

Financial Statements

For the Quarter Ended
30th September 2026



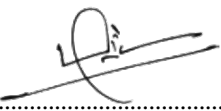
Nawaloka Hospitals PLC
Consolidated Statement of Comprehensive Income
For the Six Months Ended 30th September 2026

	Group				Company			
	Unaudited				Unaudited			
	Quarter ended 30th September		Six Months Ended 30th September		Quarter ended 30th September		Six Months Ended 30th September	
	30.09.2026 Rs'000	30.09.2025 Rs'000	30.09.2026 Rs'000	30.09.2025 Rs'000	30.09.2026 Rs'000	30.09.2025 Rs'000	30.09.2026 Rs'000	30.09.2025 Rs'000
Revenue	3,852,268	3,536,949	7,386,850	6,496,592	2,053,033	1,865,687	3,873,958	3,343,776
Cost of services	(1,637,515)	(1,556,843)	(3,177,713)	(2,926,983)	(924,954)	(854,153)	(1,771,301)	(1,587,746)
Gross profit	2,214,753	1,980,106	4,209,137	3,569,608	1,128,079	1,011,534	2,102,657	1,756,030
Other income	61,505	39,513	133,759	81,644	27,272	25,838	70,914	52,389
Staff costs	(662,719)	(638,748)	(1,312,767)	(1,140,577)	(190,077)	(219,544)	(389,444)	(336,003)
Administrative expenses	(927,582)	(738,008)	(1,792,581)	(1,434,679)	(502,779)	(379,832)	(699,256)	(668,806)
Other operating expenses	(33,619)	(32,186)	(73,834)	(61,033)	(20,834)	(18,934)	(44,115)	(36,779)
Impairment of financial assets	-	-	-	-	-	-	-	-
Profit from operations	652,338	610,676	1,163,714	1,014,963	441,661	419,062	1,040,756	766,831
Finance income	3,441	9,743	7,894	15,705	2,075	5,400	4,712	10,774
Finance cost	(223,201)	(267,752)	(447,997)	(496,440)	(117,774)	(123,690)	(234,656)	(245,646)
Net finance costs	(219,760)	(258,010)	(440,103)	(480,735)	(115,699)	(118,290)	(229,944)	(234,872)
Share of profits of equity accounted investee, net of tax	-	-	-	-	-	-	-	-
Gain on loan settlement	-	5,299	-	660,761	-	5,299	-	5,299
Profit/(Loss) before Tax	432,578	357,965	723,611	1,194,990	325,962	306,071	810,812	537,258
Income tax (expense)/ reversal	(162,354)	(63,725)	(382,323)	(166,010)	(88,802)	(10,480)	(242,028)	(84,876)
Profit/(Loss) for the period	270,224	294,240	341,288	1,028,979	237,160	295,591	568,784	452,382
Total comprehensive income/(expense) for the period	270,224	294,240	341,288	1,028,979	237,160	295,591	568,784	452,382
Earnings/(Loss) Per Share	0.19	0.21	0.24	0.73	0.17	0.21	0.40	0.32

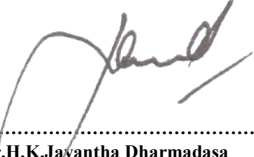
Nawaloka Hospitals PLC
Consolidated Statement of Financial Position
As at 30th September 2026

