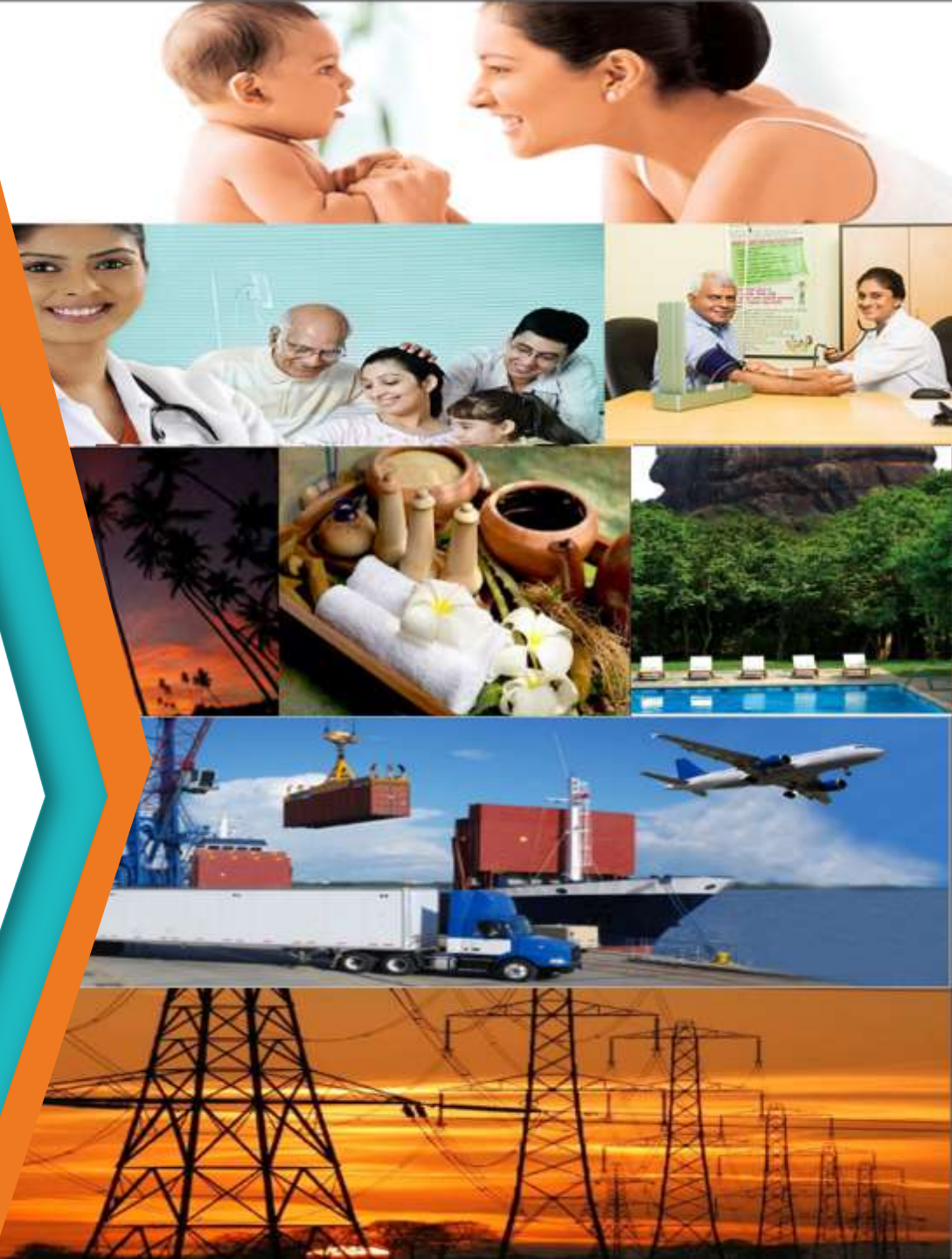




HEMAS HOLDINGS PLC

Investor Presentation
1H 2013/14



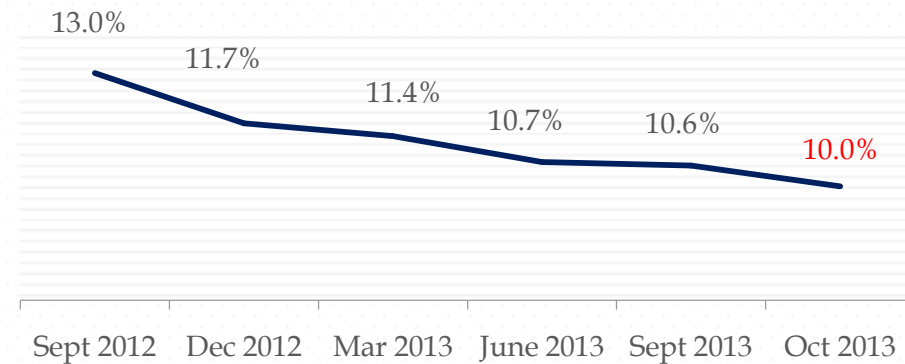
Macro Highlights

Economic growth increases to 6.8%

Economic Growth



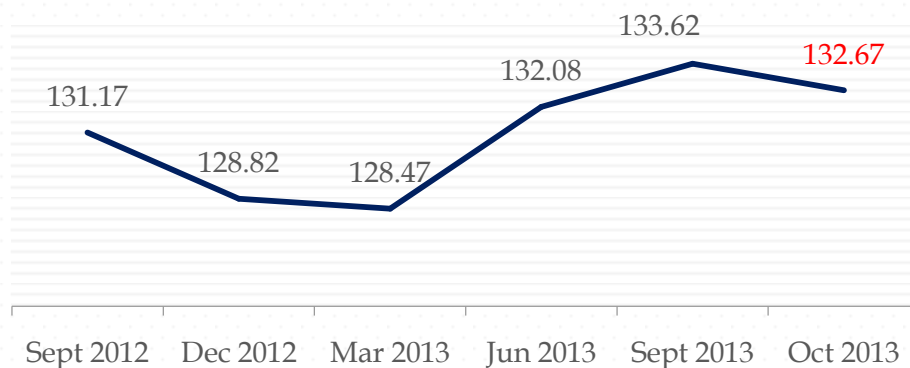
12 M T-Bill Rate



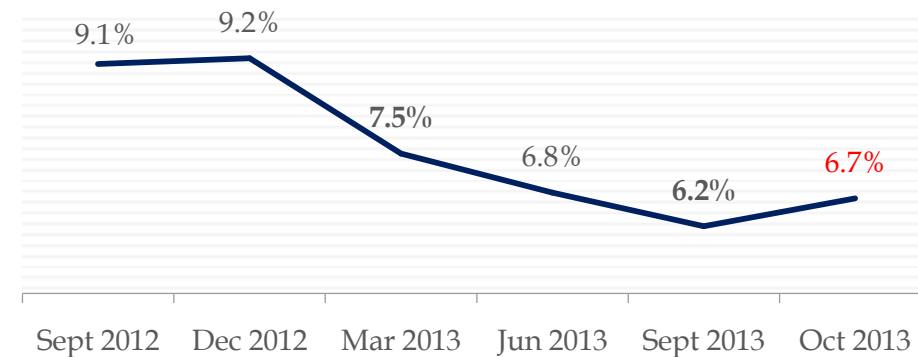
Interest rates on a decreasing trend

Exchange rate hovers around Rs.132/\$

Exchange Rate



Inflation



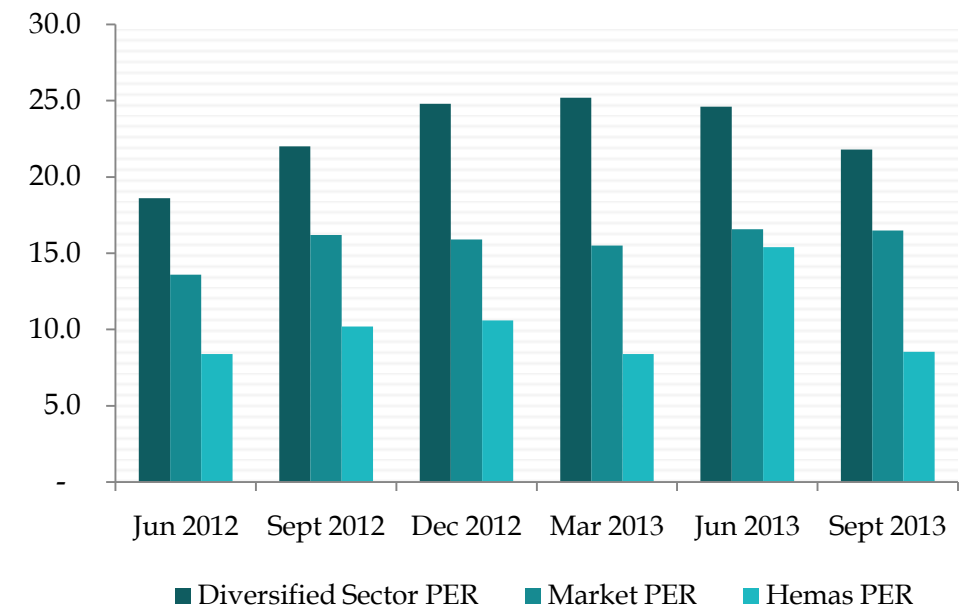
YoY inflation increases to 6.7%

Hemas Group: A Snapshot









| | | |
|--------------------------------|---|------------|
| Share Price (As at 18.11.2013) | : | Rs. 32.60 |
| Market Capitalization | : | Rs. 16.7Bn |
| % of Total Market | : | 0.73% |
| PER | : | 8.53* |
| PBV | : | 1.31 |
| No of Shares | : | 515Mn |
| Public Shareholding | : | 28.72% |



