH	1,000,000	0.19
DR. HIMALI RANGIKA JAYASEKERA	818,988	0.15
MR. MOHAMED FAIZER HASHIM	762,239	0.14
DR. WELAGEDARA MUDIYANSELAGE SWARNAMALI WELAGEDARA	749,999	0.14
MR. NAGEN DAYARANJAN KURUKULASURIYA	730,361	0.14
MR. GODAUDA PATHIRANAGE KAPILASENA	722,499	0.14
MR. DEVAPRIYA SENEVIRATHNA EPITAWATTA (DECEASED)	666,666	0.13
PEOPLE S LEASING AND FINANCE PLC/S.P.S.NISHARA	659,432	0.12
MR. ABEYSIRI HEMAPALA MUNASINGHE	589,564	0.11
OTHER	36,124,723	6.84
TOTAL	528,457,545	100.00

Five Year Summary

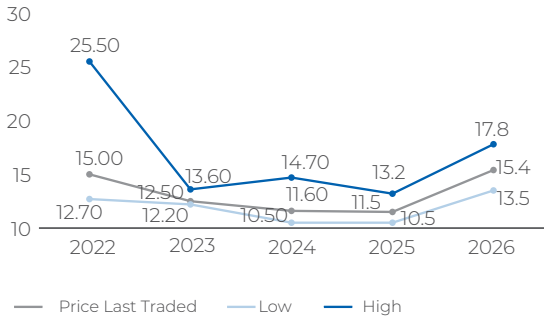
Year ended 31 March	Group				
Rs.'000	**2026**	2025	2024	2023	2022
Statement of Profit and Loss					
Revenue	**7,721,581**	7,182,101	6,619,745	5,634,695	5,837,833
Cost of Services	**(4,227,662)**	(4,180,927)	(3,949,848)	(3,405,380)	(3,378,050)
Gross Profit	**3,493,919**	3,001,174	2,669,897	2,229,314	2,459,783
Other Income and Gains	**87,822**	47,146	50,990	45,171	42,302
Administration and Distribution Expenses	**(2,274,493)**	(2,376,162)	(2,235,972)	(1,274,357)	(1,041,969)
Finance Cost	**(273,528)**	(341,042)	(618,680)	(961,982)	(248,814)
Finance Income	**584,194**	562,069	772,060	1,223,249	258,611
Share of Profit/(Loss) of Associate	**-**	-	-	-	-
Profit before Tax	**1,617,914**	893,185	638,295	1,261,397	1,469,914
Income Tax (Expense)/ Reversal	**(677,448)**	(519,457)	(515,280)	(621,368)	(223,597)
Net Profit for the year	**940,467**	373,728	123,014	640,029	1,246,317
Balance Sheet					
Property Plant & Equipment	**6,125,330**	5,541,153	5,381,372	5,526,052	4,639,355
Investment Property	**-**	-	-	-	-
Non current Financial Assets	**3,258,532**	3,180,696	2,053,700	241,968	282,029
Inventories	**206,895**	138,363	212,700	269,126	303,517
Receivables	**6,280,830**	5,242,334	4,936,588	6,944,040	5,085,724
Cash and Bank balance	**651,378**	336,400	461,069	269,004	315,653
Total Assets	**16,522,965**	14,438,946	13,045,429	13,250,190	10,626,278
Stated Capital	**1,393,328**	1,393,328	1,393,328	1,393,328	1,393,328
Reserve	**2,959,646**	2,633,392	2,225,259	2,038,670	1,784,253
Accumulated Profits	**3,234,477**	2,446,865	2,573,019	2,549,568	1,968,626
Shareholders' Funds	**7,587,451**	6,473,584	6,191,606	5,981,565	5,146,206
Non-Controlling Interests	**544,916**	418,760	310,700	219,297	134,118
Total Equity	**8,132,367**	6,892,344	6,502,305	6,200,862	5,280,325
Non-Interest Bearing Long Term Liabilities	**25,586**	25,586	714	3,713	5,721
Interest Bearing Long Term Liabilities	**191,385**	557,669	930,756	1,302,403	1,539,586
Deferred Tax Liability	**1,396,572**	1,259,268	1,228,636	1,143,790	405,517
Deferred Retirements Obligations	**240,005**	184,870	160,018	120,396	147,442
Trade Creditors	**3,040,913**	2,363,782	1,316,047	1,387,949	755,381
Other Payables	**984,004**	832,597	571,882	258,015	598,806
Non- Interest Bearing Loans and Borrowings	**11,881**	5,420	-	1,621	3,713
Interest Bearing Short Term Borrowings	**2,500,252**	2,317,410	2,335,069	2,831,440	1,889,788
Total Equity & Liabilities	**16,522,965**	14,438,946	13,045,429	13,250,190	10,626,278
Cash Flow					
Net Cash Flow from operating activities	**425,415**	(122,656)	245,836	573,948	1,123,870
Net Cash Flow used in Investing activities	**64,440**	475,870	836,908	(805,683)	(1,126,515)
PBIT/Turnover	**17%**	9%	7%	18%	29%
GP Margin	**45%**	42%	40%	40%	42%
Debts to Equity	**0.36**	0.45	0.53	0.69	0.67
Quick Asset ratio	**0.70**	0.89	1.18	1.20	1.11

