



Intellectual Capital

Intellectual Capital constitutes the Group's intangible assets, collective knowledge and skills developed over time, systems and processes unique to the organisation, and the strength of longstanding partnerships with stakeholders.

HIGHLIGHTS FOR FY 25

Rs. 440+ Mn
Invested in R & D

23
New products developed

Rs. 120 Mn
Invested in Training and Development

86
No. of Own Brands

THE GROUP'S INTELLECTUAL CAPITAL AT A GLANCE

Trends and Identified Dynamics:

- ◆ The retention of skilled talent has remained a challenge, particularly in specialised areas.
- ◆ Opportunities to leverage on new technology and systems to drive increased efficiency and productivity.
- ◆ As new technologies and trends emerge, there is a challenge to bridge the gap and gain access to new fields in order to remain competitive.

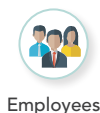
Key Focus Areas for FY 25:

- Promoting Knowledge Development and Capacity Building to improve employee skills and create a future-fit workforce.
- Investing in Process Improvements and Strengthening Digitalisation to drive efficiency, streamlined operations, and an elevated value proposition.
- Achieving Brand and Product Excellence by delivering products and services in alignment with the highest quality standards.

HOW INTELLECTUAL CAPITAL SUPPORTS VALUE CREATION:

- ◆ Enhances an organisation's capacity for innovation and generate proprietary knowledge and skills, thereby offering a competitive advantage in the market.
- ◆ Increases organisational efficiency and productivity via streamlined systems and processes, and the development of best practices and skills.
- ◆ Strengthens stakeholder relationships through an increased reputation for trust, brand reputation, and enhanced decision-making.

Impacted Stakeholders:



UNSDGs



CAPITAL REPORTS

Intellectual Capital

THE GROUP'S INTELLECTUAL CAPITAL AT A GLANCE

Knowledge


- ◆ A diverse talent pool representing multiple industries and facets of society.
- ◆ Internal mobility and knowledge sharing that enables employees to gain cross-functional skills.
- ◆ A specialised talent pool indicates our ability to attract talent in specialised fields.
- ◆ The Group's Long Range Plans (LRP) that transcends core business is a testament to the organisation's capacity to collect and analyse data from various sectors to inform strategic decisions.
- ◆ Rigorous quality and compliance standards implemented, and knowledge gained across highly regulated sectors.
- ◆ Intellectual property, brands, and proprietary knowledge, reinforced by research and development.

943
Trademarks

31
Industrial Design

380+
Training programmes conducted

Linked to:



Human Capital

Structures

- ◆ Robust structures and systems that support streamlined, efficient operations.
- ◆ A commitment towards continuous improvement and the upgrading of processes to drive effective results.
- ◆ Data protection mechanisms that safeguard valuable information from the growing threat of cybersecurity attacks.
- ◆ Wide-ranging policies and standards that enable good governance and stewardship of resources.
- ◆ A deep-seated commitment to quality, reinforced by global standards and certifications.

40+
Quality standards and certifications

90+
Policies, guidelines, and manuals

Linked to:

Corporate Governance



Manufactured Capital



Human Capital



Natural Capital

Relationships

- ◆ A strong brand reputation and a customer network built across various product categories.
- ◆ Partnerships to drive sustainable development, economic growth, and capacity building across diverse sectors.
- ◆ Maintaining the highest standards of trust, as evidenced by a wide range of awards and accolades.

8
Partnerships and joint ventures

21%
Growth in top-of-mind recall

6th
Most loved corporate brand







80+
Awards and recognition

Linked to:





