



Hemas Holdings PLC

Investor Presentation- Q1 FY25/26

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
324 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"

-10.7%

AWPLR

YoY change monthly rate (Jun 2025 vs Jun 2024)

Stable Exchange Rates

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

-1.9%

US \$/Rs

YoY change (Jun 2025 vs Jun 2024)

Global Commodity prices

"Prices of key commodities decreased Y-o-Y, positively impacting margins"

-0.8%

Palm oil

-21.4%

Crude Oil

YoY change (June 2025 vs Jun 2024)

Deflation

"Deflation continued for the 10th consecutive month, easing pressure on costs"

-0.6 %

CCPI

0.3%

NCPI

YoY change (Jun 2025 vs Jun 2024)

GDP Growth

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

5.0%

for 2024

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

Share Market

Renewed optimism from local retail investors has boosted the CSE, positively impacting the HHL share.

48.4%

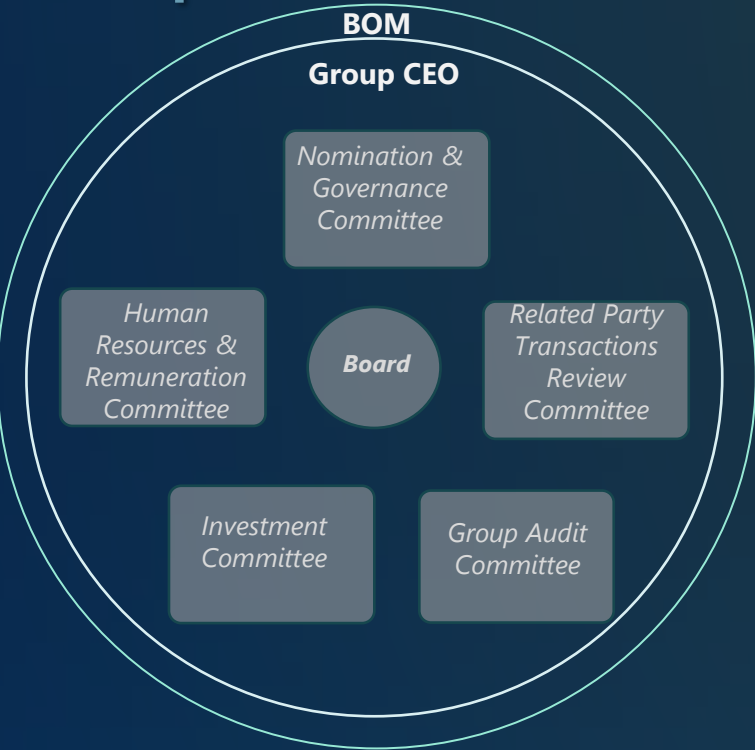
ASPI

49.2%

S&P SL20

YoY change (Jun 2025 vs Jun 2024)

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%

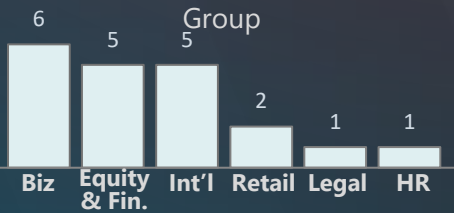
Board Size

10

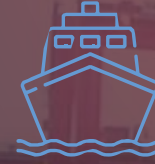
Board size promoting accountability and encouraging healthy, constructive debate and decision-making, while meeting regulatory requirements

Expertise

Experienced Board, combining knowledge and skills relevant to the



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 Holdings PLC won the Silver award for Best Investor Relations Practices at the prestigious 2025 Annual Capital Market Awards organised by the CFA Society Sri Lanka. This recognition underscores the Group's commitment to transparency, accountability, and excellence in stakeholder communication.