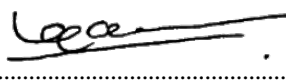
	Group		Company		Group	Company
	Unaudited	Unaudited	Unaudited	Unaudited	Audited	Audited
	30.09.2026 Rs'000.	30.09.2025 Rs'000.	30.09.2026 Rs'000.	30.09.2025 Rs'000.	31.03.2026 Rs'000.	31.03.2026 Rs'000.
ASSETS						
NON CURRENT ASSETS						
Property, plant and equipment	16,919,258	17,190,678	1,814,592	1,728,932	17,184,932	1,826,253
Right of use assets	496,934	492,752	251,059	336,946	537,056	294,862
Investment Property	803,000	-	257,000	-	803,000	257,000
Investment in subsidiaries	-	-	945,933	945,933	-	945,933
Investment in equity accounted investee	735,236	582,266	735,236	582,266	735,236	735,236
Total non current assets	18,954,428	18,265,696	4,003,820	3,594,077	19,260,224	4,059,284
CURRENT ASSETS						
Inventories	669,392	519,293	354,961	273,035	730,313	389,484
Trade and other receivables	1,053,636	851,714	888,581	733,643	799,316	725,423
Amounts due from related parties	1,731,589	962,877	6,200,969	4,473,107	1,478,676	5,582,809
Other investments	88,599	338,790	88,599	221,865	153,886	153,886
Cash and cash equivalents	301,710	319,666	175,220	255,282	332,097	208,728
Total current assets	3,844,926	2,992,339	7,708,330	5,956,932	3,494,288	7,060,330
Total assets	22,799,354	21,258,034	11,712,150	9,551,009	22,754,512	11,119,614
EQUITY AND LIABILITIES						
Capital and reserves						
Stated capital	1,207,389	1,207,389	1,207,389	1,207,389	1,207,389	1,207,389
Revaluation reserve	5,344,029	4,821,699	563,208	419,846	5,344,029	563,208
(Accumulated losses)/ retained earnings	264,932	(87,245)	1,865,124	721,545	(76,356)	1,296,340
Total equity	6,816,350	5,941,843	3,635,720	2,348,780	6,475,062	3,066,937
NON CURRENT LIABILITIES						
Retirement benefit obligation	458,301	392,640	272,066	250,819	442,996	267,891
Deferred tax liabilities	3,717,882	3,583,128	215,074	252,145	3,687,898	230,829
Borrowings	6,185,732	7,096,224	3,013,146	3,667,769	6,294,574	2,990,327
Lease liabilities	177,115	280,409	98,464	211,045	207,616	128,434
Total non-current liabilities	10,539,031	11,352,401	3,598,750	4,381,779	10,633,084	3,617,481
CURRENT LIABILITIES						
Trade creditors and other payables	3,131,548	2,544,415	2,314,877	1,833,596	3,172,395	2,254,619
Unclaimed dividends	4,593	4,593	4,593	4,593	4,593	4,593
Current tax liabilities	503,279	274,361	483,272	166,417	559,826	444,285
Amounts due to related companies	230,388	6,372	718,877	443,431	175,708	622,875
Borrowings	840,061	570,960	601,427	128,400	945,026	645,680
Lease liabilities	99,443	8,564	61,021	2,653	100,676	58,774
Bank overdrafts	634,662	554,525	293,613	241,360	688,141	404,371
Total current liabilities	5,443,974	3,963,790	4,477,680	2,820,450	5,646,365	4,435,197
Total liabilities	15,983,004	15,316,191	8,076,430	7,202,229	16,279,449	8,052,678
Total equity and liabilities	22,799,354	21,258,034	11,712,150	9,551,009	22,754,512	11,119,614
Net assets per share	4.84	4.22	2.58	1.67	4.59	2.18

It is certified that the Financial Statements have been prepared and presented in compliance with the requirements of the Companies Act, No.07 of 2007.


 Theja Vimuktha De Silva
 Group Chief Financial Officer


 Sampath Thennakoon
 Chief Financial Officer


 Dr. H.K. Jayantha Dharmadasa
 Chairman / Chief Executive Officer
 27th October 2026
 Colombo 02