* PER based on annualized 1H earnings

Sector & Market PER vs Hemas PER



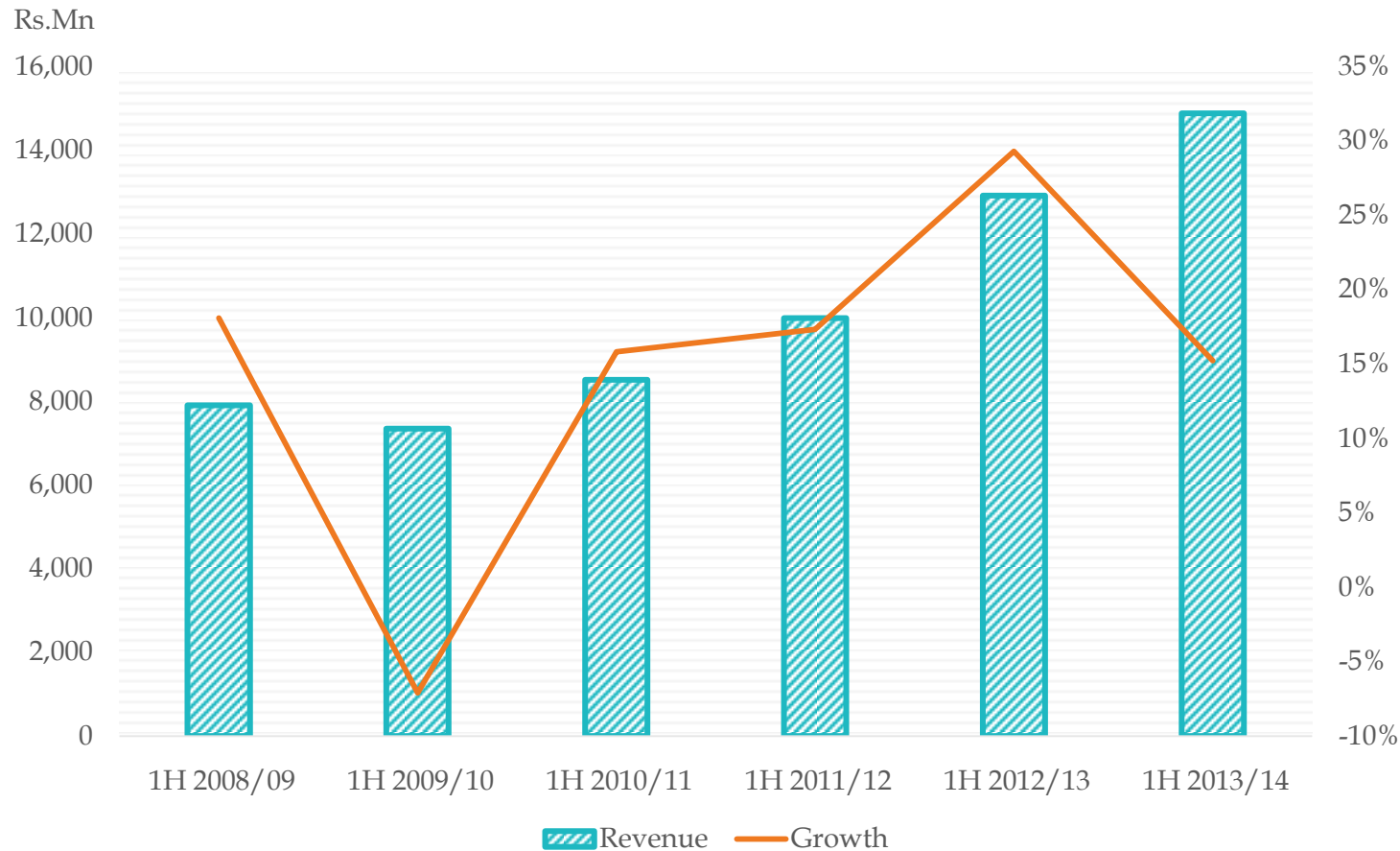
Hemas Group: 1H Performance Highlights

| Figures are in Rs. Mn | 1H 2013/14 | 1H 2012/13 | % Change | Figures are in Rs. Mn | 1H 2013/14 | 31st March 2013 | % Change |
|-----------------------|------------|------------|---|-----------------------|------------|-----------------|---|
| Group Turnover | 14,889 | 12,920 |  15% | Total Assets | 31,315 | 26,008 |  20% |
| Operating Profit | 1,490 | 1,052 |  42% | Net Current Assets | 4,103 | 4,156 |  -1% |
| Group Earnings | 984 | 722 |  36% | Shareholders' Funds | 12,849 | 12,153 |  6% |
| Cash from Operations | 901 | 45 |  1901% | Capital Employed | 23,123 | 19,339 |  20% |

| | 1H 2013/14 | 1H 2012/13 | % Change |
|----------------------|------------|------------|---|
| EPS* | 3.82 | 2.80 |  36% |
| Net Assets per Share | 24.94 | 21.24 |  17% |
| ROE* | 16.5% | 14.2% | |
| ROCE* | 14.6% | 12.9% | |

