

The background is a collage of three images. On the left, a supermarket aisle with shelves of products and a 'Dandex' sign. In the center, a person in a white lab coat holding a glass vial. On the right, a port scene with a large container ship named 'EVER ACE' and a truck.

Hemas Holdings PLC

Investor Presentation- Q4 FY24/25

Who We Are

Established in 1948, with a purpose of empowering families to live a better tomorrow, Hemas Holdings is one of Sri Lanka's leading conglomerates listed in the Colombo Stock Exchange with focused interest in Consumer Brands and Healthcare.

1948

*"Established Hemas
Drugs Pvt Ltd"*

2003

*"IPO on the
Colombo Stock
Exchange"*

2007

*"Extended
operations into
Hospital Space"*

2013

*"Acquired leading
Pharmaceutical
Manufacturing firm
– JL Morison"*

2018

*"Acquired Sri
Lanka's Largest
Stationery Brand-
Atlas"*

2022

*"Commenced
operations at
Pharmaceutical
Manufacturing Plant
in Homagama"*



Consumer Brands

- 95% of the business where Hemas is among the top 3 players.
- 98% of the households reached by Hemas brands.
- Within the top 3 distribution frameworks in Sri Lanka
- Established presence in Bangladesh with 100% onshore manufacturing and local talent



Healthcare

- Market leader in pharmaceutical distribution in Sri Lanka
- Pioneering pharmaceutical manufacturer in Sri Lanka since 1959
- Production capacity to cater to more than 40% of the country's demand for oral solid and liquid dosages
- Two hospitals with more than 170 bed capacity in Colombo suburbs



Mobility

- Agents for Evergreen Line (6th largest global mainline operator)
- Leading feeder operator to key East Coast and Bay of Bengal ports
- Representative for Emirates the largest international airline in the world

76

Years in
Operation

USD
241 Mn

Market
Capitalization

37%

Free Float

USD
326 Mn

Total Assets

AAA

Long-term Fitch
Rating

>5k

Workforce

Implications of Key Macro Economic Parameters on Hemas

Interest Rates

"Continued decline in AWPLR was witnessed during the year easing the pressure on finance cost to a certain extent"

-24.1%

AWPLR

YoY change monthly rate (Mar 2025 vs Mar 2024)

Stable Exchange Rates

"The Rupee remained mostly stable, positively impacting RM costs and import expenditure for key BUs"

-1.6%

US \$/Rs

YoY change ((Mar 2025 vs Mar 2024)

Global Commodity prices

"Prices of key commodities saw an increase, especially Palm Oil, and this is expected to exert pressure on margins"

1.8%

Palm oil

15.5%

Crude Oil

YoY change (Mar 2025 vs Mar 2024)

Deflation

"Deflation was primarily driven by food category"

-2.6 %

CCPI

-0.6%

NCPI

YoY change (Mar 2025 vs Mar 2024)

GDP Growth

"After 2 years of negative growth, GDP growth turned positive in 2024"

5.0%

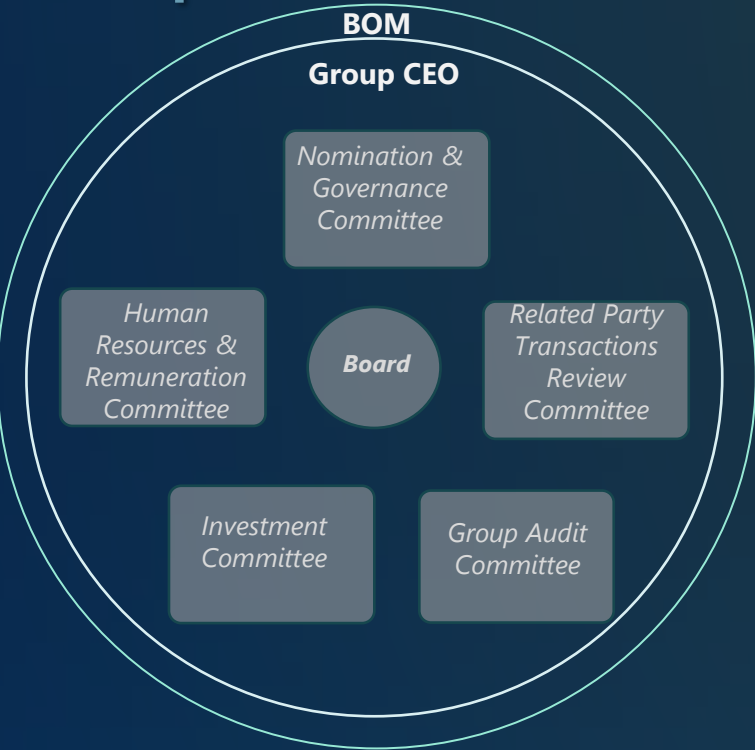
for 2024

(2022 : -7.4% & 2023 : -2.3%)

Budget Proposals

The recent budget proposal to provide Value Added Tax (VAT) exemptions for imported packing materials used in the pharmaceutical manufacturing sector is a positive incentive for local manufacturing.

Corporate Governance



BOM (Board of Management)

Consists of the senior leadership team of 11 members - Heads of our 6 businesses and 5 leaders from Corporate Office. BOM is responsible for formulation and implementation of Group strategic plan and ensures that the Group works in a collaborative and high-performance manner not-withstanding the circumstances and challenges the Group faces.



The Board

Takes overall responsibility for the performance and affairs of the Company and the Group.



Board Sub-committees



Ensures in-depth focus on delegated matters.



Group CEO

Leads the Executive Management team. Responsible for strategy development, implementation and Group performance.

Board Composition

- Non-Executive Directors (including Chairman) 
- Independent Non-Executive Directors 