 Prof. Lal.G.Chandrasena
 Director/General Manager

Nawaloka Hospitals PLC Statement of Cash Flows For the Six Months Ended 30th September 2026				
	GROUP		COMPANY	
	Period Ended 30.09.2026 Rs.000	Period Ended 30.09.2025 Rs.000	Period Ended 30.09.2026 Rs.000	Period Ended 30.09.2025 Rs.000
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES				
Profit/(Loss) before Tax	723,611	1,194,990	810,812	537,257
ADJUSTMENTS FOR:				
Depreciation of property plant and equipment	463,701	414,006	93,438	135,236
Unrealized foreign exchange loss on borrowings	(3,202)	-	(2,225)	-
Finance costs	451,199	496,813	236,881	245,647
Gain on loan settlement	-	(660,761)	-	(5,299)
Interest income	(7,788)	10,548	(4,712)	1,887
Amortization of right of use assets	68,261	80,591	43,803	41,093
Fair value gain in Unit Trust	(726)	-	(726)	-
Provision for retirement benefit obligations	40,013	34,331	19,607	20,322
Provision for slow moving inventories	1,602	-	988	-
Operating profit before working capital changes	1,736,671	1,570,518	1,197,867	976,144
CHANGES IN WORKING CAPITAL				
Increase in inventories	59,319	(43,017)	33,535	(24,068)
Increase in debtors, deposits and advances	(254,321)	21,387	(163,158)	8,089
(Increase)/decrease in related party balances	(198,234)	(2,645)	(522,158)	102,987
Increase in creditors and other payables	(40,847)	(1,174,697)	60,259	(672,296)
	(434,083)	(1,198,972)	(591,522)	(585,289)
Cash generated from/ (used in) operating activities	1,302,587	371,546	606,344	390,856
Interest paid	(440,012)	(55,170)	(227,784)	(17,724)
Gratuity paid	(24,707)	(14,045)	(15,432)	(37)
Current tax paid	(408,886)	(109,033)	(218,797)	(72,500)
Net cash generated from operating activities	428,982	193,298	144,332	300,596
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES				
Net investment in short-term deposits	68,365	(80,000)	68,365	-
Purchase of Property, Plant and Equipment	(198,030)	(1,667,086)	(81,777)	(51,130)
Investment in right of use assets	(14,339)	-	-	-
Interest received	6,413	-	2,360	-
Net cash used in investing activities	(137,591)	(1,747,086)	(11,052)	(51,130)
CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES				
Proceeds from long-term borrowings	36,183	7,054,367	36,183	3,114,367
Repayments of long-term borrowings	(241,632)	(5,832,907)	(54,807)	(3,461,221)
Repayments of lease rentals	(62,850)	(79,542)	(37,404)	(68,818)
Net cash flows used in financing activities	(268,299)	1,141,918	(56,028)	(415,672)
Net Increase/(Decrease) in Cash & Cash equivalents				
Cash & Cash equivalents during the period	23,092	(411,869)	77,251	(166,207)
Cash & Cash equivalents at the beginning of the period	(356,044)	(540,137)	(195,644)	(268,112)
Cash and Cash equivalents at the end of the period	(332,952)	(952,006)	(118,393)	(434,319)
ANALYSIS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD				
Cash at Bank & in Hand	301,710	319,666	175,220	255,282
Bank Overdraft	(634,662)	(1,271,672)	(293,613)	(689,603)
	(332,952)	(952,006)	(118,393)	(434,319)

Nawaloka Hospitals PLC
Statement of Changes in Equity
For the Six Months Ended 30th September 2026

Group	Stated Capital Rs'000	Revaluation Reserve Rs'000	Retained Earnings Rs'000	Total Equity Rs'000
Balance as at 01st April 2025	1,207,389	4,821,699	(1,116,224)	4,912,864
Profit/(Loss) for the period	-	-	1,028,979	1,028,979
Balance as at 30th September 2025	1,207,389	4,821,699	(87,245)	5,941,843
Balance as at 01st April 2026	1,207,389	5,344,029	(76,356)	6,475,062
Profit/(Loss) for the period	-	-	341,288	341,288
Balance as at 30th September 2026	1,207,389	5,344,029	264,932	6,816,350

Company	Stated Capital Rs'000	Revaluation Reserve Rs'000	Retained Earnings Rs'000	Total Equity Rs'000
Balance as at 01st April 2025	1,207,389	419,846	269,164	1,896,399
Profit/(Loss) for the period	-	-	452,382	452,382
Balance as at 30th September 2025	1,207,389	419,846	721,546	2,348,781
Balance as at 01st April 2026	1,207,389	563,208	1,296,340	3,066,937
Profit/(Loss) for the period	-	-	568,784	568,784
Balance as at 30th September 2026	1,207,389	563,208	1,865,124	3,635,720

Notes form an integral part of these Financial Statements.
Figures in brackets indicate deductions.

Nawaloka Hospitals PLC
Notes to the Interim Financial Statements

1. Corporate Information

1.1 General

Nawaloka Hospitals PLC ('Company') is a quoted public company with limited liability incorporated in Sri Lanka under the provisions of the Companies Act No. 07 of 2007 and the ordinary shares of the company are listed on the Colombo Stock Exchange.