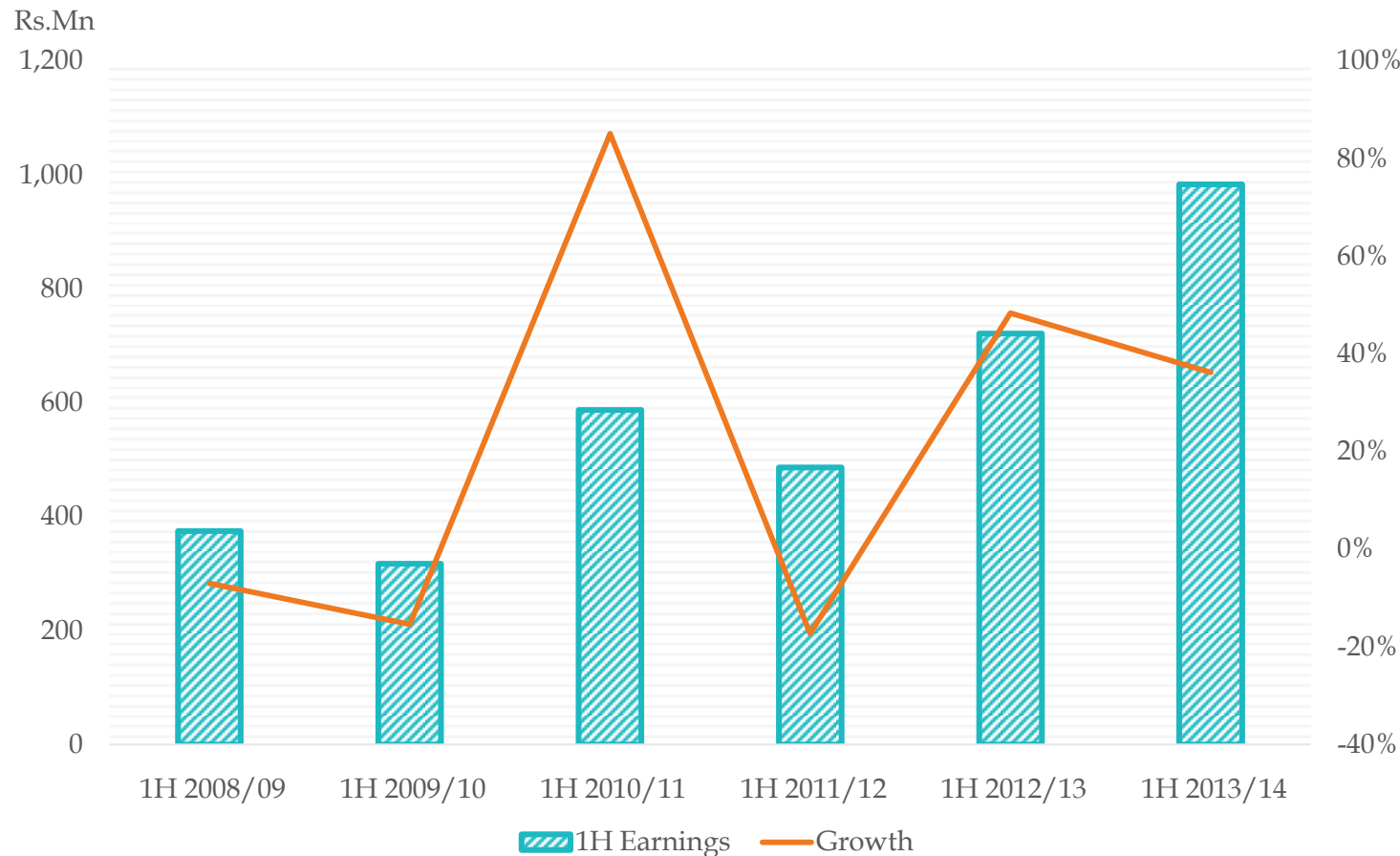
* Annualized based on 1H results

Hemas Group: 1H Revenue



- Group Turnover for 1H 2013 was Rs. 14.9Bn; a growth of 15%
- Healthcare, FMCG and Transportation sectors were the main contributors to revenue growth
- New acquisitions, J.L Morison and Panasian Power contributed Rs. 862Mn and Rs. 115Mn to Group revenue

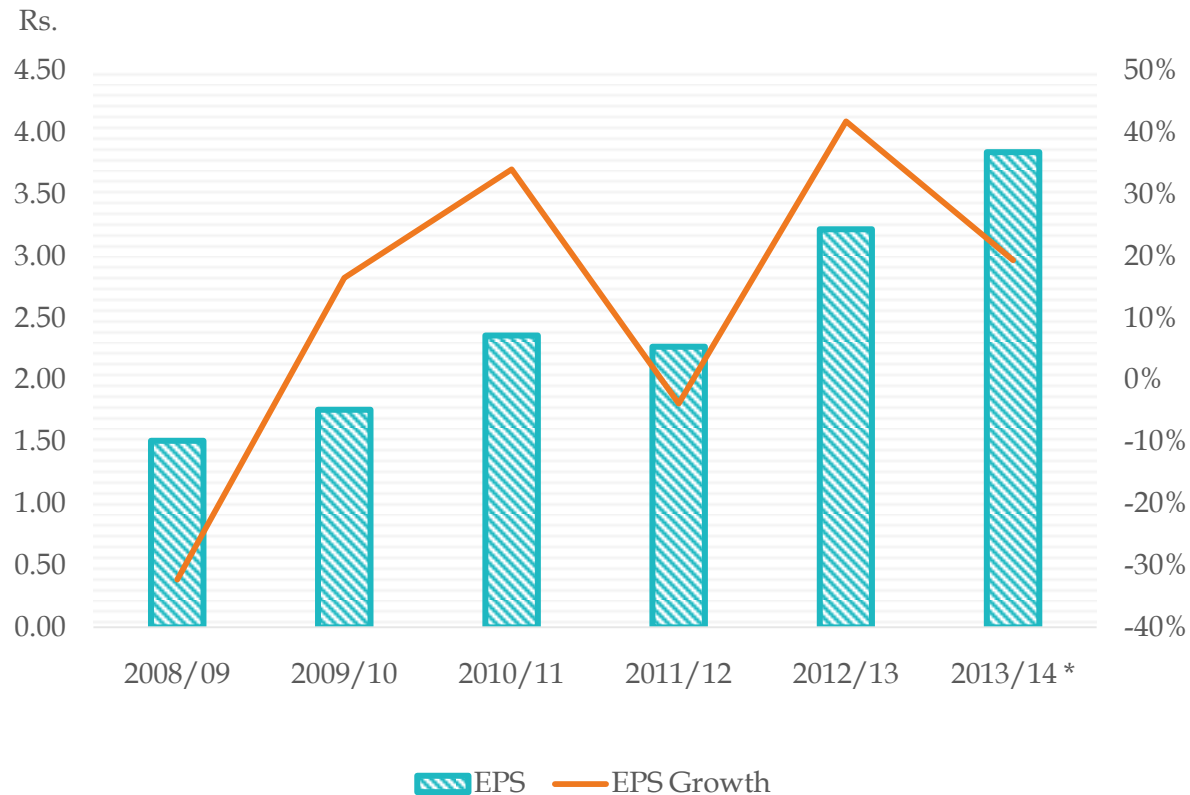
Hemas Group: 1H Earnings



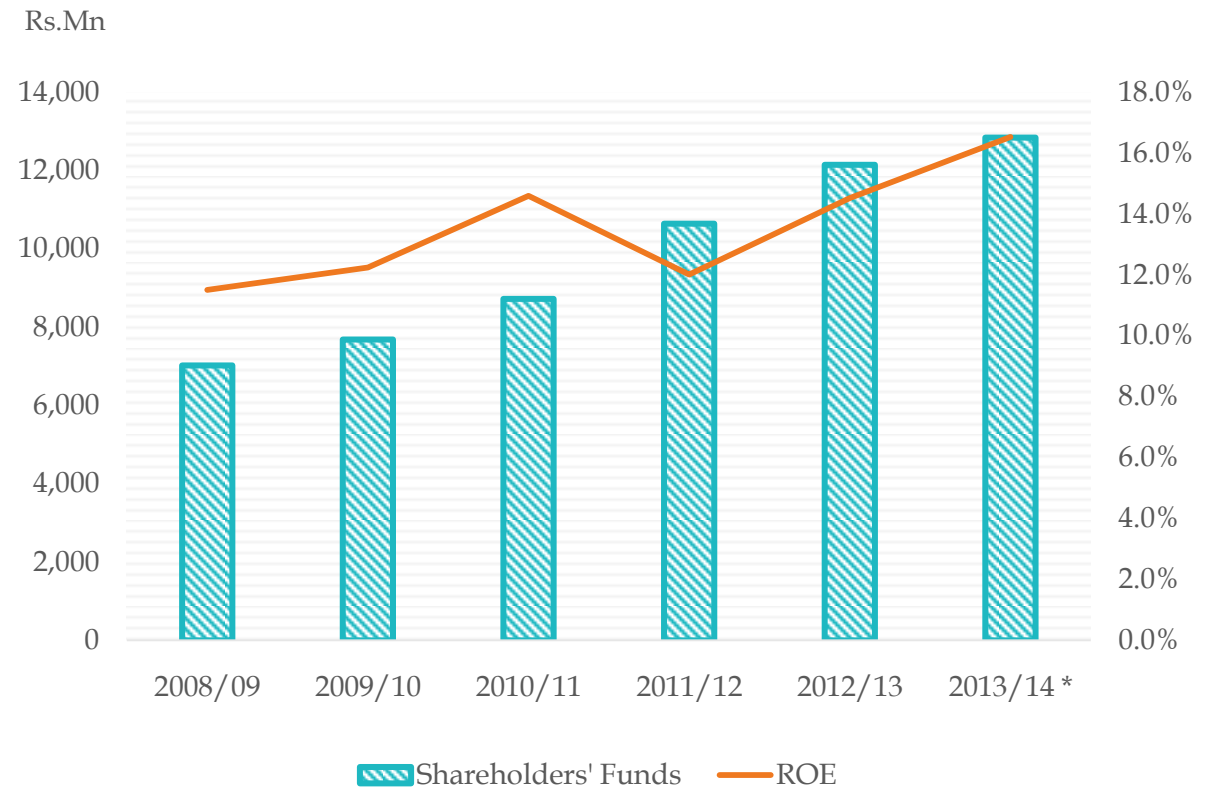
- Group earnings were Rs. 984Mn for 1H 2013; a growth of 36%
- Growth in earnings was led by the capital gain realized on transferring part of our property at Tangalle to a JV with Minor, to build a luxury resort
- Startup losses of our new hospital and the hotel closure for refurbishment negatively impacted earnings, while Power, FMCG and Transportation sectors contributed positively
- Underlying operating profit and earnings growth, adjusted for one off factors stood at 32.6% and 10.7%, respectively