New Product Launches During the Quarter

HCB - SL



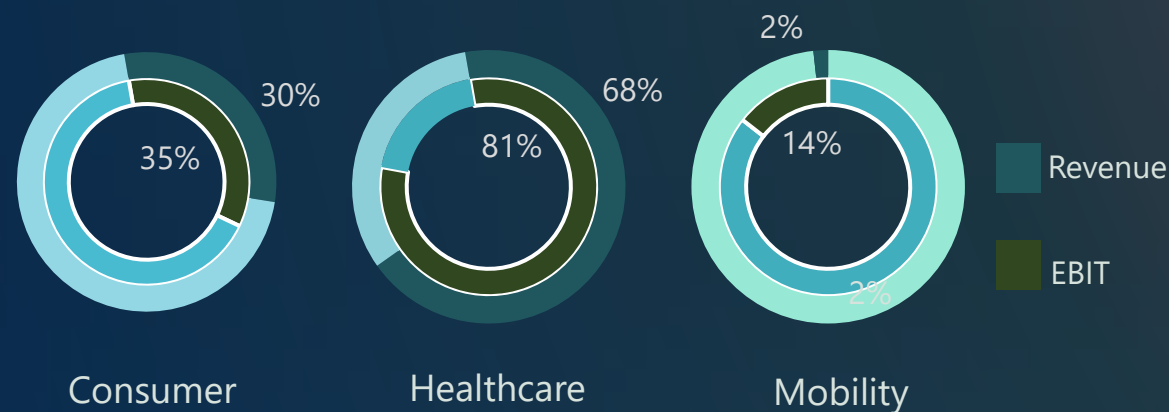
Gold Moisturising Hair Wax - Aloe



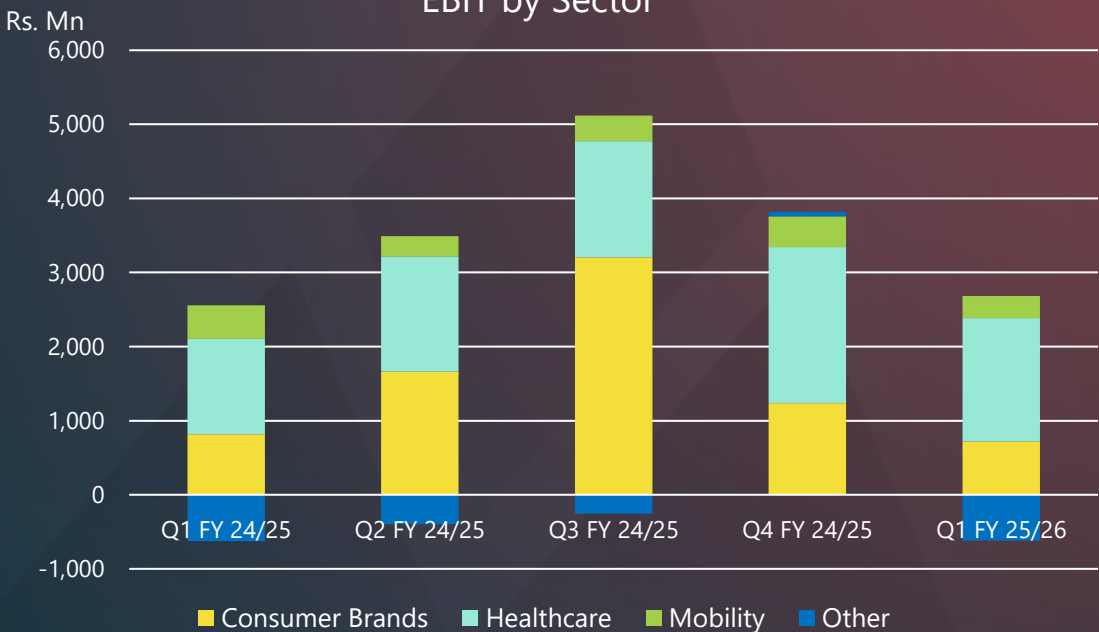
Gold Nourishing Hair Wax - Almond

Financial Snapshot