Independence

50%
of the board is independent

Gender



90% : 10%

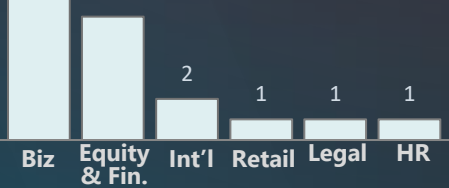
Board Size

10

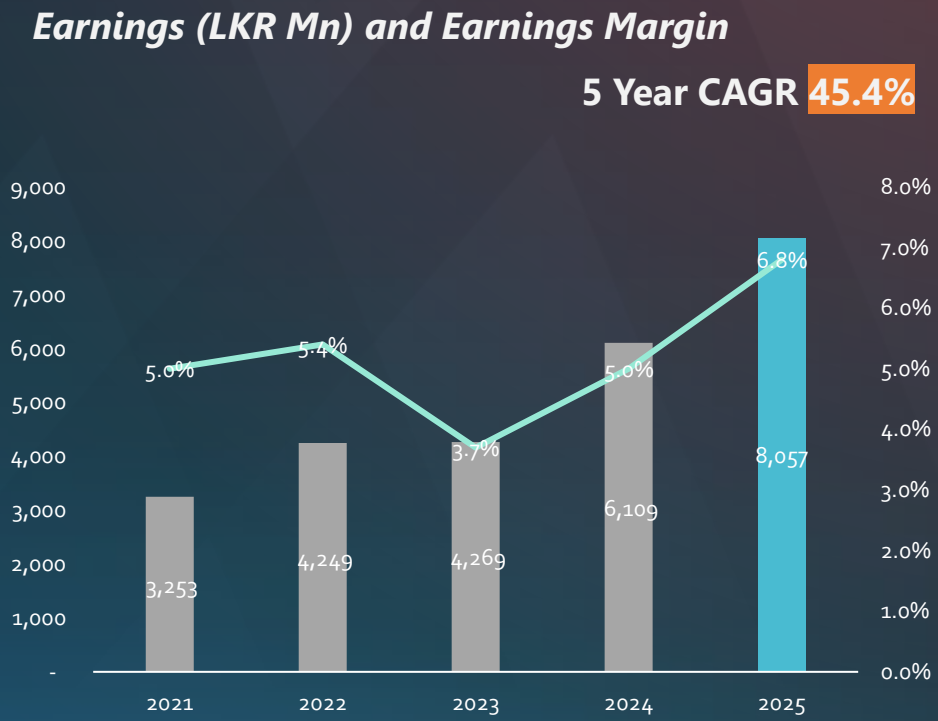
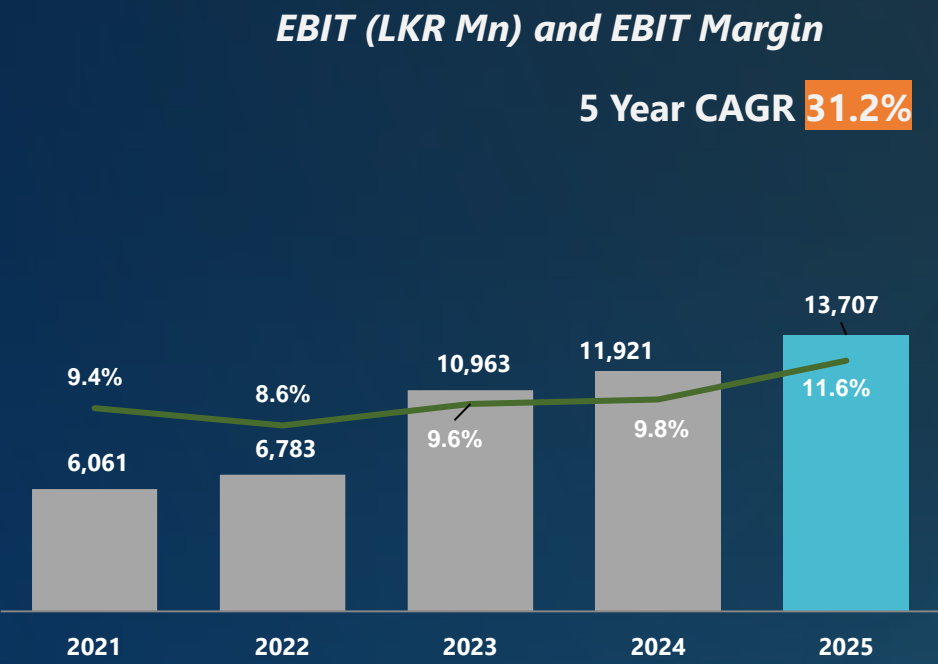
Board size promoting accountability and encouraging healthy, constructive debate and decision-making, while meeting regulatory requirements

Expertise

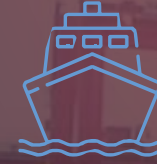
Experienced Board, combining knowledge and skills relevant to the Group



Group Performance (Annual)



Long Range Plan : Key Focus Areas



- ❖ Invest in complementary **Hair and Beauty care**, focus on local consumer needs, and drive **household penetration in essentials** like sanitary napkins.
- ❖ Implement a Bangladesh-focused strategy for **affordability and access** and **enhance personal care offerings** by leveraging extensive reach.
- ❖ Enhance efficiencies with **digital transformation and leaner manufacturing** and expand into **non-stationery school-related categories** using the Atlas brand.

- ❖ Shift focus to **growing the Morison brand** in cardiac, diabetes, and complementary medication, while **enhancing manufacturing excellence** at the Homagama facility.
- ❖ **Optimise working capital** and implement digital transformation to boost efficiency and cash flow, while **commercialising new Principals in emerging therapeutic areas**.
- ❖ Transform into a tertiary healthcare provider by **expanding specialties** and **bed capacity** and implement a **seamless connected care model** using digital technology.

- ❖ Continue to strengthen a **lean business model**.
- ❖ Obtaining the required **capacity/capabilities** whilst leveraging on the Group's appeal as a "**partner of choice**".
- ❖ Build a **holistic proposition**, to current and prospective principals.

Awards and Recognitions



Hemas Manufacturing (Pvt) Ltd. has been awarded the 'Authorized Economic Operator (AEO) Tier 1 Certification', by Sri Lanka Customs, reinforcing its position as a leader in compliance, operational efficiency and global trade facilitation.



Atlas was recognized as the 'School Supply Brand of the Year' at the prestigious SLIM-Kantar People's Awards 2025.



In recognition of its operational excellence, Hemas Hospitals was named as the Category Winner in the Hospitals & Medical Laboratory sector at the Best Management Practices Company Awards 2025, organised by the Institute of Chartered Professional Managers of Sri Lanka.

New Product Launches During the Quarter

Personal Care - SL



'Clogard' salt based toothpaste (Re-launch)