Earnings Per Share & Return on Equity

EPS and EPS Growth

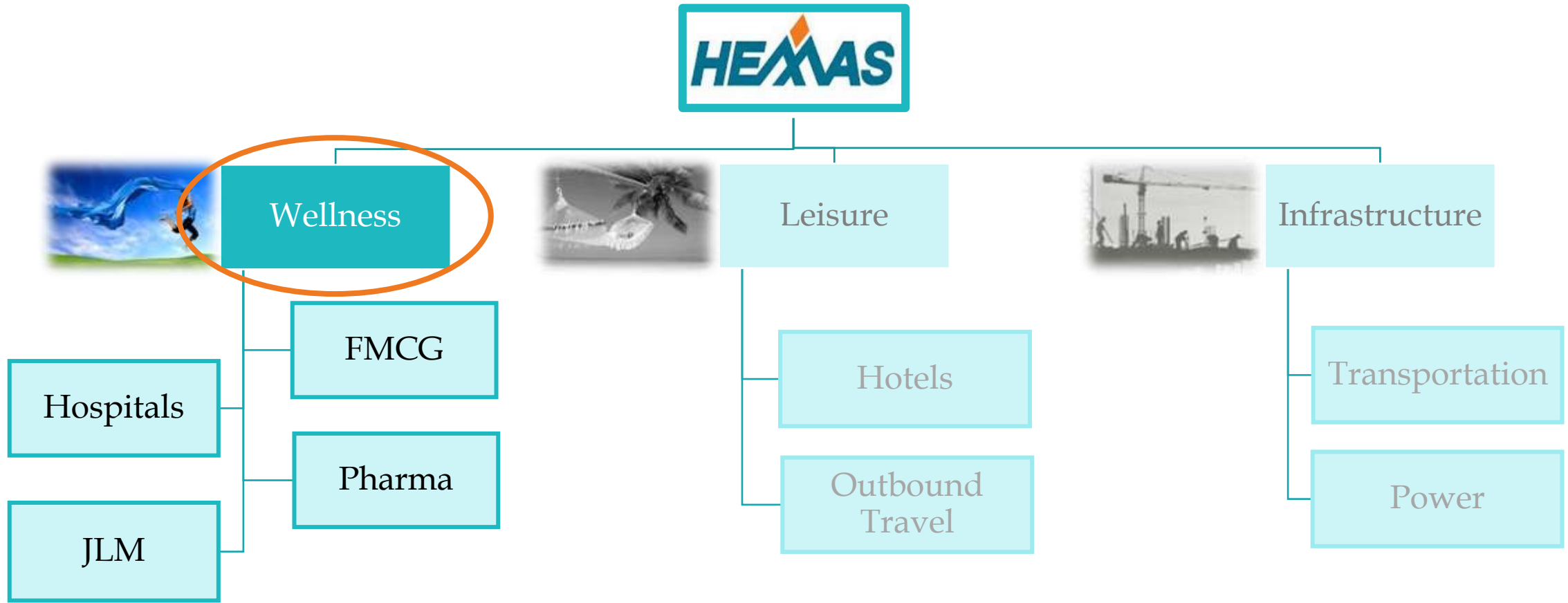


Shareholders' Funds and ROE



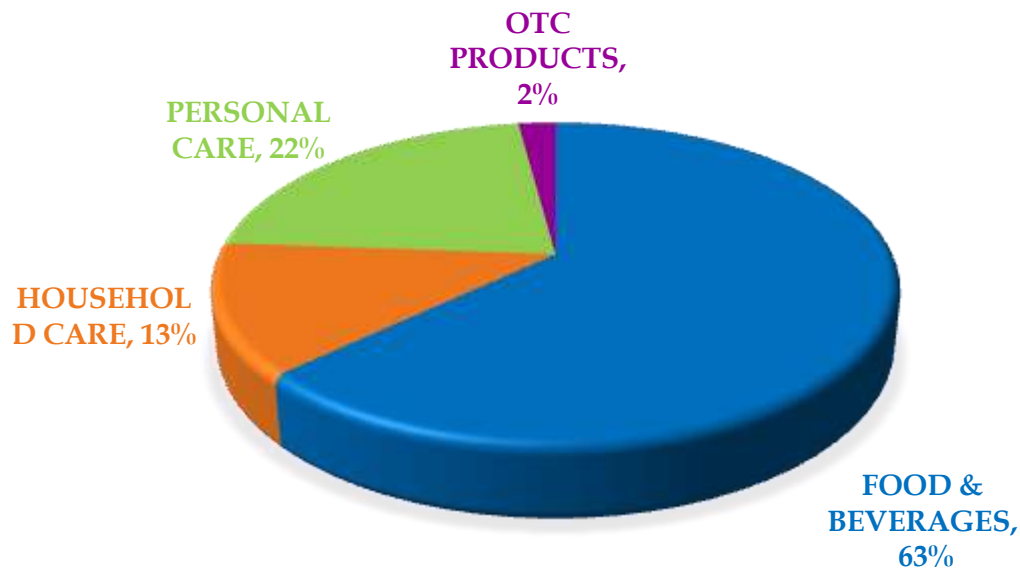
* 2013/14 is based on annualized 1H earnings

Hemas Group: Our Portfolio



FMCG: Industry Highlights

Total FMCG market ~ Rs.133Bn
(MAT Aug 2013)



Sales Value Growth⁰%

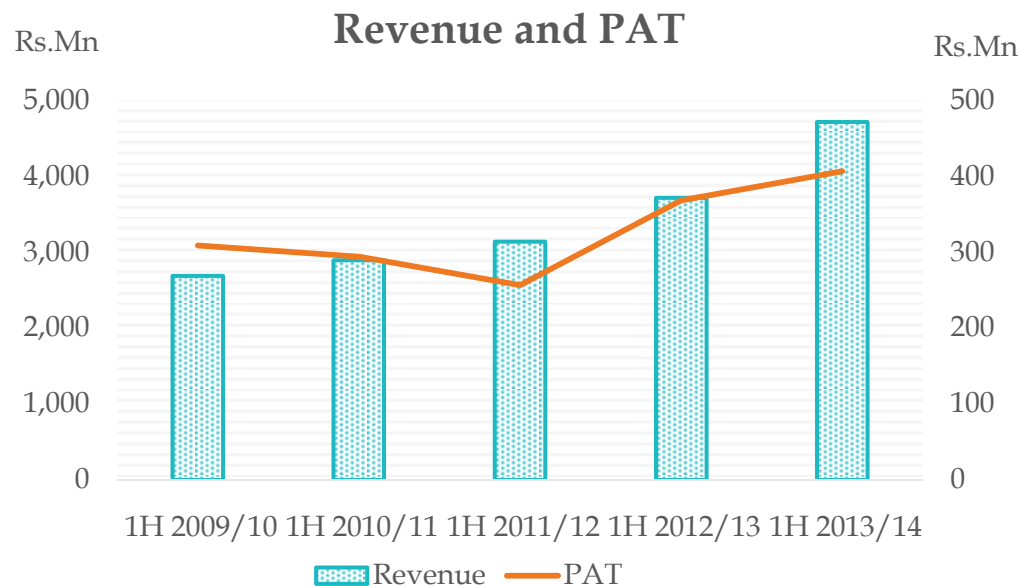
(MAT Aug 2013 Vs. MAT Aug 2012)

| | All Island | All Island (R) | All Island (U) |
|------------------|------------|----------------|----------------|
| FMCG-All | 2.6 | 3.5 | 1.0 |
| Food & Beverages | 1.7 | 3.2 | -1.0 |
| Household Care | 1.5 | 2.2 | 0.1 |
| Personal Care | 5.4 | 4.7 | 6.6 |

- Growth of the total FMCG market is below the rate of inflation
- Personal care grows faster than household care and food & beverage segments
- Growth in personal care largely driven by increases in price

Hemas FMCG outperforms market growth

| Key Statistics | 1H 2012/13 |
|-----------------------------------|------------|
| Turnover (Rs.Mn) | : 4,715 |
| Profit After Tax (Rs.Mn) | : 406 |
| Revenue contribution to the Group | : 32% |
| PAT Contribution to the Group | : 42% |



- FMCG sector recorded an impressive growth in turnover of 27%, driven by Clogard, Diva detergent powder and Velvet beauty soap
- The operating profit of the sector improved by 24% due to favorable input prices
- Expiration of the tax holiday resulted in increased tax expenses saddling sector PAT
- Clogard experienced a notable topline growth for the period and was re-launched as an '*Anti-cavity Toothpaste*' in September
- Velvet soap re-launched during the quarter introducing two new variants, *Kohomba* and *Aloe*
- Gold cologne was re-launched with the intention of contemporizing the brand