Social and Relationship Capital

PROGRESS IN FY 25

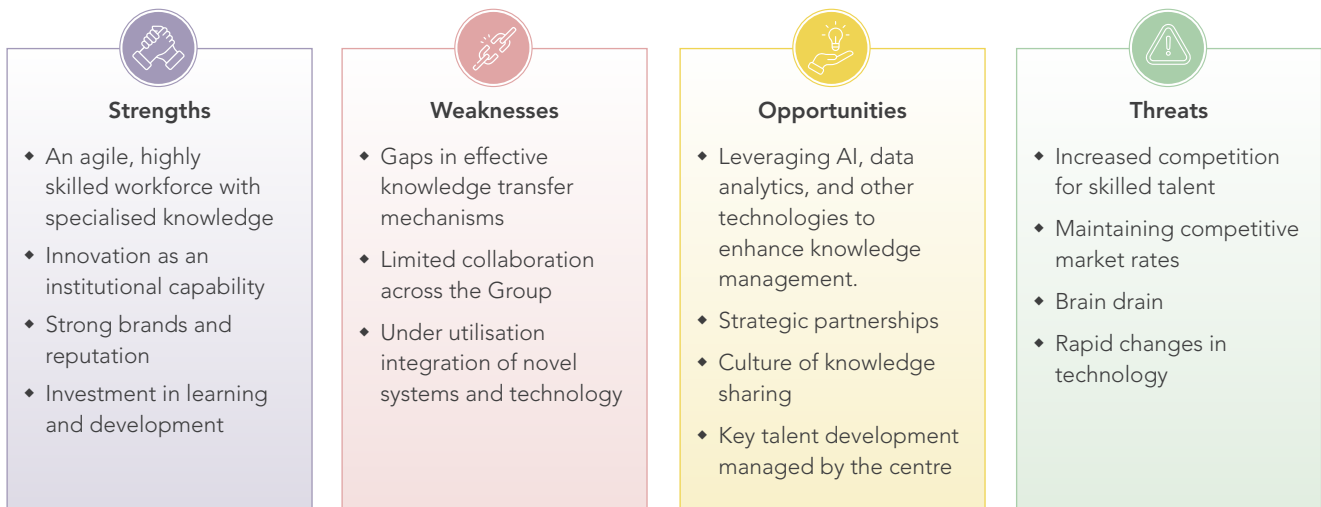
Targets for 2030 / Key Focus Areas	Status	Activities in FY 25	Impact	Outlook
Consumer Brands				
Home and Personal Care				
Employee skill development and training programmes.	●	<p>Implementation of new learning and development programmes.</p> <p>Strengthening knowledge-sharing platforms.</p>	<p>Increased employee productivity.</p>   <p>Employees</p>	
Learning Segment				
Enhance employee skill-sets and leadership.	●	<p>Continuing investment in leadership and skill development programs, such as the empowerX Supervisory Development Program and Business Storytelling Masterclass.</p>	<p>Enhancing employee stability, job security, and engaging in knowledge development and capacity building.</p>   <p>Employees</p>	
Strengthening organisational culture and values.	●	<p>Conducting onboarding programs and internal culture-building initiatives.</p>		Opportunities for positive scalability.
Developing future leaders and succession plans.	●	<p>Focus on succession planning through comprehensive programmes.</p>		
Enhance functional and technical capabilities.	●	<p>Conducting succession planning programmes and specialised training on quality control, AI in marketing, and Lean Management.</p>		
Healthcare				
Pharmaceutical Manufacturing				
Conducting comprehensive development programmes among employees and stakeholders.	●	<p>Strengthening the leadership capabilities of middle management.</p>	<p>Nurtures a more productive, future-fit workforce, promotes knowledge development and sharing, and creates stable employment with opportunities for growth.</p>   <p>Employees</p>	<p>Engaging in the transfer of acquired knowledge and skills to the next employee level.</p>

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Targets for 2030 / Key Focus Areas	Status	Activities in FY 25	Impact	Outlook
	●	Mindset shifting and rapport building within the medical marketing team of the Pharmaceutical Manufacturing business.		Deploying acquired skills when conducting business operations.
	●	Skill grading programme for Pharma-manufacturing technicians.		
	●	Partnership with the Sri Lanka College of Endocrinologists (SLCE) for enhancing knowledge on Diabetic care among primary healthcare professionals (General Practitioners).		Continue with the remaining two batches in FY 25/26.
	●	Building close relationships with key officials of National Medicines Regulatory Authority (NMRA), Medical Supplies Division of the Ministry of Health and State Pharmaceutical Manufacturing Corporation (SPMC)		
Hospitals				
Upgrading the customer experience through digitisation and increased accessibility.	●	Pioneered the development and launch of a comprehensive self-care mobile app, introducing a new digital experience for private hospital customers in Sri Lanka with multiple innovative features.	20,000 app downloads recorded. Empowering customers with convenience, and increased accessibility to health.	Actively promoting the app as the primary platform for patient connectivity.
			   Consumers	

● On Track ● Delayed



PROMOTING KNOWLEDGE DEVELOPMENT AND CAPACITY BUILDING

Institutional Knowledge and Expertise

Across the Group, each sector has integrated institutional knowledge and expertise which they have gained over the years, thereby offering unique insights into their respective operations, and enabling the elevation of the stakeholder value proposition at every stage.

Consumer Brands
Home and Personal Care
<ul style="list-style-type: none"> ◆ The segment demonstrates excellence across key areas such as product innovation, consumer insight analysis, global sourcing strategies, and brand management. With robust capabilities in retail distribution, trade marketing, risk management, and digital transformation, the team is well-positioned to adapt global strategies to local markets and drive sustainable growth. ◆ The segment embraces a forward-looking approach by enhancing internal communication and knowledge sharing through platforms like the HR and IT SharePoint sites. A strong focus on training and development is supported by expert-led sessions, while significant technology upgrades (including SAP system modernisation and full cloud migration) have led to improved operational efficiency and security.
Learning Segment
<ul style="list-style-type: none"> ◆ The learning segment demonstrates a distinctive approach to leadership and capability development through the Atlas Axillia Academy. With a strong emphasis on generational leadership, deep local market insight, and internally developed cultural transformation frameworks, the segment fosters growth at every level. For instance, programmes such as empowerX, sparX, and Glo-Bus provide tailored leadership journeys aligned with business needs and employee grade levels. ◆ The segment's In-house expertise holds the capacity to deliver specialised technical training ranging from Microsoft Power Apps to Root Cause Analysis, reflecting a robust and hard-to-replicate institutional knowledge base. ◆ The "OneAtlas" cultural blueprint and internal trainer network further reinforce a cohesive learning culture and ensure the retention of core organizational knowledge.