The registered office and the principal place of business of the Company is located at No. 23, Deshamanya H.K Dharmadasa Mawatha, Colombo 02.

1.2 Date of Authorization for Issue

The Interim Consolidated Financial Statements of the Group and Company for the period ended 30th September 2026 were authorized for issue by the Board of Directors on 27th October 2026.

2. Basis of Preparation

Interim Financial Statements of Nawaloka Hospitals PLC and its subsidiaries comprise the Consolidated Statement of Financial Position, and the Statements of Comprehensive Income, Other Comprehensive Income, Changes in Equity and Cash flows together with accounting policies and notes thereon and have been prepared in accordance with the Sri Lanka Accounting Standards LKAS 34 - Interim Financial Reporting and requirements of the Companies Act No. 7 of 2007.

The Financial Statements of the company and those consolidated with such for the interim period have been prepared on the same basis as the most recent audited financial statements.

3. Other Information

3.1 Expense Recognition

The financial statements include all expenses that are known and measurable as at the reporting date.

3.2 Significant Contingencies

A legal proceeding has been initiated in the Commercial High Court of Colombo under Case No. 59/2023 CO against the company, seeking the cancellation of 5,049,500 shares of Nawaloka College of Higher Studies (Private) Limited which is an associate of the company.

On 17th December 2024, the Court issued an order regarding the cancellation of these shares. The Company has taken immediate legal measures by filing a notice of appeal on 31st December 2024, followed by an appeal petition on 31st January 2025. The matter remains under judicial consideration, and the Company is actively pursuing its legal rights.

4. Event After the Reporting Date

No material events have occurred after the reporting date that require disclosure in the interim Consolidated financial statements.

5. Performance Highlights

	Group	Company
Debt/Equity ratio	1.16	1.12
Quick asset ratio	0.58	1.64
Interest cover	2.92	3.75
Interest Yield ratio	0.04	0.02

NAWALOKA HOSPITALS PLC
NOTES TO THE FINANCIAL STATEMENTS

6 OPERATING SEGMENTS

Accounting policy

An operating segment is a component of the Group/Company 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/Company's other components. All operating segments' operating results are reviewed regularly by the Group/Company's CEO to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

6.1 Basis for segmentation

The Group has the following strategic divisions, which are its reportable segments. These divisions offer different products and services, and are managed separately because they require different technology and marketing strategies.

The following summary describes the operations of each reportable segment.

Reportable segments	Operations
Hospital services	Provision of hospital services to inpatient and outpatient
Pharmaceutical	Sale of pharmaceuticals
Laboratories	Provision of laboratories services
Radiology services	Provision of radiographical services

The Group's chief executive officer reviews the internal management reports of each division at least quarterly.

Segment performance is evaluated based on operating profits or losses which in certain respect, are measured differently from operating profits or losses in the consolidated financial statements. Income taxes are managed on a Group basis and are not allocated to operating segments.

6.2 Segment information

The following table presents the income, profit, asset and liability information on the Group's strategic business divisions for the quarter ended Septemeber 30, 2026 and comparative figures for the quater ended September 30, 2025

	Hospital services		Pharmaceutical		Laboratories		Radiology services		Total	
	September		September		September		September		September	
	2026 Rs'000.	2025 Rs'000.	2026 Rs'000.	2025 Rs'000.	2026 Rs'000.	2025 Rs'000.	2026 Rs'000.	2025 Rs'000.	2026 Rs'000.	2025 Rs'000.
External operating income	-	-	-	-	-	-	-	-	-	-
Revenue	1,599,403	1,334,118	1,014,177	1,115,051	761,835	711,797	476,853	375,983	3,852,268	3,536,949
Other income	-	-	-	-	-	-	-	-	61,505	39,513
Total operating income	1,599,403	1,334,118	1,014,177	1,115,051	761,835	711,797	476,853	375,983	3,913,773	3,576,462
Share of profit of equity accounted investee									-	-
Depreciation and amortisation									(531,961)	(494,598)
Profit / (loss) before tax									432,578	357,965
Income tax expenses for the year									(162,354)	(63,725)
Profit / (loss) profit for the year, attributable to equity holders of the parent									270,224	294,240