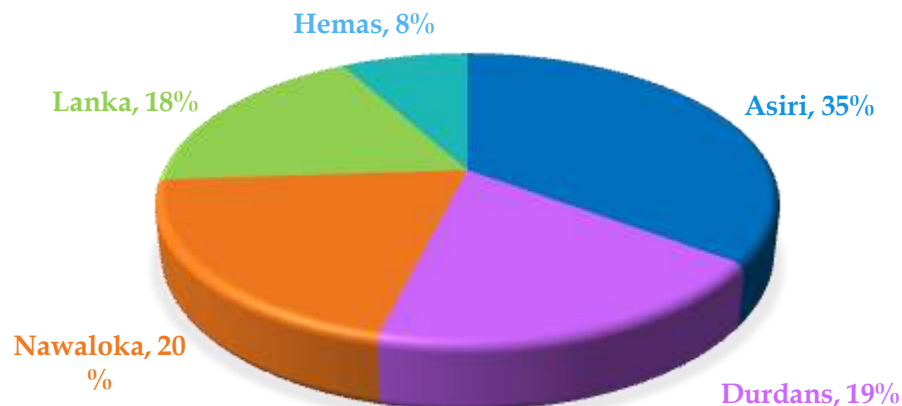
Healthcare: Industry Highlights

Healthcare Industry

- Healthcare industry is expected to reach Rs. 282Bn in 2013 (Source: BMI)
- The total number of private hospital beds is estimated to have risen by 70% to ~ 4,700 beds in the last 7 years (Source: RAM Ratings)

Revenue split among leading hospitals

based on Q2, 2012/13 financials

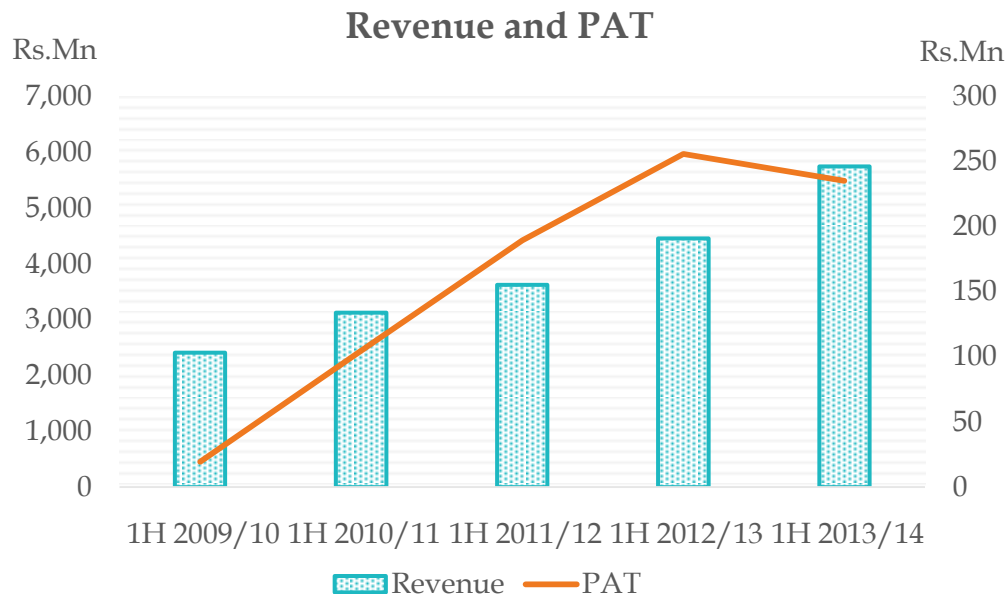


Pharmaceutical Industry

- Size of the total private pharmaceutical market is ~ Rs 29Bn (MAT Q2 2013) (Source: IMS)
- The private pharmaceutical market grew by 6.8% YoY (Source: IMS)
- The local pharmaceutical industry has grown at a CAGR of ~ 15% over the past 5 years (Source: The Sunday Leader, 30.10.2013)
- Chronic care, cardiovascular and anti-diabetics are expected to be areas of growth over the next few years (Source: www.biospectrumasia.com)

Thalawathugoda, a promising start

| Key Statistics | 1H 2012/13 |
|-----------------------------------|------------|
| Turnover (Rs.Mn) | : 5,751 |
| Profit After Tax (Rs.Mn) | : 235 |
| Revenue contribution to the Group | : 39% |
| PAT Contribution to the Group | : 24% |

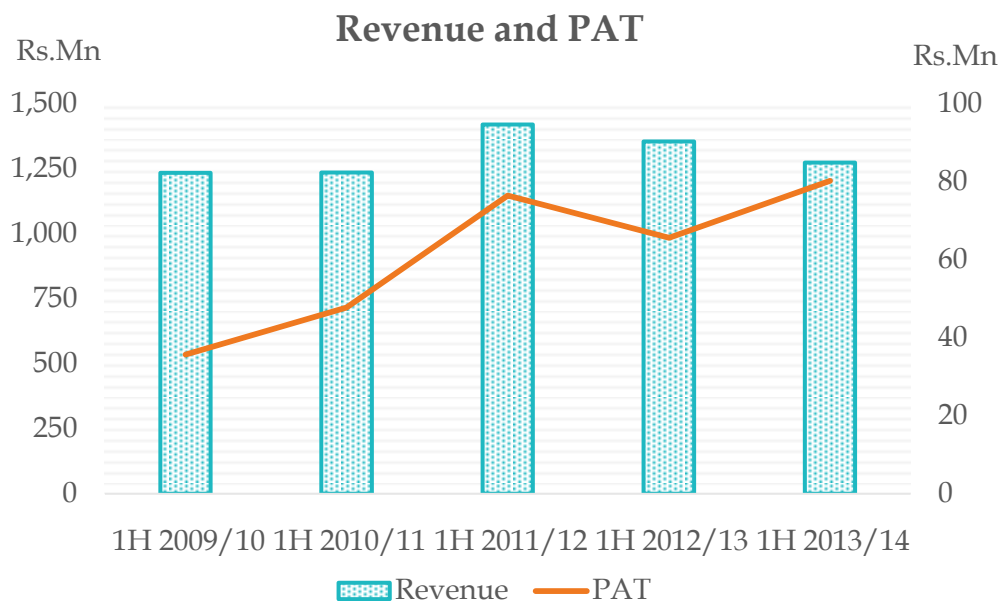


- Sector posted a revenue growth of 29%, driven by the sales volume growth of the Pharmaceutical business
- Pharmaceutical business and Hospitals recorded a revenue growth of 18% and 25%, respectively
- Hemas Pharmaceuticals reinforced its market leadership with a market share of 18.6% (Source: IMS)
- Our new hospital, Thalawathugoda experienced a steady pick up in volumes and continues to gain acceptance among the local community
- Healthcare sector profits were dampened by the startup losses of the new hospital

JLM Performance driven by Healthcare

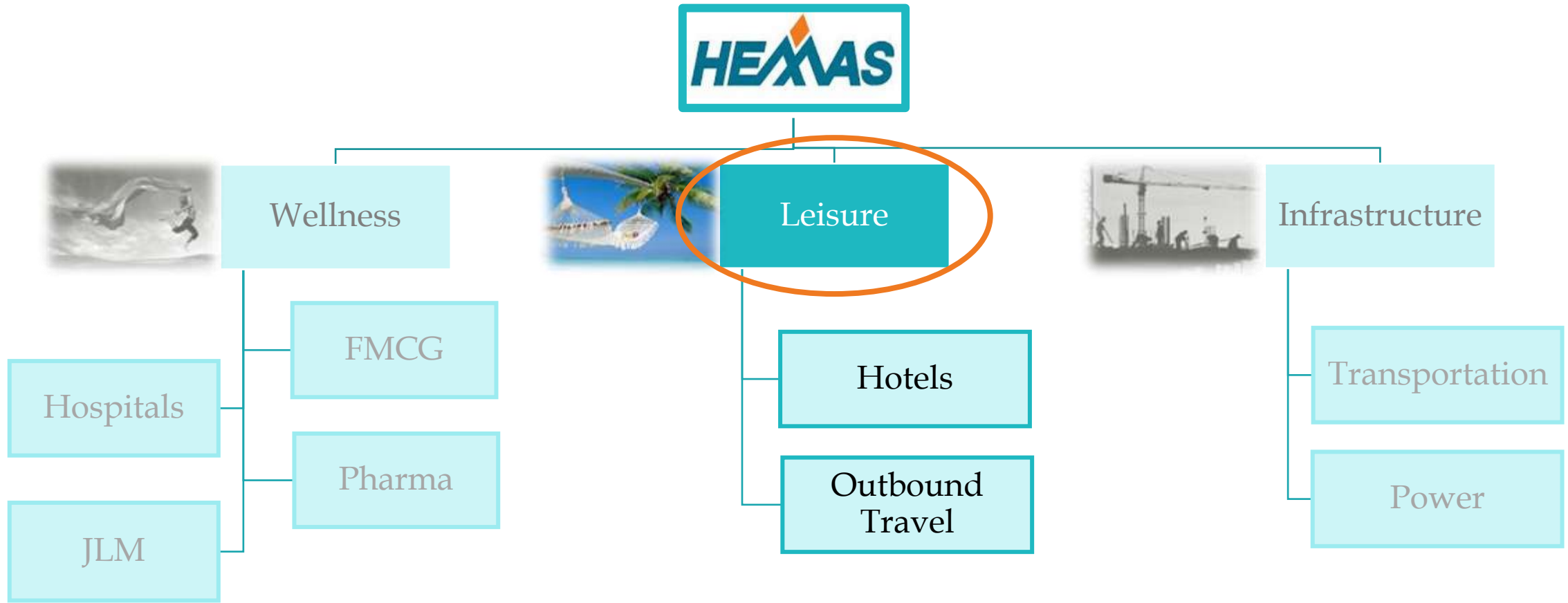
| Key Statistics | 1H 2012/13 |
|-------------------------------------|------------|
| Turnover (Rs.Mn) | : 1,273 |
| Profit After Tax (Rs.Mn) | : 80 |
| Revenue contribution to the Group * | : 6% |
| PAT Contribution to the Group * | : 7% |