'Goya' vibrant fruity fragrance



Clogard Proclean Limited Edition toothbrush

Consumer Brands - International



'Vibe' range of fragrances

Pharmaceuticals Manufacturing



CilniMor



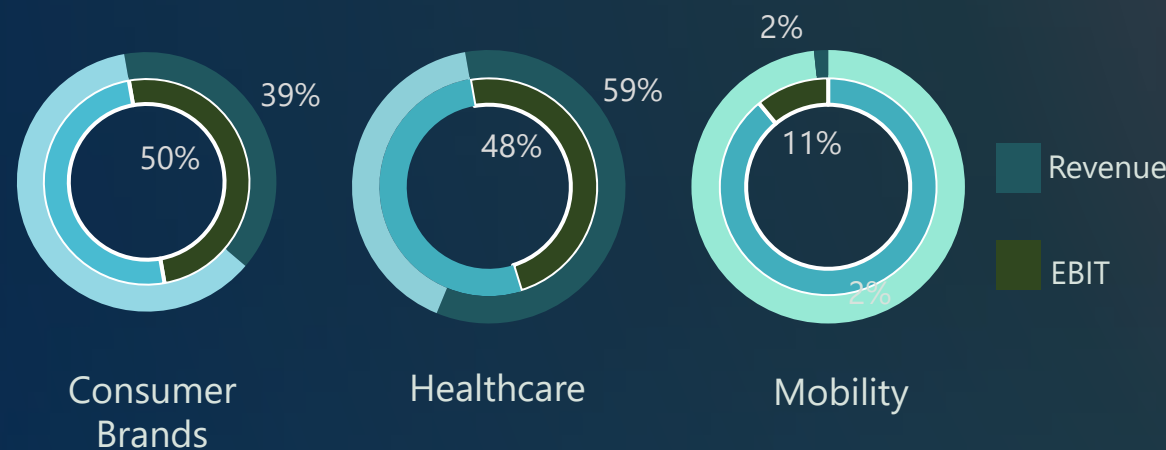
RivoMor



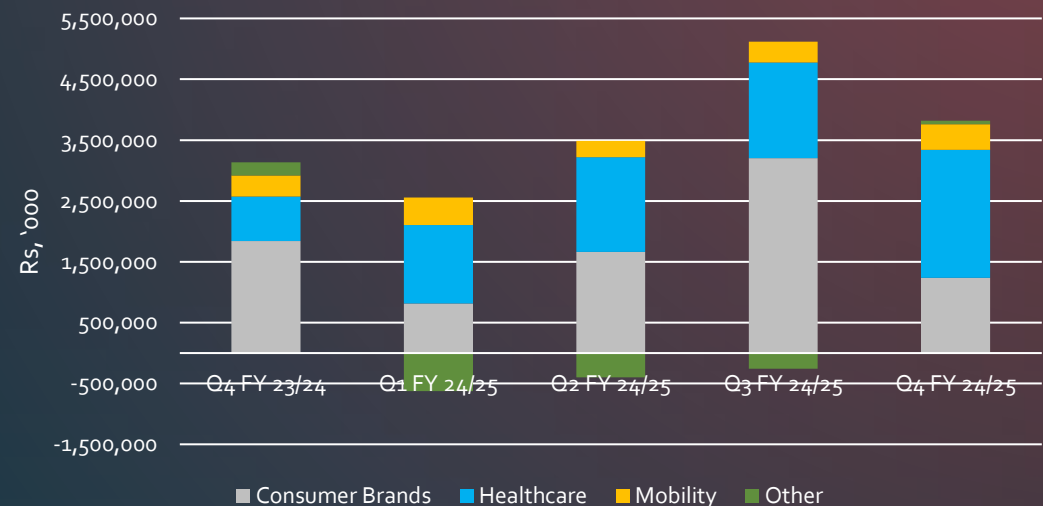
BisoMor

Financial Snapshot

12M contribution to the Group



EBIT by Sector

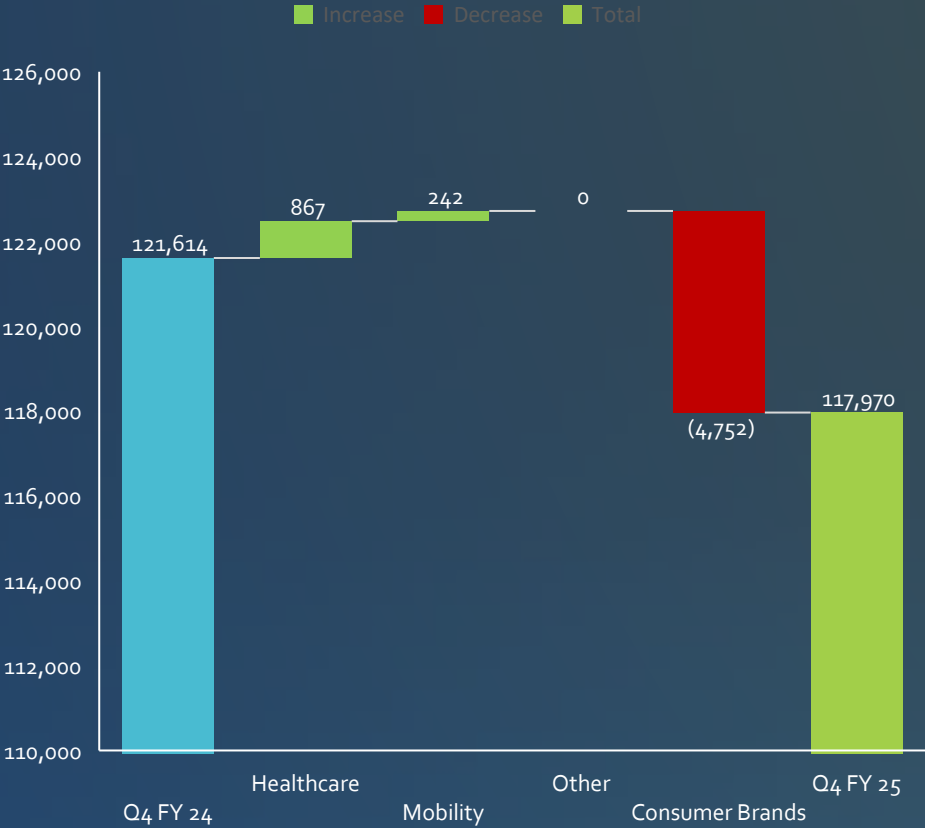


12M Performance FY 25 vs FY24

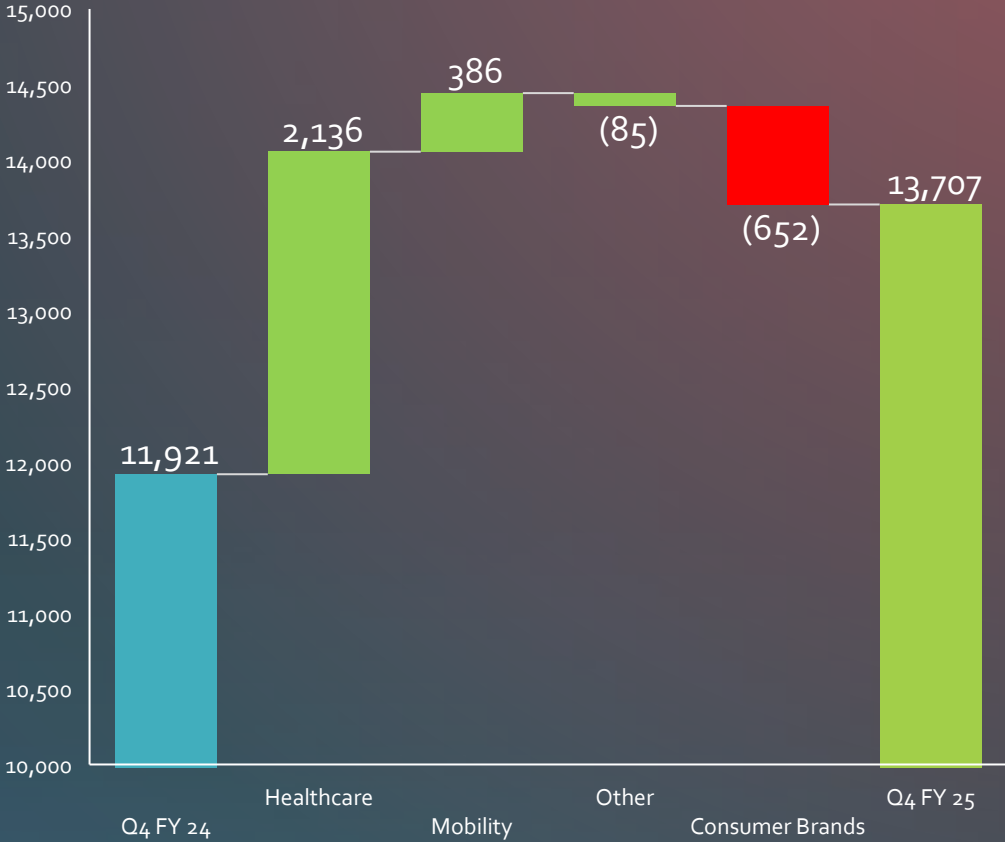
Revenue	EBIT	Earnings	EPS	ROCE	Net Gearing	Monthly AWPLR	Average US \$/Rs
LKR 118.0 Bn ↓ -3.0%	LKR 13.7 Bn ↑ 15.0 %	LKR 8.1 Bn ↑ 31.9 %	LKR 2.70 ↑ 31.8 %	25.6% ↑ 3.5 pts	-10.3% ↓ -9.1 pts	8.4% ↓ -2.7 pts	296.4 ↓ -1.6%

Sector Performance Summary – YTD Q4 FY 2024-25

Revenue Walk (LKR Mn)