Graphical Review

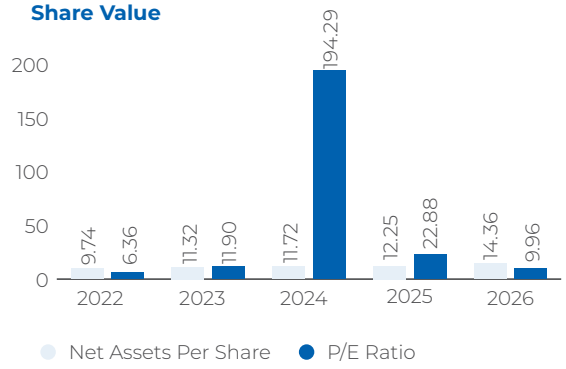
Total Equity Vs Market Capitalization (LKR Mn.)



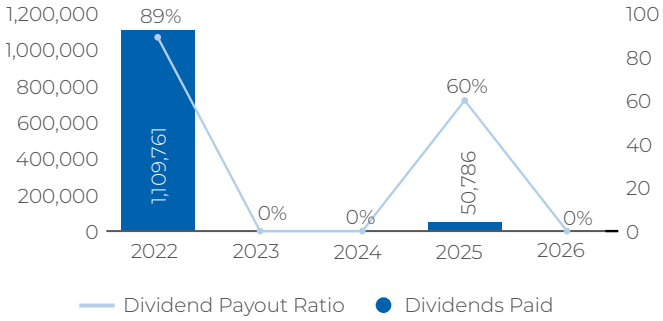
Share Price



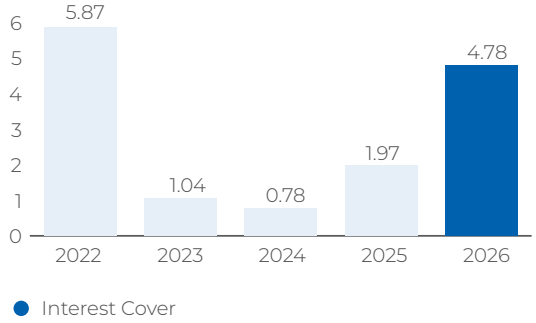
Share Value



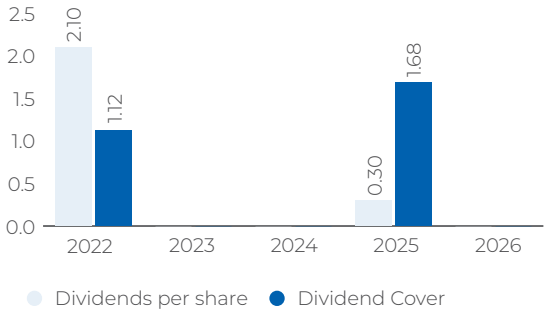
Dividend Paid & Dividend Payout Ratio (LKR Mn.)



Interest Cover (Time)



Dividends (LKR)



Notice of Meeting

NOTICE IS HEREBY GIVEN that the 26th Annual General Meeting of ASIRI SURGICAL HOSPITAL PLC will be held on Friday, 25th September 2026 at 10.15 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. R. Selvaskandan 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. G. W. D. H. U Gunawardena 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-appoint Messrs. Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.

5. 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 SURGICAL HOSPITAL PLC

Sgd.
SOFTLOGIC CORPORATE SERVICES (PVT) LTD.
Company Secretaries

31 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.

Notes

Notes

Form of
Proxy

*I/We ..... of

.....

being * member/members of Asiri Surgical Hospital 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. R. Selvaskandan	whom failing
Mr. S. Shapira	whom failing
Mr. M.I. Furkan	whom failing
Mr. G.D.K.L. De Silva	whom failing

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 2026 at 10.15 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. R. Selvaskandan 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. G. W. D. H. U Gunawardena 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-appoint Messrs. Ernst & Young as Auditors of the Company for the ensuing year and to authorise the Directors to fix their remuneration.		
5. 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 SURGICAL HOSPITAL 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 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

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. S. Shapira

Mr. M.I Furkan

Mr. G.D.K.L.De Silva

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 05.

STOCK CODE
AMSL.N0000

BANKERS
Commercial Bank PLC

Hatton National Bank PLC

Nations Trust Bank PLC

Sampath Bank PLC

Cargills Bank Limited

National Development Bank PLC

DFCC Bank PLC

SUBSIDIARY COMPANIES
Asiri AOI Cancer Centre (Private) Limited

No. 21, Kirimandala Mawatha, Colombo 05, Sri Lanka

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. H.K. Kaimal Non-Independent Non -Executive Director

FREQUENCY OF MEETINGS
Committee shall meet when required

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