* Revenue & PAT contribution are based on the post acquisition results



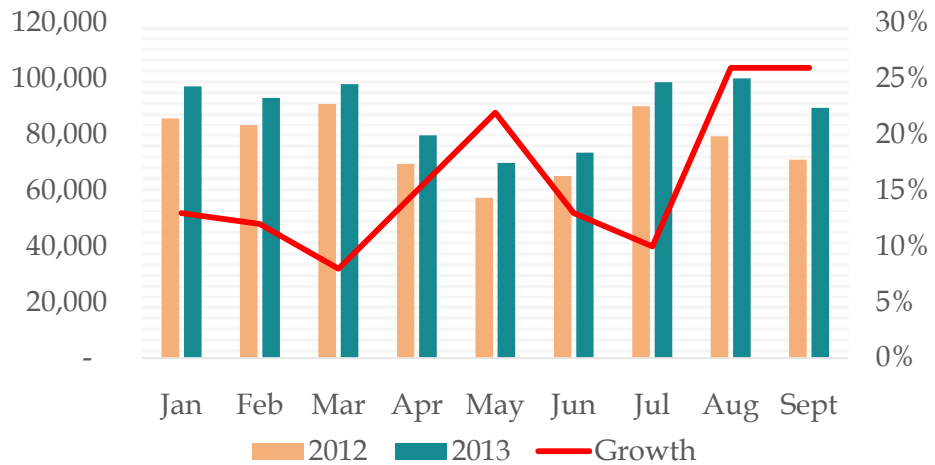
- J.L Morison's revenue marginally dropped to Rs. 1.3Bn; a decline of 6% due to the loss of two agencies
- Healthcare segment accounted for 51% of the revenue, while Consumer and Agro segments contributed 36% and 13%, respectively
- Despite the drop in revenue, operating profit and PAT for the period increased by 14% and 22%, respectively
- Healthcare segment enjoyed a healthy 1st first half backed by the strong performance in diagnostics and pharmaceutical manufacturing businesses
- Agro segment revenue dropped due to the delay in the monsoons, but is expected to pickup during the 2nd half

Hemas Group: Our Portfolio

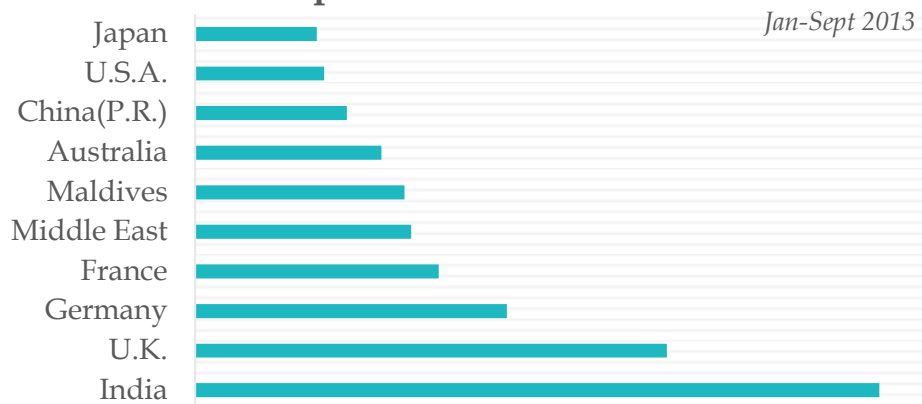


Leisure: Industry Highlights

Tourist Arrivals



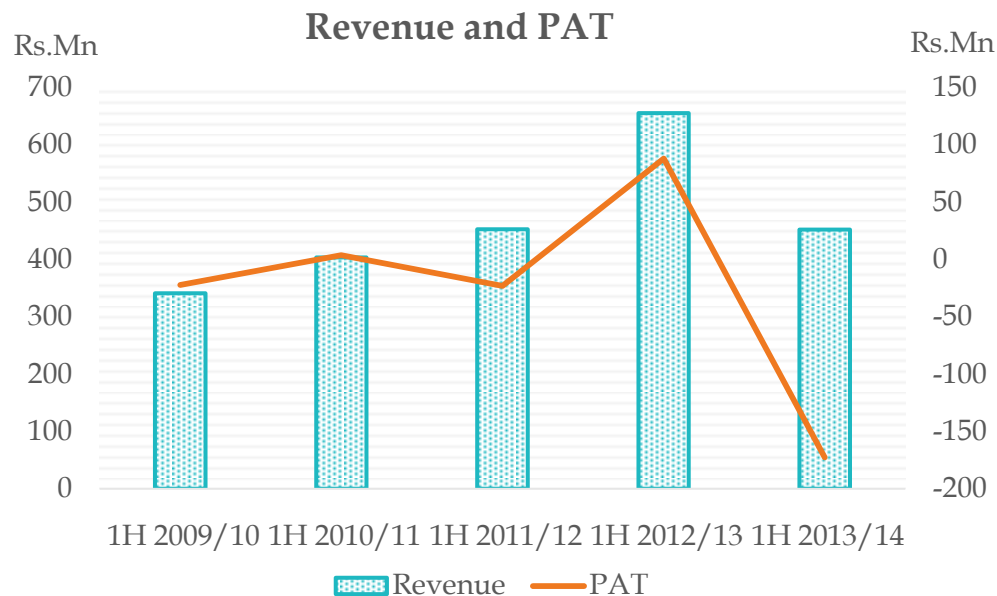
Top 10 countries of tourist arrivals



- Year to date tourist arrivals for the first 9 months of 2013 posted a growth of 15%, over last year
- Cumulative earnings from tourism for first 9 months of 2013 was recorded at US\$ 883, a growth of 24.2%
- A growing demand is portrayed from Indian emerging middle class travel enthusiasts to visit Sri Lanka: Indian arrivals up by 30% during the first 9 months of the year
- 'Times of Oman' recommended Sri Lanka as the top Eid Holiday Destination for Omani residents
- The Commonwealth Heads of Government Meeting (CHOGM) was a great boost for the city hotels and is expected to create a positive impact for the destination