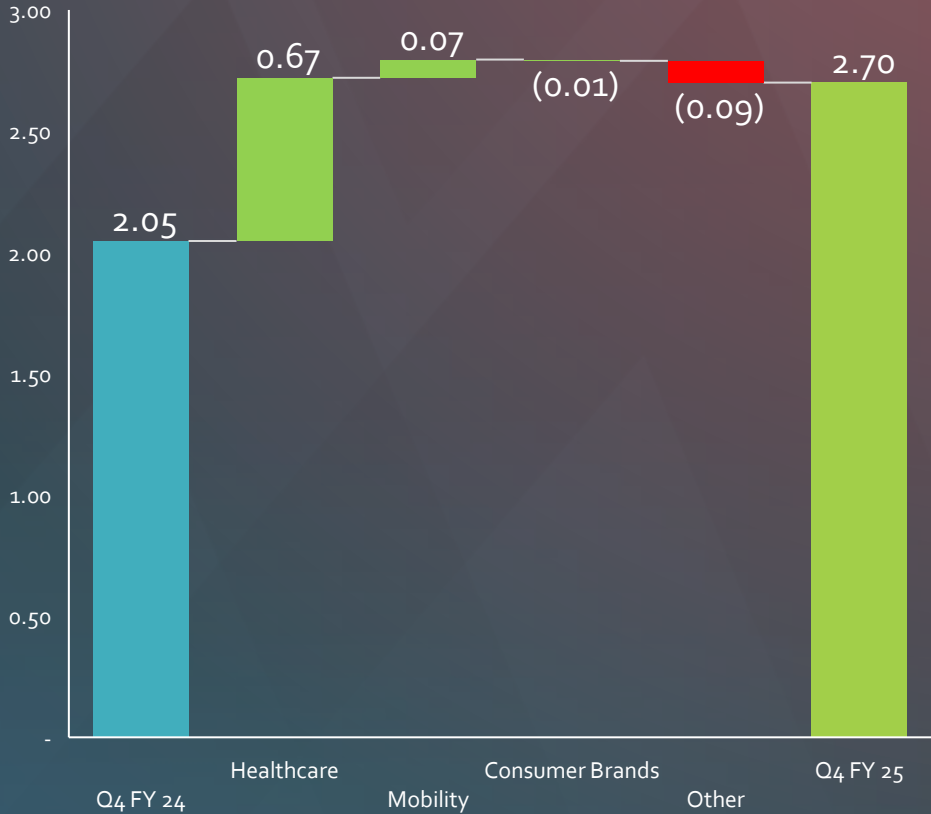
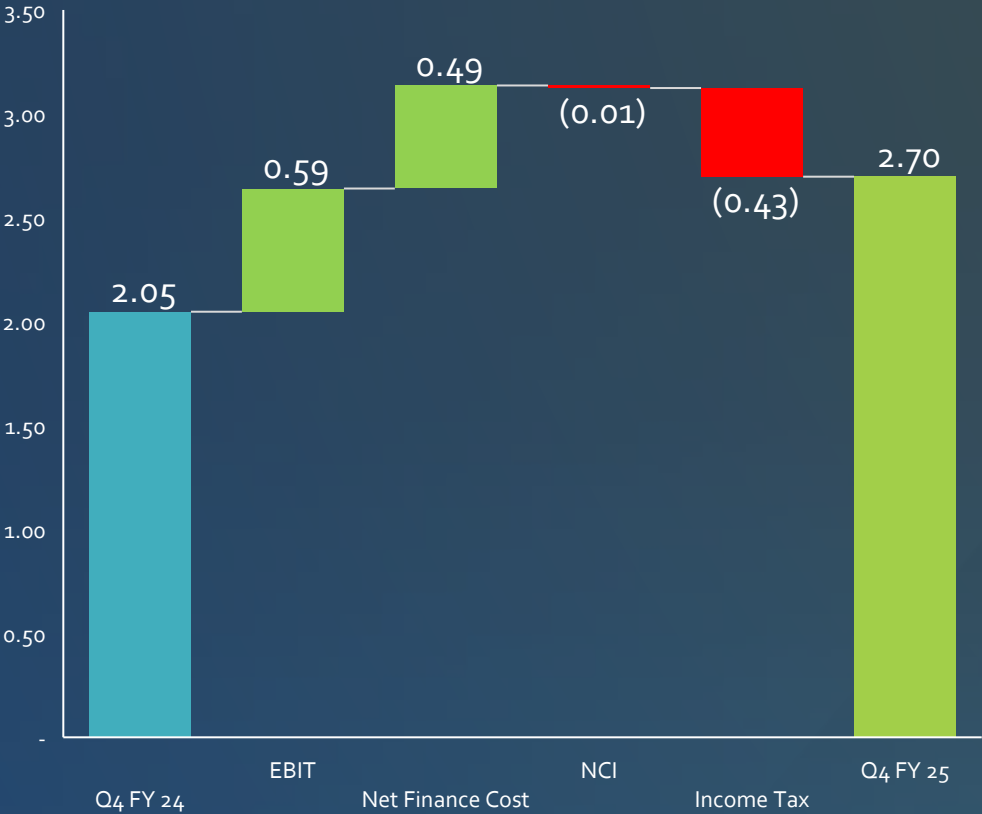


EBIT Walk (LKR Mn)



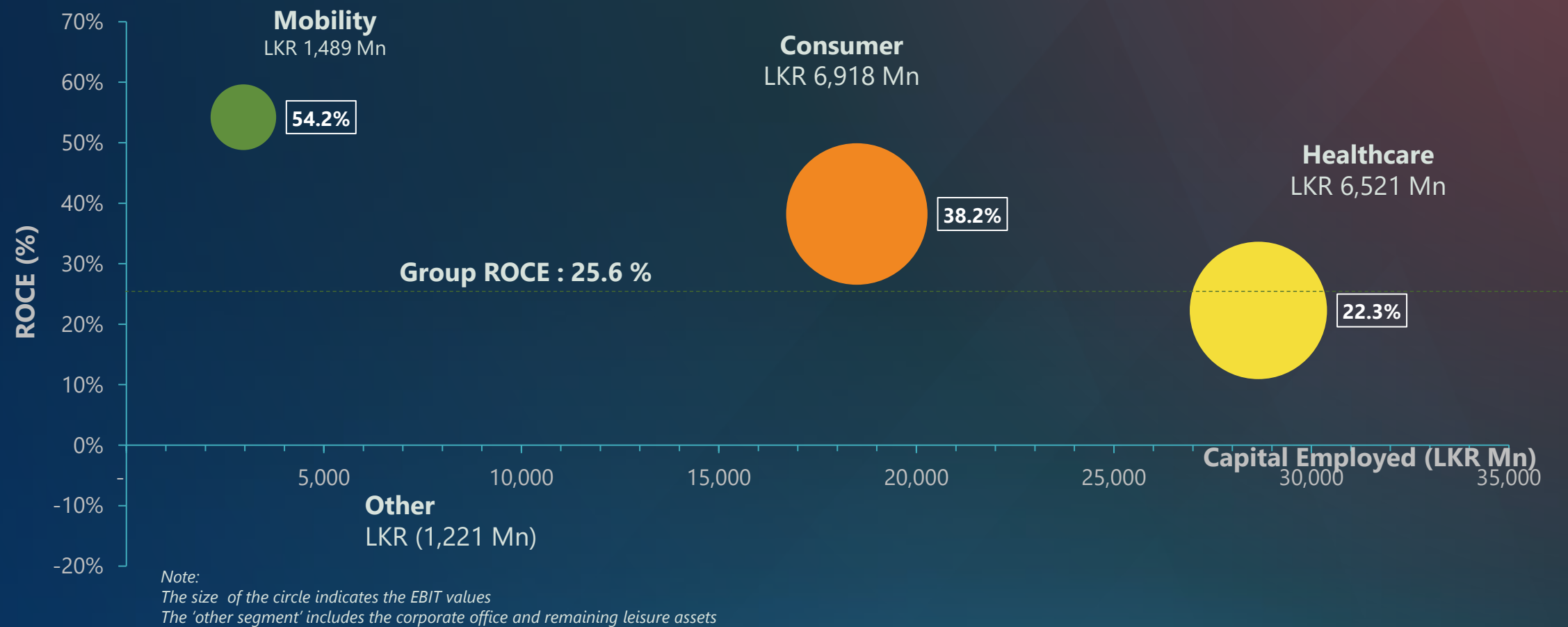
Continuing Operation EPS – Q4 FY 2024-25

EPS Walk (LKR Per Share)



Capital Employed – FY 2024-25

Sector Efficiency
Capital Employed, ROCE, and EBIT by Sector



Consumer Brands

- ❖ Home and Personal Care - Sri Lanka
- ❖ Consumer Brands- International
- ❖ Learning Segment