7. Investor Information

7.1 Public Shareholding Information

As at	30.09.2026	30.06.2026
Shares held by public	483,248,140	483,248,140
Number of public shareholders	8,505	8,379
Public Holding Percentage	34.28%	34.28%
Float adjusted market capitalization (LKR Mn)	5,557	7,055
Option	Option 03	Option 03

7.2 Directors' Shareholding Information

The aggregate shareholding of the Directors as at

Name of the Director	30.09.2026	30.06.2026
Mr. H K J Dharmadasa	462,736,182	462,736,182
Miss. A G Dharmadasa	5,066,686	5,066,686
Mr. Victor Rajamanner Ramanan	3,110,088	3,110,088
Mr. A G Dharmadasa	3,004,026	3,004,026
Vidya Jyothi Prof. Lal Chandrasena	601,198	601,198
Deshabandu Tilak De Zoysa	218,000	218,000
Dr. I.M.D.Z. Gunasekera	32,000	32,000
Dr. M.Rajakaruna	-	-
Mr. T K Bandaranayake	-	-
Dr. M.T.D. Lakshan	-	-
Mr.V.T.De Zoysa	-	-
Dr.D.B.S.C.Bandara	-	-
Mr.C.P.Wijetilleke	-	-
Dr.R.M.S.Pushpakumara	-	-
Prof.P.P.M.Jayaweera	-	-
Total	474,768,180	474,768,180

The following shareholdings disclosed in the directors' shareholdings list represent direct and nominee holdings of the respective beneficial owners and are presented on an aggregated basis as at 30th September 2026:

Name appearing in shareholder register	No. of shares
Mr. H.K.J. Dharmadasa	282,736,182
Seylan Bank Ltd / H.K. Jayantha Dharmadasa	60,000,000
Union Bank of Colombo PLC / Hewa Komanage Jayantha Dharmadasa	120,000,000
Total	462,736,182

8. Number of shares representing the entity's stated capital as at

As at	30.09.2026	30.06.2026
No. of shares	1,409,505,596	1,409,505,596

As at	30.09.2026	30.06.2026
Net Asset value per share (Rs) - Group	4.84	4.30
Net Asset value per share (Rs) - Company	2.58	2.40

9. Share prices during the interim period as at

	30.09.2026	30.06.2026
	Rs.	Rs.
Highest Price	15.30	17.00
Lowest Price	11.20	10.50
Last Traded Price	11.50	14.60

10. Major Shareholdings
Twenty Largest Shareholders

No	Share Holders Name	As at 30.09.2026		As at 30.06.2026	
		No. of Shares	%	No. of Shares	%
1	Mr. H.K.J. Dharmadasa	462,736,182	32.83	462,736,182	32.83
2	Nawaloka Construction Company (Private) Limited	441,778,880	31.34	441,778,880	31.34
3	Mr. K.A.D.D. Perera	391,055,692	27.74	391,055,692	27.74
4	Miss. A.G. Dharmadasa	5,066,686	0.36	5,066,686	0.36
5	Mrs. P. Nanayakkara	5,066,666	0.36	5,066,686	0.36
6	Mr. L. Hettiarachchi	4,481,592	0.32	4,481,592	0.32
7	Mr. V.R. Ramanan	3,110,088	0.22	3,110,088	0.22
8	Mr. A.G. Dharmadasa	3,004,026	0.21	3,004,026	0.21
9	Mrs. C.S. Dharmadasa	2,581,866	0.18	2,581,866	0.18
10	Mr. K.S. Warusavitarana	2,472,197	0.18	2,472,197	0.18
11	Commercial Bank of Ceylon PLC/ W.Jinadasa	2,000,000	0.14	2,000,000	0.14
12	Nawaloka Hardware (Private) Limited	2,000,000	0.14	2,000,000	0.14
13	Tranz Dominion, L.L.C	2,000,000	0.14	2,000,000	0.14
14	Seylan Bank PLC/Andaradeniya Estate (Pvt) Ltd	1,947,429	0.14	1,947,429	0.14
15	Mr. G.C.Goonetilleke	1,205,000	0.09	1,205,000	0.09
16	Mr. B.A.A.S Basnayaka	1,100,000	0.08	1,100,000	0.08
17	Mr. M.T. Rajab Khan	1,020,000	0.07	1,020,000	0.07
18	Mr.P. Brahmage Premalal	1,000,000	0.07	1,000,000	0.07
19	People's Leasing and Finance PLC/Mr. Iresh Sridas Gurusinghe	1,000,000	0.07	1,000,000	0.07
20	H.K.S.R. Perera	1,000,000	0.07	1,000,000	0.07
21	Ranathunga Motors (Pvt) Ltd	1,000,000	0.07	1,000,000	0.07
Total		1,336,626,304	94.83	1,336,626,324	94.83
Balance held by other shareholders		72,879,292	5.17	72,879,272	5.17
Total No. of shares		1,409,505,596	100.00	1,409,505,596	100.00