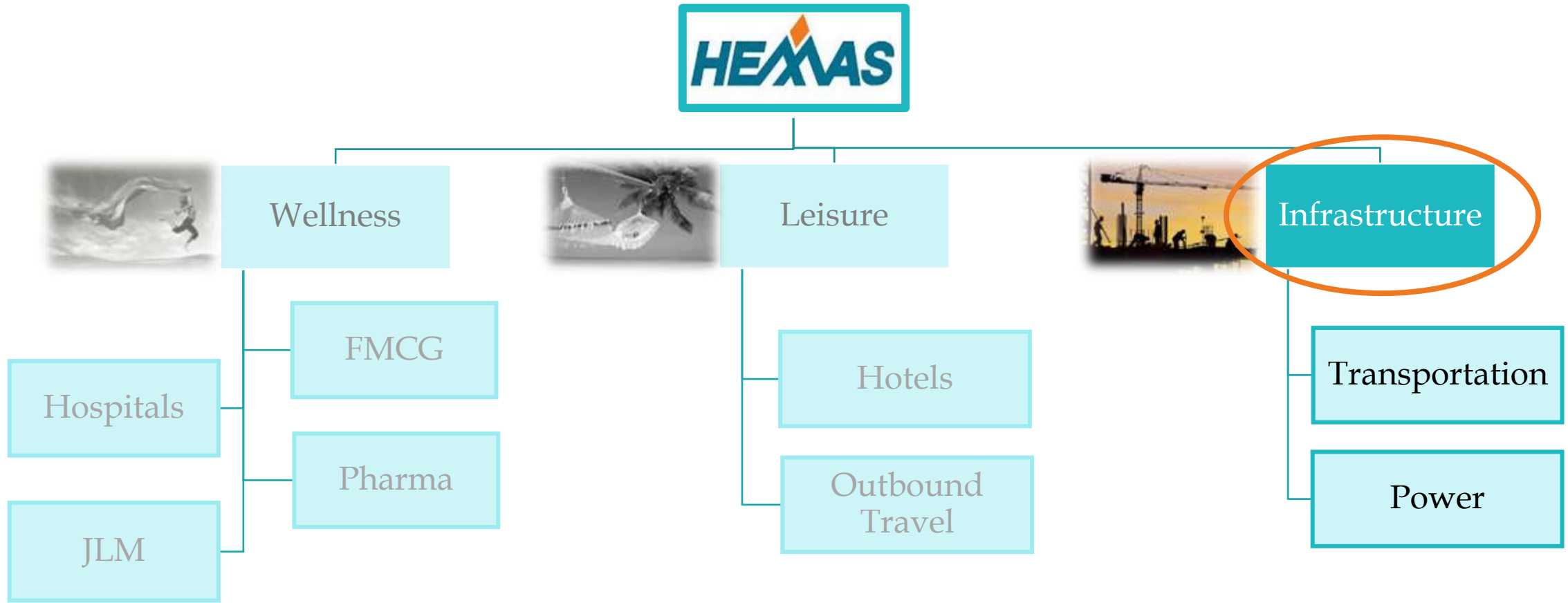
Hotels closure drags sector profits

| Key Statistics | 1H 2012/13 |
|-----------------------------------|------------|
| Turnover (Rs.Mn) | : 452 |
| Profit After Tax (Rs.Mn) | : -173 |
| Revenue contribution to the Group | : 3% |
| PAT Contribution to the Group | : -18% |

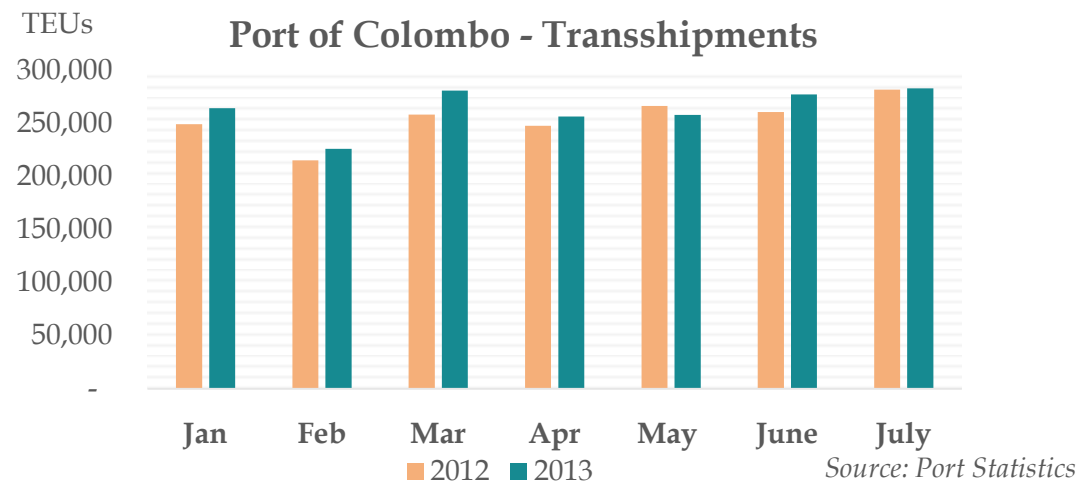
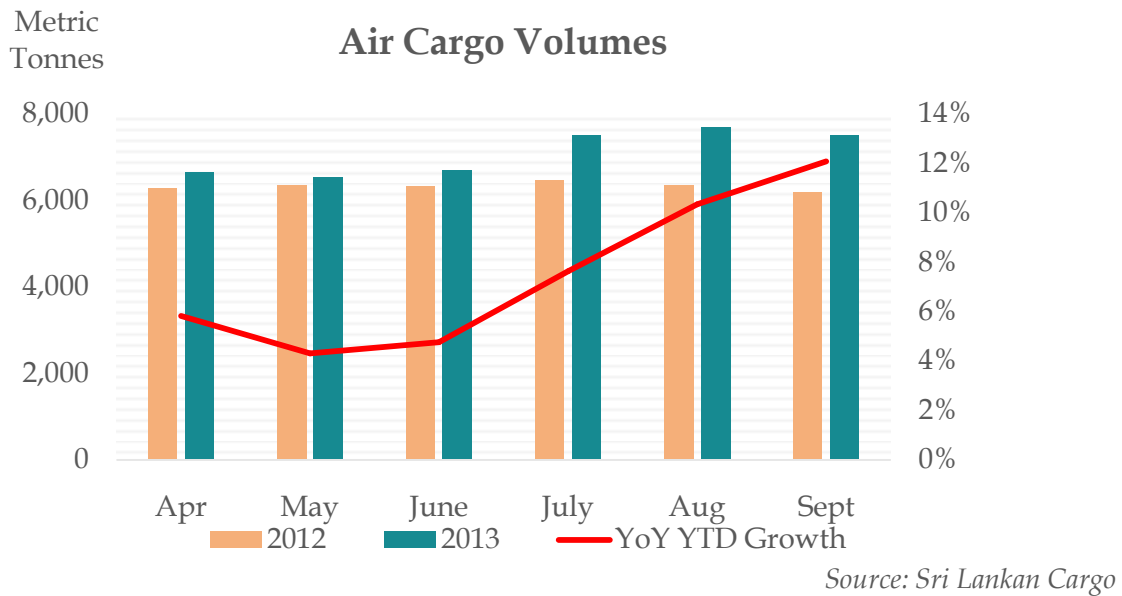


- Leisure sector posted a drop in both revenue and profits during the period due to the closure of Club Hotel Dolphin and Hotel Sigiriya for refurbishment
- Despite the shortage of the total room inventory, our hotels recorded occupancy levels in excess of 50% during the off-peak season
- Hotel Sigiriya was reopened after renovations on 1st August 2013, while Club Hotel Dolphin was opened to guests on 1st November 2013
- Continuous improvements to our web booking engine and several accolades from leading online travel agents have contributed significantly in tapping new markets
- Sector looks forward to an exciting winter season with the newly refurbished hotels focused on enriching the customer experience

Hemas Group: Our Portfolio



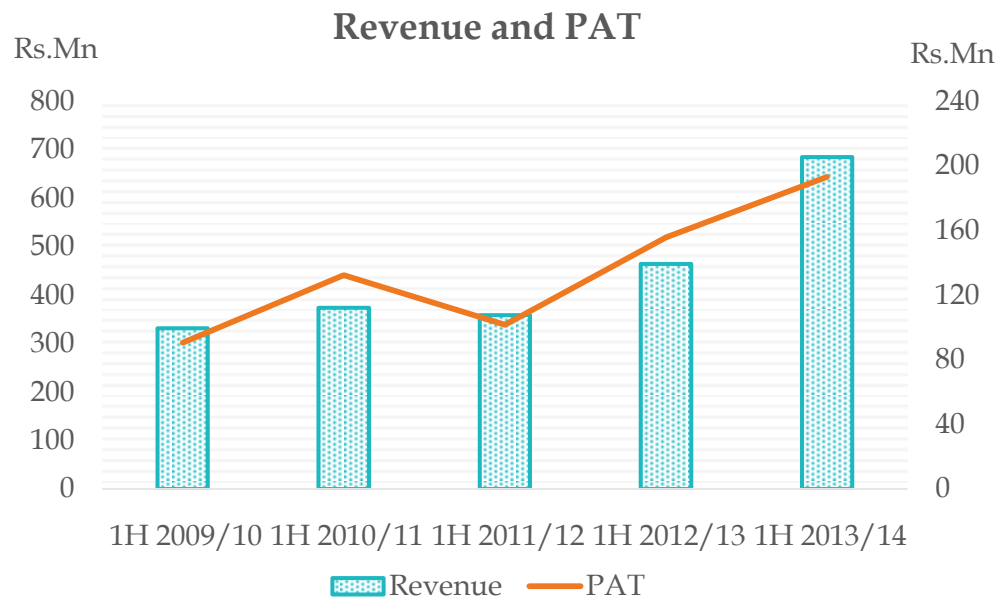
Transportation: Industry Highlights



- The second international airport in Mattala is expected to be an opportunity in improving the commercial aviation landscape of Sri Lanka
- The second phase is expected to improve the new airport to handle 5Mn passengers and 150,000MT of cargo
- The new South Port of Colombo, located mid-way on the east-west sea route commenced operations in August 2013
- The facilities of the new port will make it the only port in South Asia with a deep water terminal for mega container ships
- These developments will play a significant role in connecting South Asia with the rest of the world supporting the transshipment and logistics services