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Healthcare

Pharmaceutical Manufacturing

- ◆ The Pharmaceutical Manufacturing segment offers end-to-end capabilities across the value chain, spanning from formulation to market readiness. This integrated approach supports the delivery of reliable pharmaceutical solutions, balancing technical expertise with commercial understanding.
- ◆ Key strengths include advanced formulation development, where teams work to design and refine drug formulations with a focus on efficacy, stability, and user needs. This is supported by analytical method development, which helps ensure consistent and accurate testing aligned with regulatory expectations.
- ◆ Manufacturing operations are guided by established quality systems and modern facilities that help maintain consistency and compliance with globally acknowledged industry standards and regulatory requirements.
- ◆ In addition, the segment offers experience in brand development, drawing on scientific knowledge, market understanding, and targeted communication, enabling the building of a meaningful presence in a competitive landscape.

Pharmaceutical Distribution

- ◆ The Pharmaceutical Distribution business is supported by a skilled team with practical experience in specific therapeutic areas, allowing for a more informed and responsive service to healthcare providers. This includes hands-on familiarity with selected surgical devices and the ability to assist in their handling when required.
- ◆ The team is also equipped with the ability to troubleshoot and perform minor repairs on surgical devices, helping to reduce delays and support streamlined, smoother day-to-day operations.
- ◆ These capabilities collectively contribute to a more dependable and service-oriented approach within the healthcare distribution space.

Hospitals

- ◆ Hemas Hospitals delivers clinical excellence through a multidisciplinary team of locally and internationally experienced consultants, integrating global best practices into patient care. Its strong culture of learning is fostered through platforms like the Hemas Learning Academy and leadership programs that support talent development across clinical and non-clinical roles.
- ◆ With a focus on Lean Healthcare and process excellence, the hospital ensures efficient, quality-centric operations. Patient care is enhanced by a robust knowledge-sharing culture, structured customer experience initiatives, and a commitment to empathetic service delivery.
- ◆ Hemas also stands out for its adaptability to advanced healthcare technologies, international benchmarking efforts, and the structured development of allied health services, reinforcing its holistic, patient-focused approach.

Mobility

- ◆ The mobility sector offers comprehensive experience in airline operations, including reservations and ticketing, sales and marketing, cargo logistics, ground handling, and customer service—thereby ensuring smooth end-to-end travel and freight experiences.
- ◆ With a proficiency in global reservation systems like Amadeus, Sabre, and Galileo, the teams possess a deep knowledge of aviation regulations, including International Air Transport Association (IATA) and International Civil Aviation Organization (ICAO) standards, as well as specialised certifications in dangerous goods and live animal transport.
- ◆ The team's capabilities span crisis management, stakeholder engagement, and analytical decision-making, supported by strong attention to detail and cross-functional leadership, positioning them to be well-equipped to manage complex, compliance-driven aviation environments.

LEARNING AND DEVELOPMENT

The Group promotes a strong learning culture, with HR teams within each business unit empowered to lead learning strategies that build leadership and functional capabilities aligned to their respective industries.

Leadership Development

A clearly defined set of leadership capabilities have been established. These are closely linked with succession planning to ensure a steady pipeline of future-ready leaders.

Knowledge Sharing

Knowledge sharing is actively encouraged through leadership connect sessions, where employees engage with senior leaders to gain insights and guidance. Formal and informal mentorship programs, including those involving board members, provide additional support to emerging talent.

Talent Identification and Development

Structured talent identification and development processes are deployed across the Group, including individual development plans, enabling data-driven, personalised decisions that empower individuals to grow and succeed within the organisation.

The Hemas Leadership Academy

In 2024, Hemas took a strategic step toward future-proofing its leadership pipeline by establishing the Hemas Leadership Academy, a dedicated platform designed to equip key talent with access to globally acclaimed leadership resources.

Leadership Capability Framework

This served as the cornerstone of all leadership development interventions during the year. It was refined and brought to life through experiential learning, real-world case studies, and strategic conversations aimed at fostering a consistent leadership identity across the Group.



Collaboration with Global Partners

To support senior leadership development, Hemas also implemented a comprehensive assessment and development protocol in collaboration with global partners including Mercer & Mettl, Spencer Stuart, and Caliper. Further strengthening its leadership agenda, Hemas maintained long-standing executive education partnerships with institutions such as Harvard Business School and the Center for Creative Leadership (CCL). Senior executives participated in prestigious programs including Harvard's Owner/President Management Program and the Senior Executive Leadership Development Programme – India. Leadership coaching engagements with CCL continued to support growth at the executive level.

Transcend: A Leadership Experience

This served as the Academy's flagship initiative, which constituted a six-month immersive programme for 26 emerging leaders across the Group. The programmes explored the eight core leadership capabilities that define the Hemas Leadership Brand through workshops, leadership connects, business simulations, and one-on-one coaching sessions. Delivered in partnership with the RBL Group, GoodLife X, and Next Education Group, Transcend was designed to be a transformative experience, with continuity plans in place to extend its long-term impact.