The following shareholdings disclosed in the Top Twenty Shareholders list represent direct and nominee holdings of the respective beneficial owners and are presented on an aggregated basis as at 30th September 2026:

Beneficial Owner	Name appearing in shareholder register	No. of shares	% Holding
Mr. H.K.J. Dharmadasa	Mr. H.K.J. Dharmadasa	282,736,182	20.06%
	Seylan Bank Ltd / H.K. Jayantha Dharmadasa	60,000,000	4.26%
	Union Bank of Colombo PLC / Hewa Komanage Jayantha Dharmadasa	120,000,000	8.51%
	Total	462,736,182	32.83%
Nawaloka Construction Company (Private) Limited	Nawaloka Construction Company (Private) Limited	380,778,880	27.02%
	Union Bank of Colombo PLC / Nawaloka Construction Company	61,000,000	4.33%
	Total	441,778,880	31.34%

Corporate Information

Name of the Company

Nawaloka Hospitals PLC

Company Registration No.

PQ 78

Registered Office

No. 23, Deshamanya H. K. Dharmadasa Mawatha,
Colombo 02, Sri Lanka.

Telephone

(+94 11) 2544444-56, 2305051-79, 5577111

Telefax

(+94 11) 2430393

E-mail/Website

nawaloka@slt.lk, www.nawaloka.com

Legal Form

Quoted Public Company with limited liability incorporated in
Sri Lanka under the Companies Ordinance 1938 and
Re-registered under the Companies Act No. 07 of 2007.

Board of Directors

- 1.Dr.H.K. Jayantha Dharmadasa (Chairman and CEO)
- 2.Mr.Anisha Dharmadasa (Deputy Chairman)
- 3.Vidya Jyothi Prof. Lal G. Chandrasena (Director/General Manager)
- 4.Deshabandu Tilak De Zoysa
- 5.Mr. Tissa Kumara Bandaranayake
- 6.Ms. A.G. Dharmadasa
- 7.Dr. Maithree Gunasekera
- 8.Mr. Victor R Ramanan
- 9.Dr.Mohan Rajakaruna
- 10.Dr. M.T.D. Lakshan
- 11.Mr.Viran De Zoysa
- 12.Dr.Chamara Bandara
- 13.Mr.Chamira Wijetilleke
- 14.Dr. Samantha Pushpakumara
- 15.Prof. Manjula Jayaweera

Secretaries to the Company

C G Corporate Consultants (Pvt) Ltd
No:45, Visakha Road,
Colombo 04,
Sri Lanka

Auditors

BDO Partners
Chartered Accountants of Charter House
65/2,Chittampalam A, Gardiner Mawatha
Colombo 02.

Lawyer(s)

Sanath Wijewardana
AAL & NP
No. 28 Wilson Street
Halfsdrop,Colombo 12.

Bankers

Bank of Ceylon
Commercial Bank PLC
Hatton National Bank PLC
Nations Trust Bank PLC
Sampath Bank PLC
Seylan Bank PLC

Subsidiaries

New Nawaloka Hospitals (Pvt) Ltd.
New Nawaloka Medical Centre (Pvt) Ltd.
Nawaloka Laboratories (Pvt) Ltd.

Associate

Nawaloka College of Higher Studies (Pvt) Ltd.