Aviation and Logistics drive performance

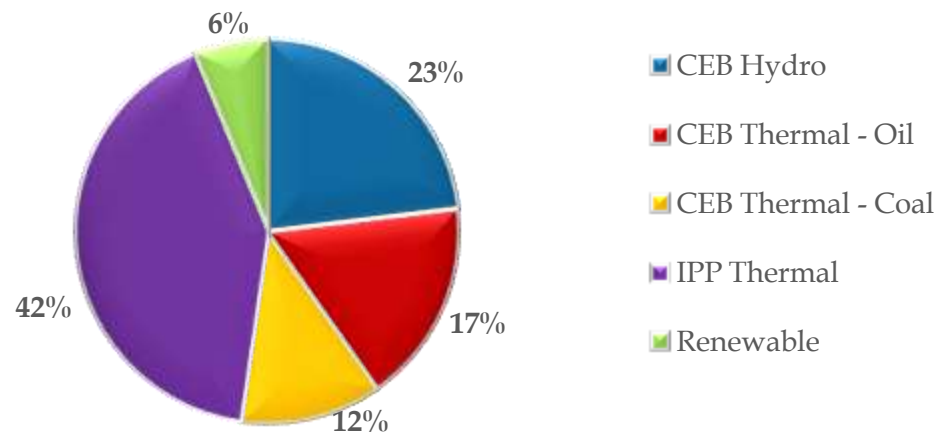
| Key Statistics | 1H 2012/13 |
|-----------------------------------|------------|
| Turnover (Rs.Mn) | : 685 |
| Profit After Tax (Rs.Mn) | : 193 |
| Revenue contribution to the Group | : 5% |
| PAT Contribution to the Group | : 20% |



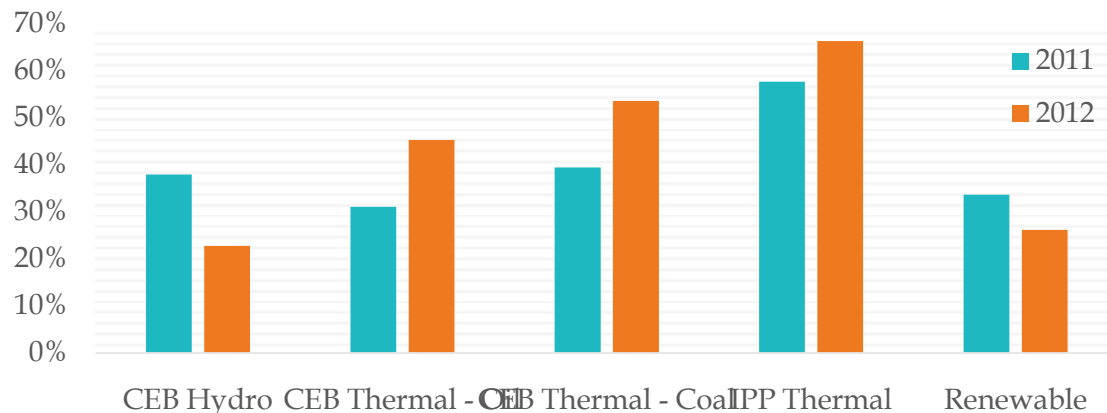
- Transportation sector enjoyed a healthy first half with its revenue growing by 47%, driven by the strong performance of Aviation and Logistics segments
- Performance of the Aviation segment was backed by increased passenger and cargo volumes
- Hemas Travels further increased their market share among the top travel agencies
- Our crew boat servicing business in Galle successfully completed its first year of operations
- Maritime segment results were challenged due to lower transshipment volumes
- Logistics segment performed well during the quarter and our fully fledged integrated logistics facility is expected to commence operations in the next quarter

Power: Industry Highlights

Energy Generation Mix - 2012



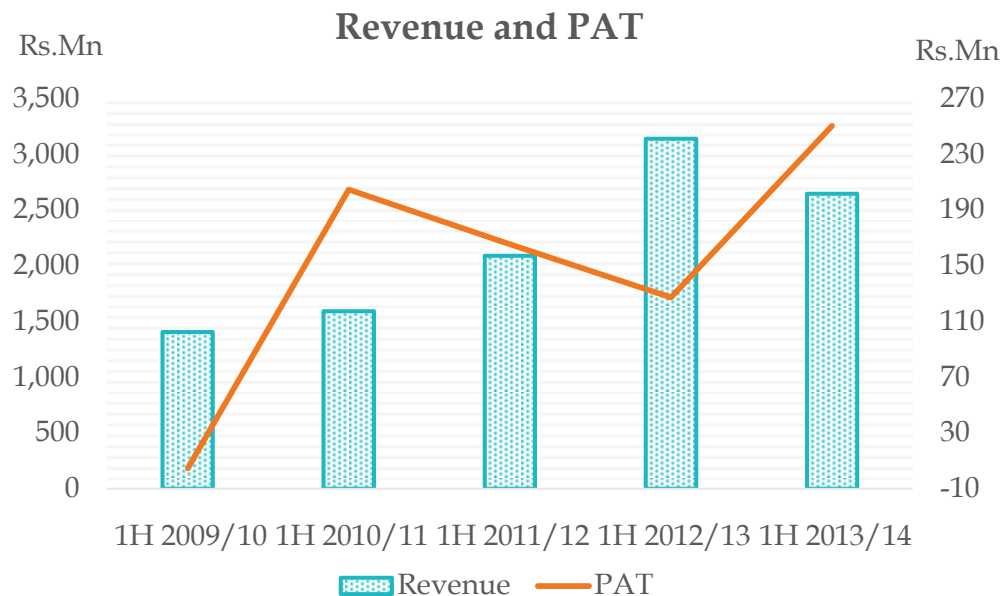
Annual Overall Plant Factors



- Maximum electricity demand in Sri Lanka reached 2146.4MW for the year 2012
- 158 power plants with total installed capacity of 3323MW was operated to deliver the annual energy demand
- Of the 158 power plants:
 - 25 were CEB owned
 - 11 thermal power plants were operated by Independent Power Producers
 - 122 renewable power plants were operated by Small Power Producers
- 18 renewable power plants were commissioned during the year 2012 to strengthen the generation capacity of the country

Hydro power boosts sector profits

| Key Statistics | 1H 2012/13 |
|-----------------------------------|------------|
| Turnover (Rs.Mn) | : 2,645 |
| Profit After Tax (Rs.Mn) | : 250 |
| Revenue contribution to the Group | : 18% |
| PAT Contribution to the Group | : 26% |



- Power sector revenue dropped by 16% due to the curtailment of thermal power generation imposed by the CEB
- Operating profit and the profit after tax experienced a growth of 101% and 97%, respectively
- Growth in profits were mainly driven by the hydro power plants which enjoyed a higher rainfall in catchment areas
- Rath Ganga and Manelwala hydro power plants under PanAsian Power helped to boost overall profitability of the sector

Corporate Social Responsibility

“Piyawara”

- Several teacher training programs were held during the quarter and the main residential program was held in Hambantota
- A group of 10 bikers from Harley Owners Group (HOG) Dubai Chapter rode cross country to raise awareness among the general public for our pre school project “Piyawara”
- Pre schools built under the “Piyawara” project are being sustained and monitored continuously



“Hemas Green Club”

- “Hemas Green Club” was formed as an initiative to protect the environment and create awareness about the nature
- The inaugural lecture of the Hemas Green club on “Sustainable Development & Environment” was delivered by veteran environmentalist, Professor Sarath Kotagama
- The Club initiated a plant nursery in Dankotuwa and distributed plants among the community and Hemas staff members



Taking Hemas to the 'Next Level'

- Mr. Lalith De Mel, Chairman, Hemas Holdings PLC, retired from Office on 6th November 2013 after a service of 11 years
- Mr. Husein Esufally took over as the new Chairman of Hemas Holdings PLC and will continue as the Group Chief Executive Officer till 31st March 2014
- Mr. Steven Enderby was appointed to the Board of Directors on 6th November 2013 and was appointed as the Deputy CEO of the Group. He will assume the Office of Group Chief Executive Officer with effect from 1st April 2014
- Mr. Malinga Arsakularatne, the Chief Financial Officer of Hemas Group was appointed to the Hemas Holdings Board on 6th November 2013



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