Promoting Diversity in Leadership

Recognising the importance of diversity in leadership, Hemas also conducted targeted female talent development interventions to enhance gender representation in management roles. Together, these efforts reflect a deliberate, structured, and future-focused approach to building a resilient and high-impact leadership culture within the organisation.

The Hemas Leadership Brand

Central to this effort was the development of a unified Hemas Leadership Brand, based on the RBL model by Dave Ulrich. This model outlines a six-stage process—ranging from building a business case for leadership to measuring effectiveness and ensuring leadership reputation—forming the architecture of Hemas' leadership development journey.

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Across all business sectors, learning and development is a strategic priority, guided by diverse structured frameworks and tailored approaches, outlined below:

Approach	Core Focus	Initiatives in FY 25
Consumer Brands		
Home and Personal Care		
<p>Supported by structured onboarding, career development plans, mentoring, job rotations, and regular feedback cycles.</p> <p>The focus is on building well-rounded capabilities through stretch assignments, industry exposure, and a learning environment that encourages growth through experience and collaboration.</p>	<p>An emphasis on building future-ready teams aligned with market needs.</p>	<p>Professional Development Initiatives:</p> <ul style="list-style-type: none"> ◆ Leadership programs, coaching, mentorship, and certification opportunities. <p>Reskilling and Upskilling:</p> <ul style="list-style-type: none"> ◆ Areas include data analytics, digital skills, shopper and customer marketing, innovation, and product knowledge. ◆ Sales force development and training on emerging industry trends.
Learning Segment		
<p>The Learning segment promotes learning through a tiered training framework that addresses leadership, technical, and functional development.</p> <p>The Atlas Axillia Academy supports annual training needs identification, digital learning platforms, and expert-led coaching, thereby helping to institutionalise knowledge and build a future-ready workforce.</p>	<p>An enhanced focus on reinforcing the Functional and Technical Capabilities pillar, reflecting a deliberate shift toward building a future-ready, cross-functional workforce.</p>	<p>Multiskilling Projects:</p> <ul style="list-style-type: none"> ◆ Training in multiple technical areas to enhance flexibility, and reduce reliance on single-skill roles, while improving productivity and operational resilience. ◆ Hands-on exposure included: <ul style="list-style-type: none"> - Heavy vehicle maintenance - Screen printing - Viscosity meter handling - Mechanical competency for blow machines - Safety procedures <p>Reskilling and Upskilling Initiatives:</p> <ul style="list-style-type: none"> ◆ AI in talent acquisition and marketing ◆ SAP production planning and costing ◆ Power apps and power automate ◆ Lean training and root cause analysis

Healthcare		
Pharmaceutical Manufacturing		
<p>Centred around practical, hands-on training supported by both internal expertise and external consultants.</p> <p>Employees engage in continuous upskilling through structured programmes designed to build technical capability and ensure high standards in formulation, quality, and production processes.</p>	<p>Strengthening both leadership and technical capabilities across teams.</p>	<p>Structured Development Programmes:</p> <p>Technical and General Training:</p> <ul style="list-style-type: none"> Conducted onboarding and refresher sessions to build technical skills, with general training facilitated by external institutes.
Pharmaceutical Distribution		
<p>This segment fosters capability development through an internal faculty of senior trainers and a learning management system that supports consistent knowledge transfer. Training programs are focused on technical skills, product expertise, and field-readiness, ensuring teams are equipped to meet both clinical and operational distribution needs.</p>	<p>Focused on building domain knowledge, qualifications, and long-term career growth.</p>	<p>Training programs were implemented across medico marketing, compliance, and customer relationship management to enhance employee capabilities.</p>
Hospitals		
<p>Hemas Hospitals operates under a structured learning academy that supports technical, leadership, and service-focused training across all staff levels.</p> <p>Career pathways, on-the-job mentoring, and performance-linked development are key features, along with active participation in quality circles and improvement initiatives that drive both learning and operational excellence.</p>	<p>The overall aim during the year was to build a skilled, agile, and multi-competent nursing workforce.</p>	<p>Multiskilling of Nursing Staff:</p> <ul style="list-style-type: none"> Trained nurses across multiple units (medical, surgical, OPD, ICU) and improved staffing efficiency with ratio management. <p>Clinical Upskilling:</p> <ul style="list-style-type: none"> Conducted regular Continuing Medical Education (CME) sessions and workshops on clinical protocols, emergency care, and infection control. <p>Soft Skills and Leadership Training:</p> <ul style="list-style-type: none"> Focused on communication, empathy, and leadership readiness. Participation in Lead Smart and Technocrats leadership programmes. <p>Digital Literacy:</p> <ul style="list-style-type: none"> Structured training on digital documentation and health IT systems.

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BUILDING A CULTURE OF INNOVATION

Intrapreneurship is a key pillar of the Hemas leadership framework. The Group makes every effort to institutionalise this capability by assessing talent potential against behavioural indicators, and deliver learning experiences that hone this capability at every employee level. Additionally, the Group recognises those who live by one of its core values: 'driven by innovation'.

Collaboration that Drives Innovation

Hemas Holdings is dedicated to creating a thriving entrepreneurial ecosystem in Sri Lanka. This commitment to innovation and support for startups underscores the Group's shared vision of driving sustainable economic growth and development across the nation.