Paris

KumariKa

Velvet

fems

GOLD

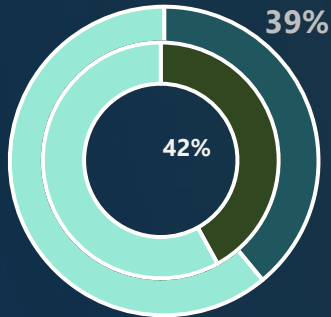


Consumer Brands

Contribution to Group

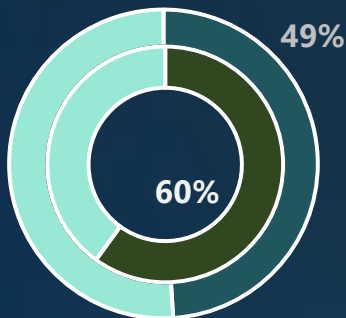
Revenue %

12M FY25
12M FY24



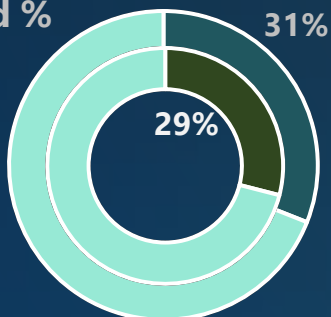
EBITDA %

12M FY25
12M FY24



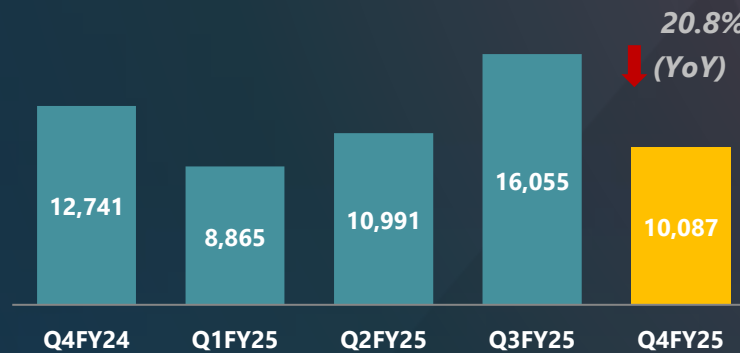
Capital Employed %

FY25
FY24

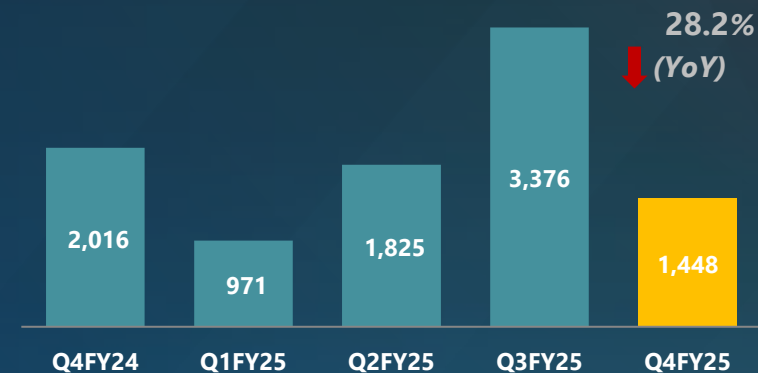


Sector Performance – 12M FY 2024-25

Revenue (LKR Mn)



EBITDA (LKR Mn)



Key Highlights

- Strategic price revisions taken during the previous quarters impacted revenue while cautious volume growth was observed across categories.
- The Learning segment continued to be impacted by price competition and seasonality factors.
- Bangladesh inflation stabilized in March'25 with food inflation easing during the quarter.
- The Sector continued to introduce new products and move to adjacent segments.

Home and Personal Care – Sri Lanka

8

Key categories with market leading positions



Extensions & relaunches to the Portfolio

-6.0%

12M volume de-growth

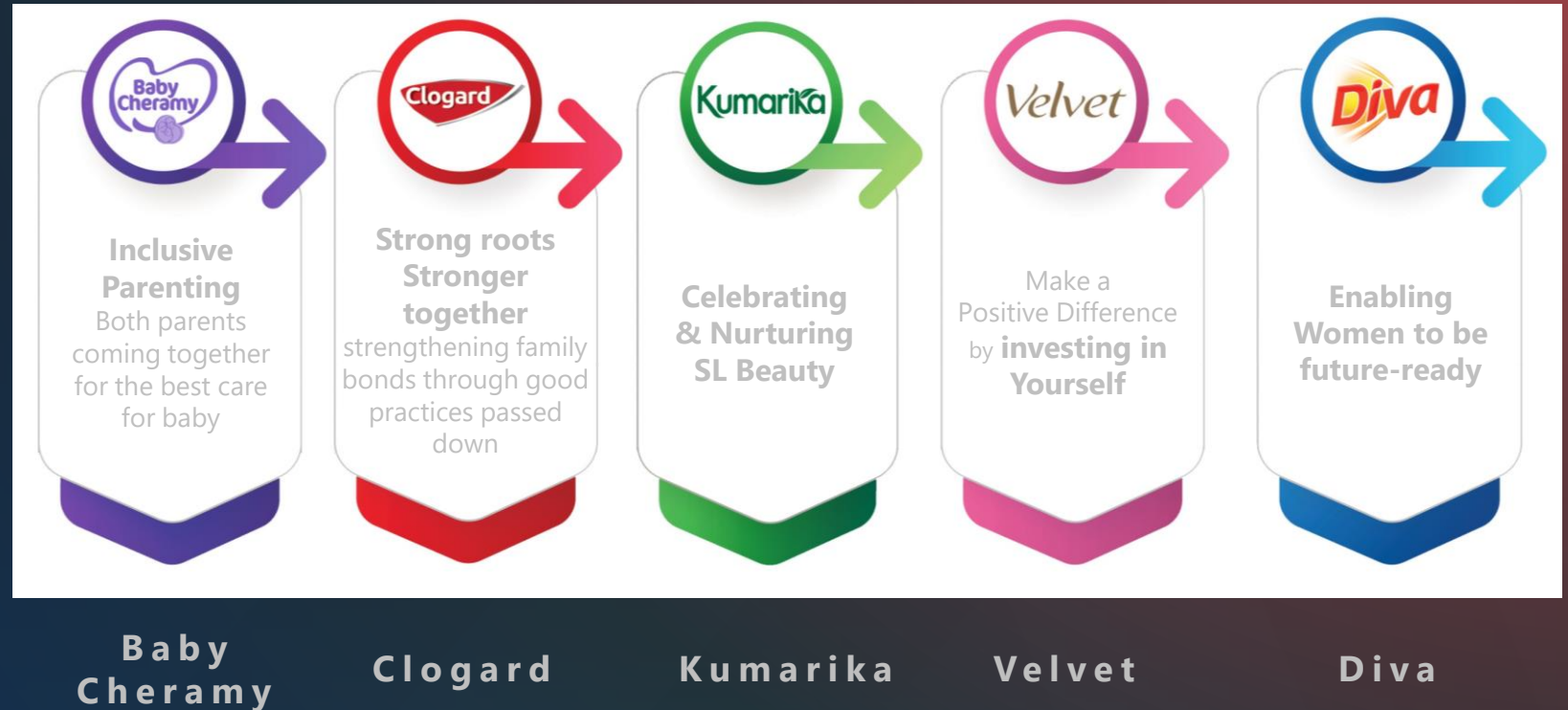
80k

Direct outlet coverage

59%

12M contribution to Consumer Brands revenue

Purpose-driven brands touching the lives of the Sri Lankan consumer



Home and Personal Care – International

@

Operating in Bangladesh

3

Key categories

Value added and Pure Coconut Hair Oil
Health Soap

17%

Market share in VAHO
(Bangladesh – Q3 FY25 Data)

4K

Retailers reached in
Bangladesh

7%

12M contribution to
Consumer Brands revenue

Note: VAHO – Value Added Hair Oil, CNO – Coconut Oil

Locally led and localised in Bangladesh

- All products are exclusively designed for Bangladesh.
- Extensive product portfolio with multiple value adding variations targeted for overall wellness, growth and nourishment of hair.
- Local leadership team with 90% local talent.