3M contribution to the Group



EBIT by Sector

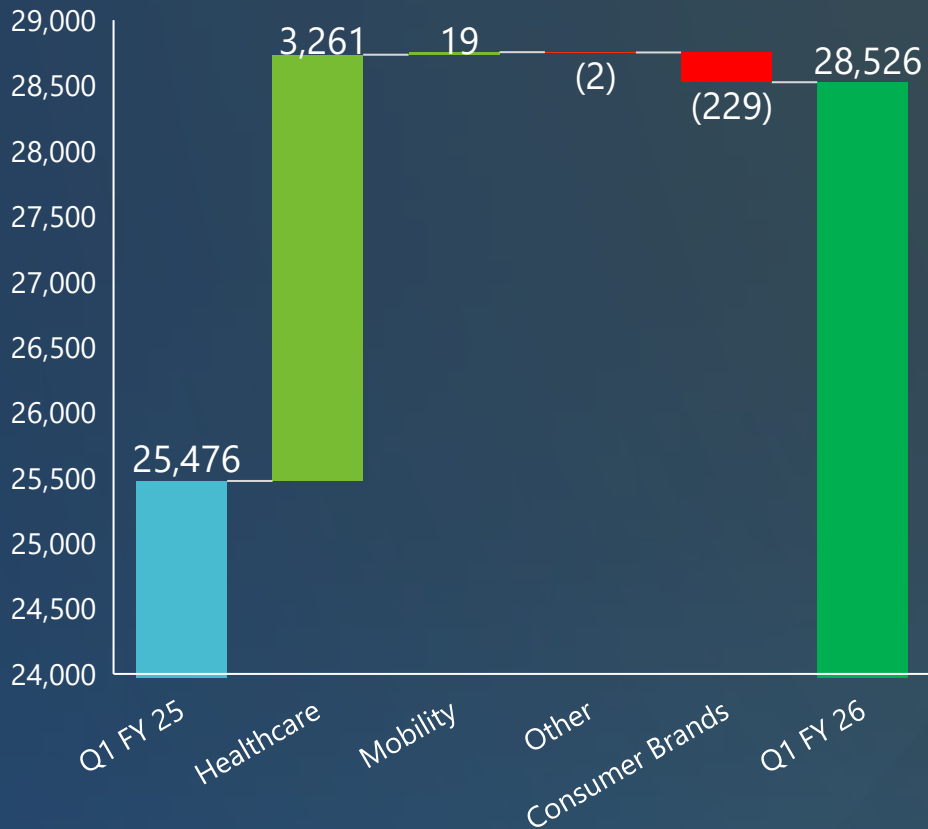


3M Performance FY 26 vs FY25

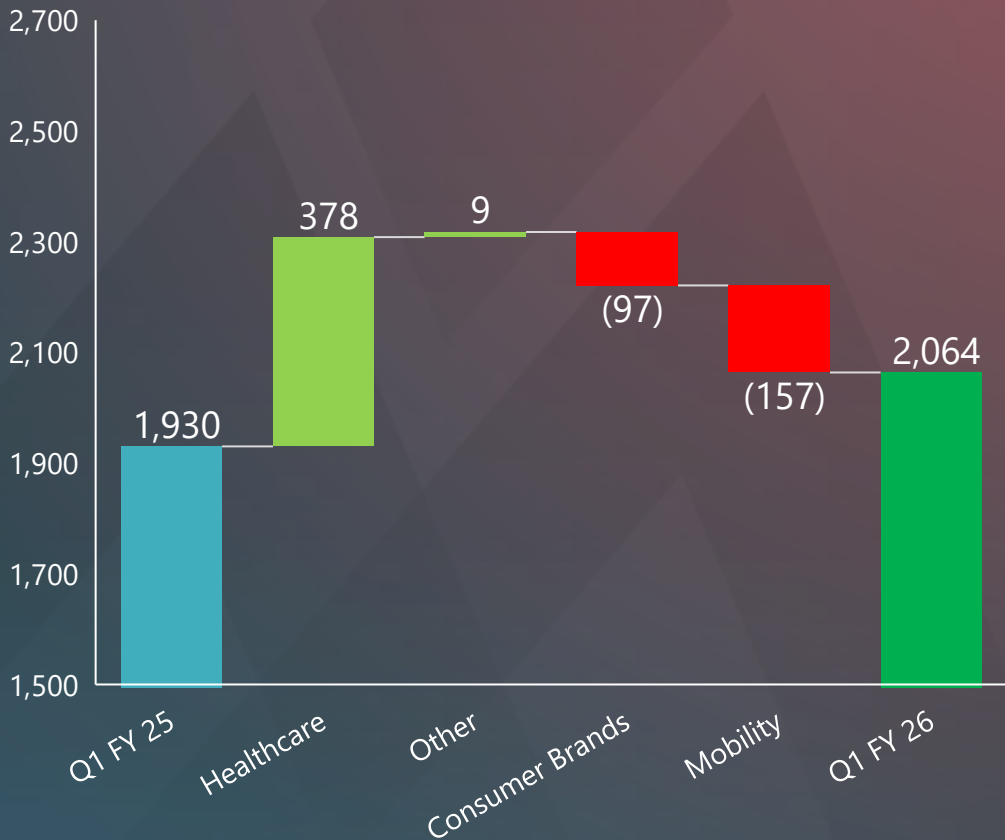


Sector Performance Summary – Q1 FY 2025-26

Revenue Walk (LKR Mn)