The Hemas Slingshot 2.0 Accelerator Programme in partnership with Hatch took place during the year, focusing on high-potential startups in sectors like EdTech, FMCG, Healthcare, and Logistics. This was the second iteration of a continuing programme reflecting Hemas' commitment to fostering entrepreneurship in Sri Lanka. Initially launched in 2023, this aims to support 75 startups over three years, providing access to infrastructure, mentorship, and funding.



25

participants

08

finalists



Winner
Wheelchair House



Runner-Up
ExamHUB

Research and Development

The Group demonstrates a strong and consistent commitment to research and development (R&D) as a key driver of innovation and long-term growth. The Group invests in R&D to create locally relevant, high-quality solutions that meet evolving market and societal needs.

Home and Personal Care: Integrates consumer-centric R&D into every stage of product development. The segment adopts a consumer-centric, "glocal" R&D approach—combining global best practices with local insights gathered through surveys and focus groups. The team closely monitors industry trends and collaborates with suppliers to access new technologies that enhance product efficacy, safety, and sustainability. All new products undergo rigorous validation and regulatory review to ensure quality and compliance before launch.

Learning Segment: Follows an insight-driven R&D approach, using structured research and stakeholder input to guide product development. Each new learning tool is carefully analysed to align with educational needs and market expectations, ensuring relevance and meaningful impact for students, teachers, and schools in Sri Lanka.

Pharmaceutical Manufacturing: Ensures product manufacturing complies with international pharmacopoeia standards and adheres strictly to Standard Operating Procedures (SOPs) in line with WHO Good Manufacturing Practices (GMP) guidelines.

Rs. 440+ Mn

Invested

23

new products
developed



Refer **page 133-135** for more information on the Group's new product developments



The Group's various business units incorporated innovation and new product development into its operations as follows during the year:



Home and Personal Care

Empowering Employees:

Employees are empowered through structured training, cross-functional collaboration, and idea generation platforms that foster creativity.

Embedding Sustainability:

Sustainability is a major driver, with initiatives to develop eco-friendly products and packaging as part of the innovation process.

The Right Support: Agile and lean approaches help accelerate product development and enhance operational efficiency. Additionally, digital transformation supports smarter consumer engagement and enables data-driven decision-making in product innovation. The Leadership demonstrates a strong commitment to innovation, reinforced by a robust R&D function focused on market-aligned product development.

Pharmaceutical Manufacturing

A Focus on Research and Development:

The segment invests significantly into R&D initiatives to develop pharmaceuticals tailored to Sri Lanka's healthcare needs. This localised innovation strategy positions the segment as a leader in domestic pharmaceutical manufacturing, while this commitment to targeted innovation strengthens the brand's relevance and ability to serve critical health demands effectively.

Learning Segment

Offering Diverse Perspectives: The segment fosters innovation through cross-functional HR think tanks and communities that encourage collaboration and knowledge-sharing. Leadership programmes such as "Innovation Leadership with Stuart Hardy" and Gen Z-focused platforms like "Rising Stars" help integrate diverse perspectives. Partnerships with creative institutions like Miami Ad School bring in fresh thinking and enhance organisational creativity.

Offering Support and Recognition: Lean training and root cause analysis workshops promote continuous improvement and build a mindset for problem-solving. Innovation is acknowledged through awards like the Atlas Awards and Hemas Awards, reinforcing its value across the Group.

Hospitals

Digitisation and Analytics: Hemas Hospitals utilises data analytics to improve operational efficiency and drive ongoing innovation across clinical and administrative functions. Healthcare innovation also includes the integration of telemedicine, electronic health records, lean practices, and customer-focused service models like "ipledge".

Integrating a Culture of Innovation: Innovation is embedded in business strategy and Key Performance Indicators (KPIs). Senior leaders actively encourage calculated risk-taking and new thinking to solve customer challenges. Employees contribute to innovation through platforms like internal hackathons and "Battle of Minds," where they identify issues and propose creative solutions. Staff are recognised and rewarded for successfully implementing innovations that deliver measurable impact, and innovation is celebrated through internal awards and knowledge fairs.

A Culture of Training and Collaboration: A culture of knowledge-sharing is supported through Clinical Governance meetings, CME sessions, and interdisciplinary reviews, thereby enhancing care quality and safety. The company also collaborates with startups, universities, and global tech partners to co-create innovative solutions and pilot emerging technologies. Employees are supported with training in design thinking, agile methods, and leadership development labs.

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The Group deploys a range of robust, ever-evolving structures including systems, policies, and processes to support its ability to deliver long-term stakeholder value, outlined below:



Cybersecurity Structures and Systems

- ◆ An ongoing enhancement of processes to align with leading global cybersecurity standards.
- ◆ Promoting an organisation-wide awareness and understanding of cybersecurity practices and protocols.

Data Privacy and Protection Processes and Policies

- ◆ The implementation of robust policies to strengthen data privacy and protection, ensuring the security of sensitive information, operational integrity, and compliance with regulatory requirements.

Transformational Structures

- ◆ A dedicated transformation team with in-house expertise in diverse fields spanning Business Re-engineering, Data Science, Advanced Analytics, Automation, and Technology Solution Development.