Reach in Bangladesh

19.3%

Rural penetration by
Hemas

7.2%

Urban penetration of
Hemas

16.3%
7 + Mn
Households

Households reached
by Hemas

>95%

On-shore
manufacturing

Source: Household Panel data (Calibrated) – Kantar – MAT./
Retail Sales Audit by Insight Metrix – Q3 '24/25

Home and Personal Care – Sri Lanka and International

Sri Lanka

Revenue

- The personal wash and home care segments experienced Revenue de- growth primarily on account of strategic price reductions taken during the previous quarters.
- Market shares were sustained across most market segments.
- The drive to introduce innovative offerings continued, with the launch of Goya fragrance range, as well as Clogard Proclean Limited Edition toothbrush range and the relaunch of Clogard salt based toothpaste.

Profitability

- While the GP margins were maintained, profitability was negatively impacted by lower revenue.

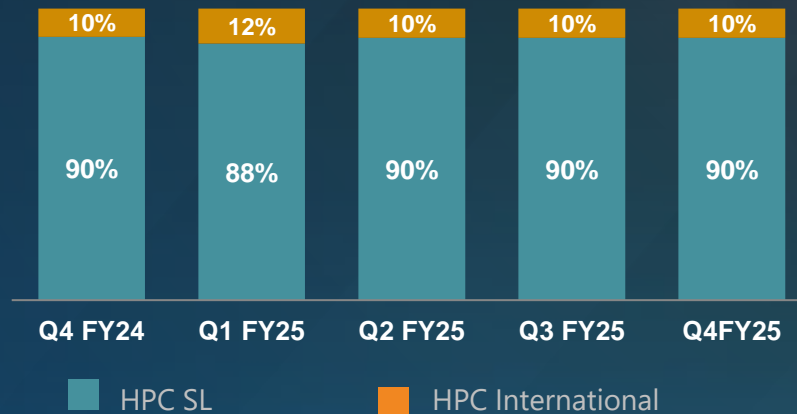
Outlook

- Seeking more opportunities for Premiumisation.
- Rising commodity prices will impact on input costs.

Revenue (LKR Mn)



International Segment Revenue as a % of total HPC Segment



International

Revenue

- Revenue was boosted by market share growth.
- 'Kumarika', the flagship Value-Added Hair Oil (VAHO) product has managed to increase its market share, backed by the product's strong customer loyalty and consistent repeat purchases.

Profitability

- Profitability increased due to increased revenues and various cost rationalisation initiatives undertaken during the quarter.

Outlook

- The Macro economic environment has been improving and is expected to drive consumer confidence.
- Look to further expand the product offering whilst continuing to strengthen existing brands.

Learning Segment

7

Key categories



High Efficiency and productivity through lean initiatives



Market leader in key product categories

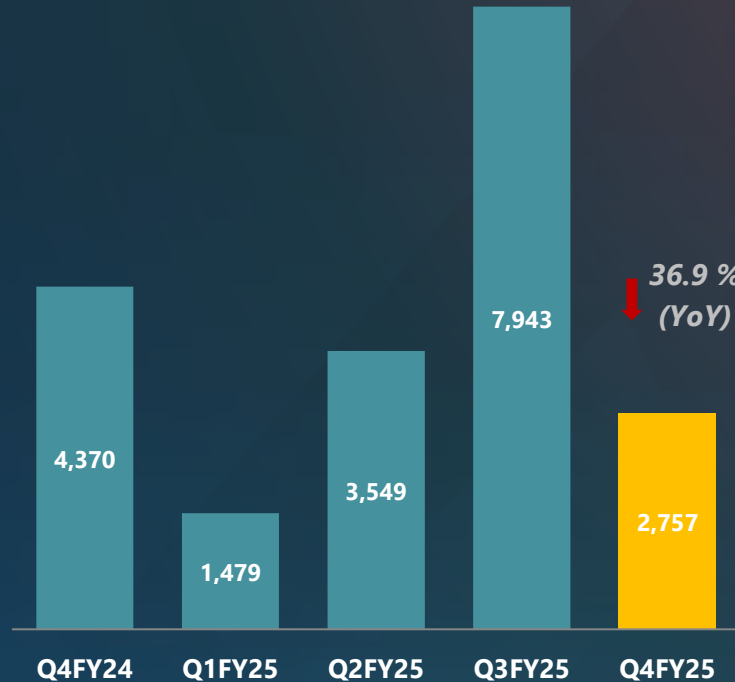
50+k

Outlet coverage across Sri Lanka

34%

12M contribution to Consumer Brands revenue

Revenue (LKR Mn)



Revenue

- In response heightened competition from new entrants offering products at lower price points and varying quality, several initiatives were launched to increase awareness and create a unique and innovative point of difference, such as the re-launch of its "Innovate" range.

Profitability

- Heightened price competition negatively impacted the revenue while increased efforts on efficiency improvement and cost saving initiatives together with reduction in finance expenses positively contributed to operating profits.

Outlook

- Continue to explore opportunities for product premiumisation.
- Extend the 'PlayPalz' range of toys and educational aids.
- Explore opportunities in related spaces.

Healthcare Sector

- ❖ Pharmaceutical Import, Marketing and Distribution
- ❖ Pharmaceutical Manufacturing
- ❖ Hospitals

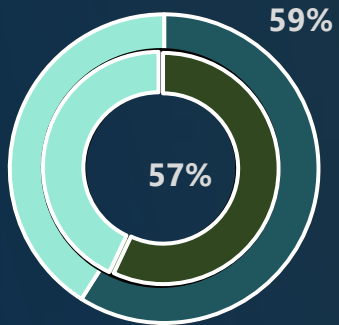


Healthcare

Contribution to Group

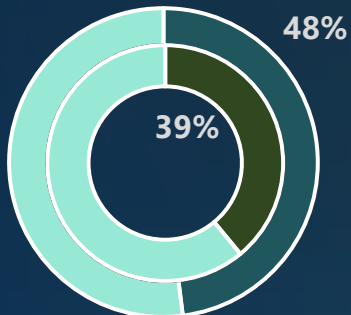
Revenue %

12M FY25
12M FY24



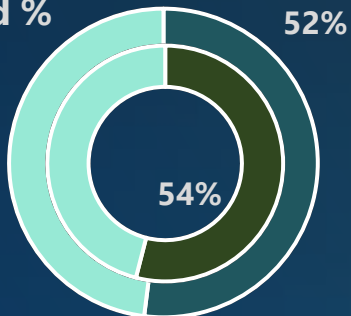
EBITDA %

12M FY25
12M FY24



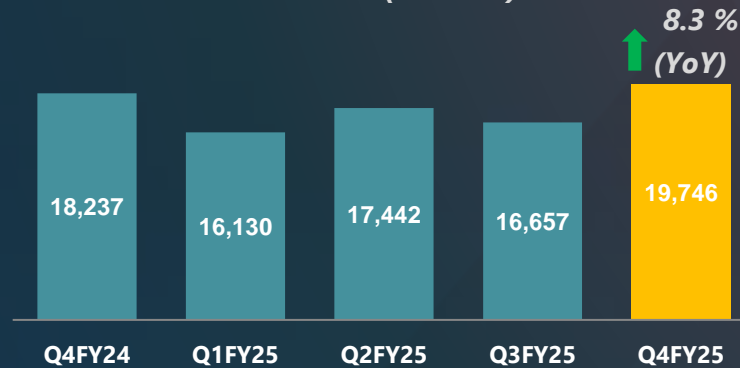
Capital Employed %

FY25
FY24

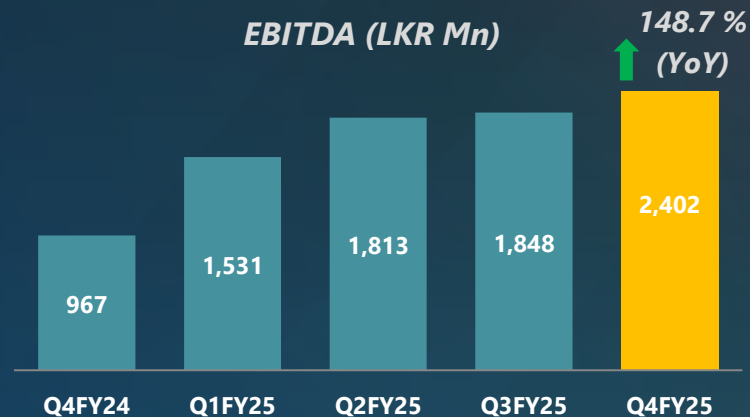


Sector Performance – 12M FY 2024-25

Revenue (LKR Mn)