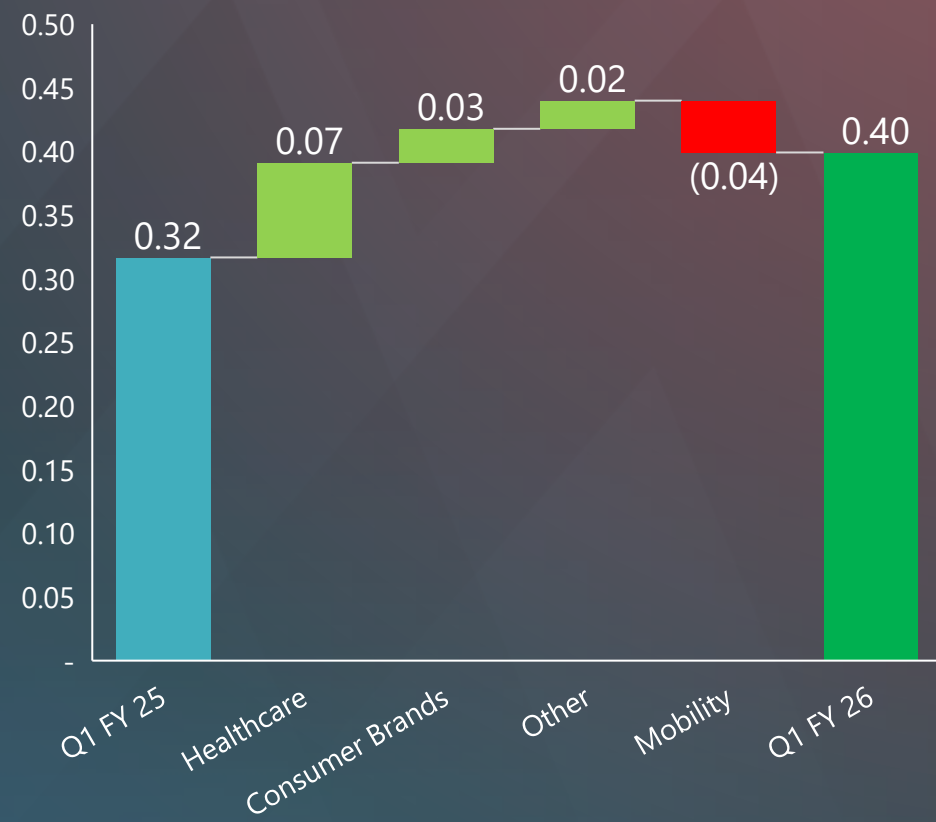
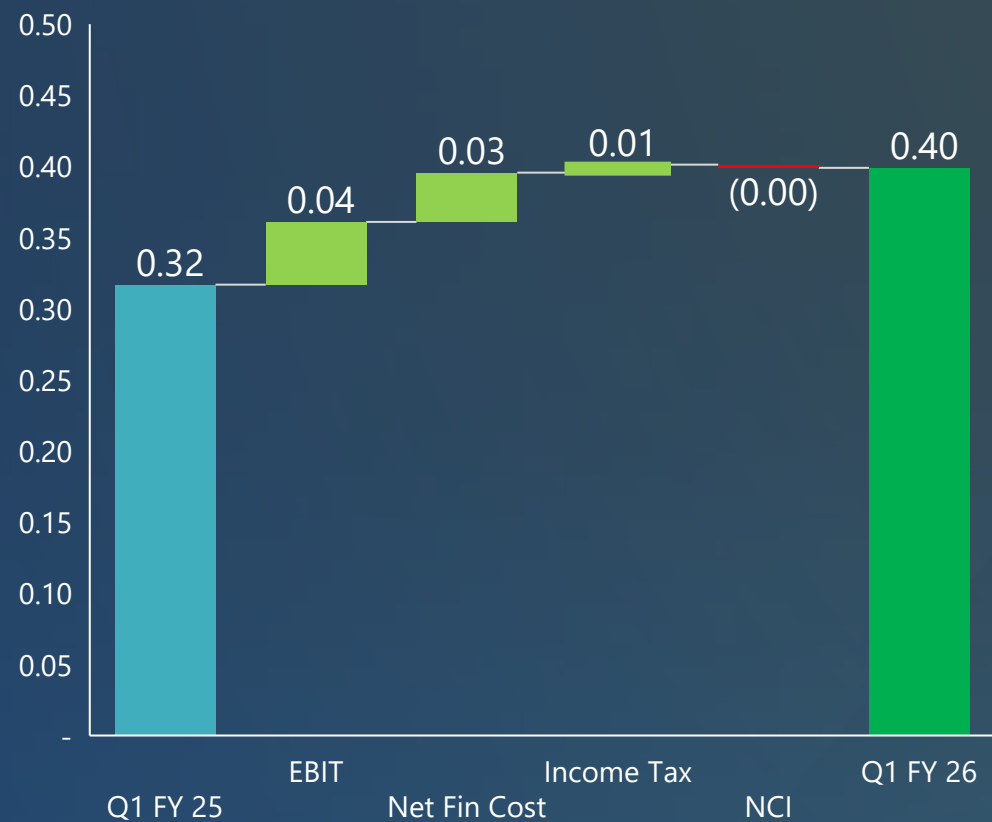