Operational Processes

- ◆ Innovative operating models introduced across key business functions—such as IT, Supply Chain, Shared Services, and Procurement—designed to improve efficiency and optimise overall performance.

Learning Frameworks

- ◆ Strategic initiatives focused on upskilling, reskilling, and cultivating a culture of adaptability reflect the Group's commitment to driving transformation through its greatest asset—its people.

Governance Policies and Procedures

- ◆ The Group's comprehensive governance framework, anchored by the Hemas Way and its Whistleblowing Policy, fosters a culture of integrity, transparency, and accountability—enabling strong stewardship and ethical decision-making across all levels of the organisation.

Financial Management

- ◆ The Group financial and extensive governance policies ensure efficient resource allocation, enhance profitability, and uphold ethical standards, promoting long-term growth and stakeholder trust.

INITIATIVES IN FY 25:

The Group undertook a wide range of initiatives to enhance its policies, processes, and structural frameworks during the year. A few highlights are featured below:

Data Protection

Enhancing Data Protection Structures: The Group recognises the importance of the Personal Data Protection Act, No. 9 of 2022 ("the Act"). Hemas Holdings has appointed a Data Protection Officer to oversee this critical area and is currently in an active phase of streamlining business operations to ensure full compliance with the Act. This ongoing effort includes a comprehensive review and adaptation of data handling practices across all business units. The Company remains committed to upholding data protection principles

and will continue to prioritise the implementation of necessary measures to meet the requirements outlined in the Act.

Process Optimisation

SAP RISE Adoption: The Group became the first Sri Lankan conglomerate to implement SAP RISE, emphasising a commitment to process optimisation, scalability, and digital excellence.

Operational Efficiency: Investments in system integration, automation, and advanced technology continue to strengthen the organisation's ability to streamline operations and enhance productivity across its businesses.

Engagement Platforms

Self-Care App: Hospitals launched a first-of-its-kind mobile health solution designed to enhance the healthcare experience beyond traditional applications. Unlike conventional appointment booking apps, the Self-Care App is aligned with global standards, addressing real patient challenges and improving access to care.

FIO App: A digital platform designed to challenge societal stigmas and promote social change, reinforcing the Group's commitment towards nurturing a positive impact on society.

Empowering Employee Productivity

Digital Upskilling Programme: The Group has invested in a comprehensive digital upskilling programme to ensure employees are equipped with the necessary skills to adapt to the future work landscape.

Human Capital Management (HCM) System: The introduction of this advanced system helps improve HR processes and empowers employees to manage their performance and development in a more efficient manner.

Data Analytics

A Data-Driven Organisation: The Group has developed a comprehensive data strategy to create value from insights and explore monetisation opportunities, with a focus on embedding data-driven decision-making throughout the business. The adoption of SAP RISE also facilitates seamless data integration, advanced analytics, and process automation across the business, enabling informed and strategic decision-making. The focus on optimising core systems and upgrading infrastructure further strengthens Hemas' ability to efficiently analyse data and scale operations.

Artificial Intelligence and Machine Learning

AI-Powered Initiatives: The Group has incorporated AI-driven solutions across its business functions to improve operational effectiveness, drive innovation, and optimise workflows.

Knowledge Management: AI is currently being utilised across the Group to streamline access to knowledge, generate actionable consumer insights, and support informed decision-making within teams.

Collaboration and Innovation: AI tools further enhance collaboration across business units, empowering teams to innovate and adapt in a rapidly evolving digital landscape.

ACHIEVING BRAND AND PRODUCT EXCELLENCE

The Group undertakes a multi-pronged approach towards achieving holistic excellence across its area of impact and beyond, spanning the following focus areas:



BRAND DEVELOPMENT AND EQUITY

Ranked 3rd

Among Selected 13 Corporates
(Ranked 6th in 2023)

21% ↑

Top of Mind (TOM) Recall
(Rated 12th in 2023)

46% ↑

Spontaneous Recall
(Rated 33% in 2023)

80% ↑

Brand Familiarity
(Rated 72% in 2023)

25% ↑

Future Consideration (Among Those Aware) - 1st Choice
(Rated 14% in 2023)

* Survey conducted during the FY 25 by Kantar Research among stakeholders, who were asked to evaluate 13 selected companies.

Hemas Holdings PLC made significant strides in brand development and equity in 2024 through purpose-driven initiatives, stakeholder engagement, and strategic communication. The company achieved third place in brand equity rankings among selected corporates in a Kantar study, reflecting strong gains in top-of-mind recall, spontaneous awareness, and brand familiarity. These improvements were particularly notable among key stakeholder groups such as medical professionals and educators. Hemas also enhanced its reputation through meaningful differentiation, increased trust, and visibility in Corporate Social Responsibility (CSR) and sustainability efforts. The success of initiatives like the Hemas Slingshot 2.0 accelerator and the impactful campaigns by Home and Personal Care Business such as *Fems* and *Diva* further reinforced the Group's positioning as a progressive and socially responsible Sri Lankan brand.