EBITDA (LKR Mn)

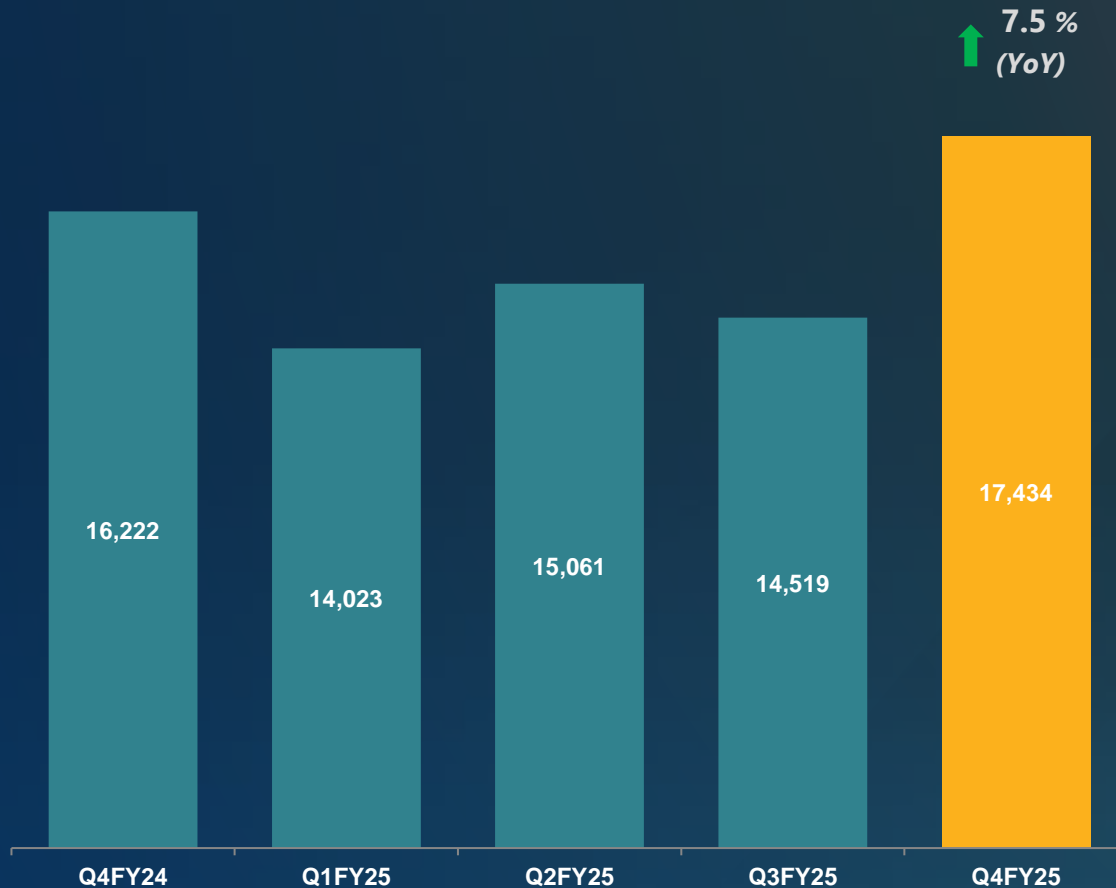


Key Highlights

- The Healthcare industry has been gaining momentum and recovering from the downturn experienced during the economic crisis.
- Earnings experienced significant growth, driven by higher revenue and the implementation of efficiency initiatives.
- New state-of-the-art Catheterisation Laboratory (CATH Lab) for cardiac care opened at the Wattala hospital.

Pharmaceutical Import, Marketing, Distribution and Pharmaceutical Manufacturing

Revenue (LKR Mn)



Revenue

- The Distribution business continues to sustain its market-leading position this quarter.
- Pharmaceutical Manufacturing business of the Group continued to expand the Morison branded portfolio.

Profitability

- Revenue growth and optimising overhead costs, helped the businesses to increase profitability during the quarter.

Outlook

- Further extending the branded generics portfolio to create a "Sri Lankan Brand" will be a key priority for the Manufacturing Arm of the Sector while ensuring availability and increasing the offering by onboarding new Principles will drive the Distribution Arm.
- Extension of the buyback agreement with new orders already received, will boost revenues and plant utilisation.
- Work with all stakeholders to ensure fair implementation of the recently announced Pricing framework.

Hospitals

208 Beds

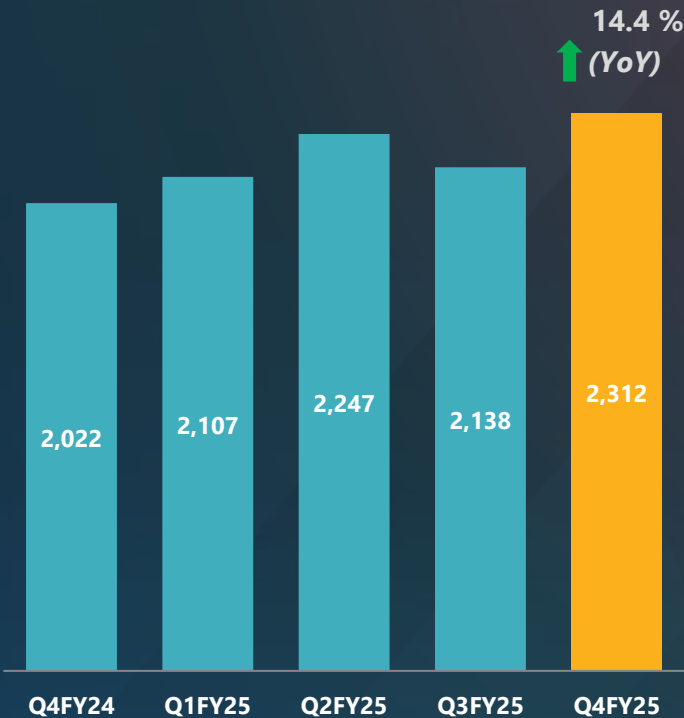
+52% Hospital occupancy

First hospital in Sri Lanka to implement fully fledged EHR system

2 Hospitals 44 Labs and Collection centres

13% 12M contribution to Healthcare revenue

Revenue (LKR Mn)



Revenue

- While outpatient revenue has seen a steady increase, inpatient revenue experienced a decline due to lower admissions, which was a trend observed across the market.

Profitability

- GP & EBITDA margins improved owing to the efficiency measures that were implemented.

Outlook

- Plans to introduce more specialties.

IP revenue mix	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
	49%	55%	53%	48%	54%

Mobility Sector

❖ Maritime

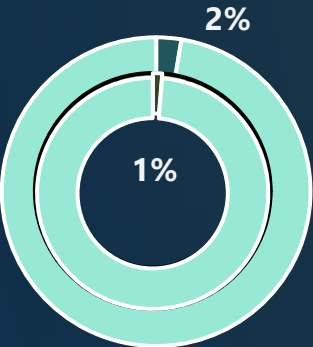
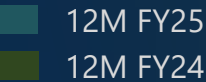
❖ Aviation



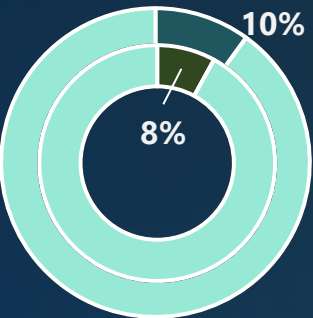
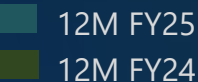
Mobility

Contribution to Group

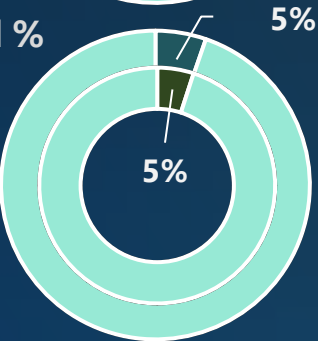
Revenue %



EBITDA %

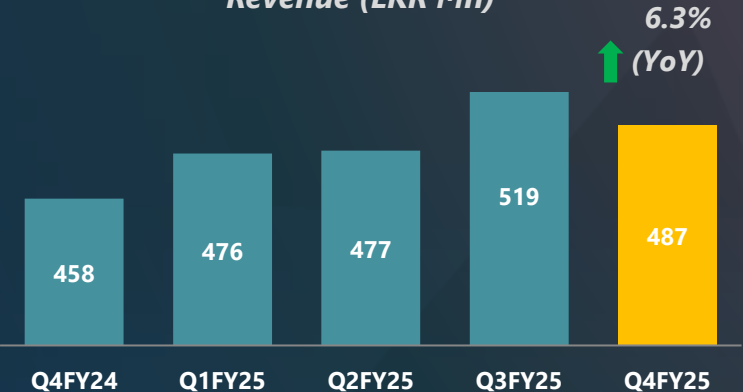


Capital Employed %

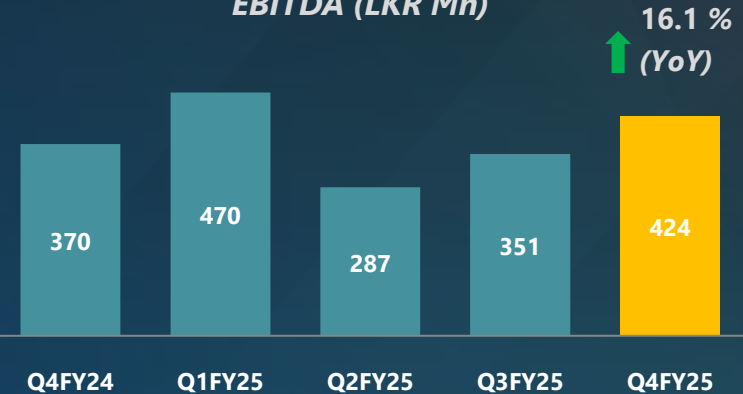


Sector Performance – 12M FY 2024-25

Revenue (LKR Mn)



EBITDA (LKR Mn)











Key Highlights

- Overall import volumes have increased while a decline in export volumes has been observed. In the aviation segment, cargo volume increased together with an improvement in yields. Emirates has introduced a 4th daily flight to Colombo.
- High price competition continued in the Passenger segment impacting its revenues.
- Expansions at the Colombo port and BIA will positively impact the segment.

ENVIRONMENTAL AGENDA 2030



 2030 Goal	 FY 25 Milestone	
Facilitate the collection of 100% of plastic sent to the market/consumers through initiatives across the country.	Collect back 37.5% of plastic sent to the market.	
25% of Energy obtained through renewable sources.	10.6% of energy obtained through renewable sources	
50% reduction of water intensity in significant operations.	19% reduction of water intensity in significant operations.	
Protect and sustain 1,000 acres of forest cover in Sri Lanka.	Reforestation of 30 Acres.	
Protect 52 critically endangered endemic species.	Intervention for the protection of 17 critically endangered endemic species.	



Achieved



In Progress

SOCIAL IMPACT : FOCUS AREAS

FY 25: 255,800+ FAMILIES EMPOWERED

Creating Equal Opportunities for Learning

- **Creating quality educational experiences for every child.**
- **Creating equal learning opportunities for children from underprivileged and underserved backgrounds to continue their education.**

Supporting Health and Well-being


- **Providing expert advise and guidance to support those impacted by key health issues prevalent in today's society.**
- **Facilitating and testing a range of interventions to prevent or mitigate emerging health impacts.**

Empowering Vulnerable Communities

- **Empowering women with entrepreneurship, knowledge-building and skills development.**
- **Empowering children with disabilities to reach their full potential.**
- **Distribution of dry rations and other essentials for vulnerable communities.**

SOCIAL IMPACT: 49,000+ FAMILIES EMPOWERED


TACKLING PERIOD POVERTY



58,500

Women and Girls


PROVIDING WIGS TO CANCER PATIENTS



1,700

Women


CREATING A SAFER WORLD



17,800

Families


CREATING EQUAL LEARNING OPPORTUNITY



101,800+

Children, Teachers and Parents


CREATING QUALITY LEARNING EXPERIENCES



31,900+

Students


ENSURING NO CHILD IS LEFT BEHIND



4

Pre School Added



EMPOWERING WOMEN AND PROVIDING SOLUTION TO ASPIRE FOR MORE



500+

Women

PROVIDING FREE DIALYSIS FOR PATIENTS SUFFERING WITH CHRONIC KIDNEY DISEASE



90+

Patients

SUSTAINABILITY PERFORMANCE – FY 24 VS FY 25



Carbon Footprint

(per Rs. Mn Revenue)

- %

0.09MT



Water Consumption

(per Rs. Mn Revenue)

6.2%



1.5 m³

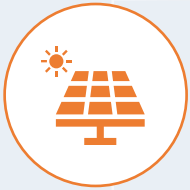


Waste Recycled, Reused, or Recovered

.6%



64%



Renewable Energy Generated

11%



2,137,937 kWh



Values of Fines for Non-Compliance with Laws and Regulations in the Social Economic Area

NONE



Total Work-Related Injury Rate

(per 100 employee)

11.2%



0.7



Training Hours and Development

(Hours)

19%



45,114



Gender Diversity

(female employees)

7%



28 %

Key Priorities

Corporate Priorities

Accelerating the M&A opportunities

Driving digital transformation

Strategic cost savings and maintaining optimum liquidity under working capital management initiatives



Consumer Brands

Focus on Personal care, Beauty and wellness with a drive for premiumisation and exploring underpenetrated markets

Strengthening value propositions to grow market share

Accelerate exports and international expansion

Increase efficiency via digitisation initiatives

BU Priorities

Healthcare

Build the Morison brand by capitalising on existing launches and developing a strong Sri Lankan private brand of generics

Invest in new business commercialisation, growth in under indexed TCs, adjacencies and diagnostic business

Focus on anchor specialties and expansions in the Hospitals business

Digitalisation and effective working capital management

Disclaimer

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This presentation may contain forward looking statements including statements regarding our intent, belief or current expectations with respect to Hemas’ businesses and operations, market conditions, results of operation and financial condition, capital adequacy, specific provisions and risk management practices. Hemas does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date hereof to reflect the occurrence of unanticipated events. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forecasts and hypothetical examples are subject to uncertainty and contingencies outside Hemas’ control. Past performance is not a reliable indication of future performance. Unless otherwise specified all information is for the quarter ended **31 March 2025**