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GARNERING RECOGNITION FOR EXCELLENCE

The Group continued to achieve significant recognition in FY 25, underscoring its leadership across diverse industries, as well as its commitment to quality, sustainability, and operational excellence:

Corporate Rankings and Awards

- ◆ 17th in LMD 100 (turnover > Rs. 100 billion).
- ◆ 10th in LMD's Most Respected Entities.
- ◆ 6th in LMD's Most Loved Brands.
- ◆ Top 10 Best Corporate Citizens at the Best Corporate Citizen Awards organized by the Ceylon Chamber of Commerce
- ◆ Bronze Award - Diversified Category concluded at the Tags Awards 2024 organised by the Institute of Chartered Accountants of Sri Lanka.
- ◆ Merit Award at the CMA Excellence in Integrated Reporting Awards 2024.

Home and Personal Care

Fems

- ◆ Gold Award - Product Brand of the Year at SLIM Brand Excellence 2024.
- ◆ Silver Award - CSR Brand of the Year at SLIM Brand Excellence 2024.
- ◆ Silver Award - Innovative Brand of the Year at SLIM Brand Excellence 2024.
- ◆ Silver Award - Best Digital Marketing Campaign in FMCG at SLIM Digis.
- ◆ Silver Award - CSR Purpose-Driven Digital Marketing Campaign at SLIM Digis.

Diva

- ◆ Bronze Award – Best New Entrant at SLIM Brand Excellence 2024.
- ◆ Bronze Award - Diva Fresh – Home Supplies and Services Category at SLIM Effie.

Vivya

- ◆ Silver Award - Best Use of AI Technologies at SLIM Digi Awards.

Baby Cheramy

- ◆ Gold Award - Product Brand of the Year at SLIM Brand Excellence 2024.
- ◆ Silver Award - CSR Brand of the Year at SLIM Brand Excellence 2024.
- ◆ People's Best Baby Care Brand of the Year at SLIM Kantar People's Choice Awards 2024.
- ◆ Merit – SLIM Kantar People's Choice Awards 2025.

Other

- ◆ 11 Awards at the SLIM National Sales Conference.
- ◆ Silver Award - Brand Identity Award at 4A's Advertising Awards 2024.

Learning Segment

- ◆ 18 Gold Awards and 2 Silver Awards at ICQCC Awards 2024/25.
- ◆ School Supply Brand of the Year' at the SLIM Kantar People's Choice Awards 2025.
- ◆ Gold Award - Education and Training at the Effie Awards 2025.
- ◆ Bronze Award - Youth Marketing at the Effie Awards 2025.

Pharmaceutical Manufacturing

- ◆ Most Respected Pharmaceutical Entity for 2024 by LMD

Pharmaceutical Distribution

- ◆ 1 Silver Award and 2 Bronze Awards in the Healthcare Category (Front Liner and Territory Manager) at the SLIM National Sales Awards 2024
- ◆ Bronze Award - Territory Manager Category at the SLIM National Sales Awards 2024.

Hospitals

- ◆ Green Productivity Award (Silver) at SLAAQP.
- ◆ 15 Gold Awards at SLAAQP at the NCQP Awards 2024/2025.
- ◆ 5 Gold Awards at SLAAQP at ICQCC Awards 2024/2025.
- ◆ Patient Excellence Award at Management Asia (HMA) Award – Patient Excellence Award.
- ◆ Category Winner at CPM at the Management Practices Company Award.
- ◆ Merit Winner at the Management Practices Company Award.

Mobility

Emirates SkyCargo-CMB

- ◆ Gold Award - Airline Category at the National Logistics Awards 2024

INTEGRATING QUALITY AND TRUST

The Group maintains a comprehensive quality assurance system across its diverse business segments, ensuring that all products and services consistently meet high-quality standards. This approach is grounded in systematic processes, policies, and controls designed to prevent defects, enhance customer satisfaction, and foster continuous improvement.

The Group's commitment to quality is reinforced by its adherence to internationally recognised certifications, which underscore its dedication to operational excellence and compliance with global standards. By maintaining rigorous quality management practices, The Group aims to deliver exceptional value to its customers, build trust, and sustain its reputation as a reliable and responsible corporate entity.

79
Awards

4
Recognitions

Home and Personal Care

Demonstrates a commitment to quality, product safety, and environmental responsibility through several certifications:

- ◆ ISO 9001:2015 – Quality Management System
- ◆ ISO 14001 – Environmental Management System
- ◆ ISO 45001 – Occupational Health & Safety Management System
- ◆ ISO 22716 – Good Manufacturing Practices for Cosmetics
- ◆ SLS Product Certifications (SLS 275, SLS 276, SLS 547, SLS 1732)

Learning Segment

- ◆ ISO 9001:2015 – Quality Management System

Pharmaceutical Manufacturing

Adheres to certifications which ensure all products are produced in compliance with stringent quality standards for safety and efficacy.

- ◆ Good Manufacturing Practices (GMP) Certification

Pharmaceutical Distribution

Upholds certifications reflecting the segment's commitment to ensuring high-quality production, distribution, and compliance with global pharmaceutical standards.

- ◆ ISO 9001:2015 – Quality Management System
- ◆ Good Distribution Practices (GDP) Certification from Bureau Veritas, affirming compliance with World Health Organization standards for the distribution of pharmaceutical products.

CAPITAL REPORTS

Intellectual Capital

Hemas Hospitals

- ◆ ISO 9001:2015 – Quality Management System
- ◆ ISO 14001:2015 – Environmental Management System
- ◆ ISO 45001:2018 – Occupational Health & Safety Management System
- ◆ ISO 15189:2022 – Medical Laboratory Standard
- ◆ All clinical-related SOPs and protocols have been developed based on ACHSI guidelines. Additionally, the segment holds regulatory licenses for hospital operations, including valid fire safety and environmental protection certifications, ensuring safety and compliance across its facilities.

FOSTERING PARTNERSHIPS OF VALUE

The Group has formed a range of powerful partnerships that drive meaningful change across key areas, from health to sustainability and community empowerment. These collaborations enhance its corporate mission and amplify its impact.

Driving Innovation and Entrepreneurship

Hemas x Hatch: Slingshot Programme: In partnership with Hatch, the Group is on a journey of supporting 75 startups over the course of three years, focusing on high-potential sectors such as Education Technology (EdTech), FMCG, Healthcare, and Logistics. This accelerator programme is designed to foster innovation and create an entrepreneurial ecosystem in Sri Lanka, enabling startups to scale and drive sustainable economic growth.

Impacted UNSDGs:



Transforming Healthcare and Community Well-being

SLIIT-HEMAS Allied Health Sciences Institute: The Group and the Sri Lanka Institute of Information Technology (SLIIT) launched the aforementioned institute, which offers cutting-edge training in nursing and allied health sciences to address the global shortage of skilled healthcare professionals. This initiative aims to equip hundreds of healthcare workers with the knowledge and expertise to meet critical health challenges.

Indira Cancer Trust: Partnering with the Indira Cancer Trust, the Group is improving access to cancer care, providing emotional and financial support, and promoting early detection and treatment awareness. This collaboration helps hundreds of cancer patients and their families, ensuring comprehensive support throughout their healthcare journey.

Impacted UNSDGs



Promoting Environmental Sustainability

Clean Ocean Force: the Group's partnership with Clean Ocean Force aims to combat plastic pollution, with operations in Jaffna and Negombo. The initiative removes 350-500 kg of plastic waste weekly, protecting Sri Lanka's marine ecosystems while providing livelihoods for local communities involved in clean-up efforts. This collaboration is helping preserve Sri Lanka's pristine beaches and waterways.

Wildlife and Nature Protection Society (WNPS):

Through this partnership, Hemas is:

- ♦ Contributing to the protection critically endangered endemic species and promoting environmental sustainability across Sri Lanka's rich biodiversity. Hemas' efforts with WNPS are focused on preserving critical habitats and protecting vulnerable wildlife species.
- ♦ Supporting the Mangrove Restoration Project in Anawilundawa, aimed at restoring and protecting vital mangrove ecosystems. These ecosystems play a crucial role in reducing coastal erosion, supporting biodiversity, and serving as carbon sinks. This mangrove restoration initiative also contributed to Sri Lanka receiving the UN Decade of Restoration Flagship Award for 2024, recognising the country's significant efforts in environmental restoration and sustainability.

Impacted UNSDGs:



Strengthening Rural Communities and Social Impact

A Strong Reputation

Reputation management and crisis management are crucial components of the Group's strategy to maintain its corporate integrity and stakeholder trust. The company proactively monitors its public image, ensuring that its values and actions align with stakeholder expectations. To effectively manage potential risks, the Group actively engages with key stakeholder groups—including customers, employees, regulatory bodies, investors, and local communities—through regular consultations, feedback mechanisms, and risk assessments. This engagement helps identify emerging issues and grievances early, allowing the Group to address concerns before they escalate.

In the event of a crisis, the Group has a well-structured crisis management framework in place, supported by a dedicated Crisis Response Team (CRT). This team is trained to act swiftly, ensuring transparent communication and prompt resolution to minimise reputational damage.

By anticipating potential risks and addressing issues proactively, the Group strengthens its resilience, upholding its reputation for ethical governance, operational excellence, and corporate social responsibility.

Sarvodaya: Hemas has partnered with Sarvodaya, Sri Lanka's largest grassroots organisation, to improve the livelihoods of over 3,000 rural families through education, healthcare, and sustainable development initiatives. This collaboration addresses the social and economic needs of underserved communities, contributing to long-term rural development.

The Arka Initiative: In partnership with the Arka Initiative, Hemas is supporting marginalised communities by providing access to educational resources, sustainable livelihoods, and empowerment programmes. This partnership focuses on driving social change through education and community development across Sri Lanka.

Impacted UNSDG:



Empowering Women & Fostering Gender Equality

Women in Management (WIM) Sri Lanka: The Group collaborated with WIM Sri Lanka to empower women leaders in the corporate world, promote gender equality, and enhance workforce diversity within the company. This partnership drives initiatives that support the professional development of women and create opportunities for them to excel in leadership roles across various sectors.

Impacted UNSDG:



Refer page 55-56 for more information on the Group's approach to stakeholder engagement and grievance management