EBIT Walk (LKR Mn)



Continuing Operation EPS – Q1 FY 2025-26

EPS Walk (LKR Per Share)



Capital Employed – Q1 FY 2025-26

Sector Efficiency
Capital Employed, ROCE, and EBIT by Key Sectors



Note:
The size of the circle indicates the EBIT values

Consumer Brands

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



Paris

Kumarika

Velvet

fems

GOLD

vibe | PERFUME SPRAY

ইভা
by Kumarika

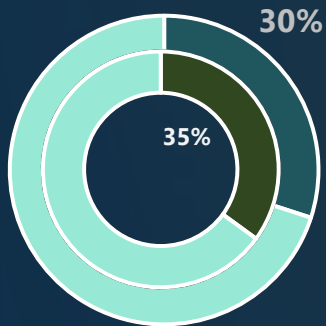


Consumer Brands

Contribution to Group

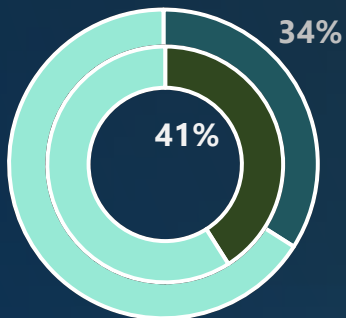
Revenue %

3M FY26
3M FY25



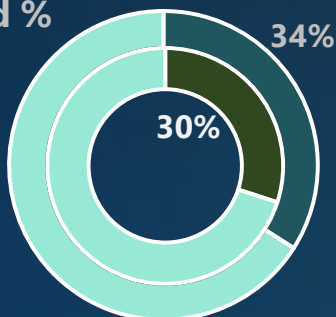
EBITDA %

3M FY26
3M FY25



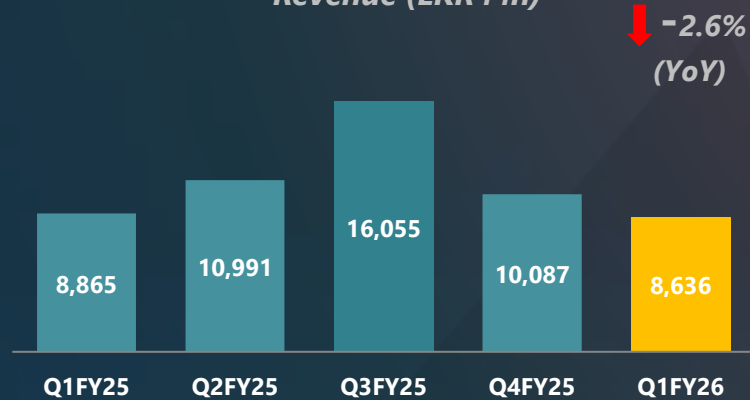
Capital Employed %

FY26
FY25

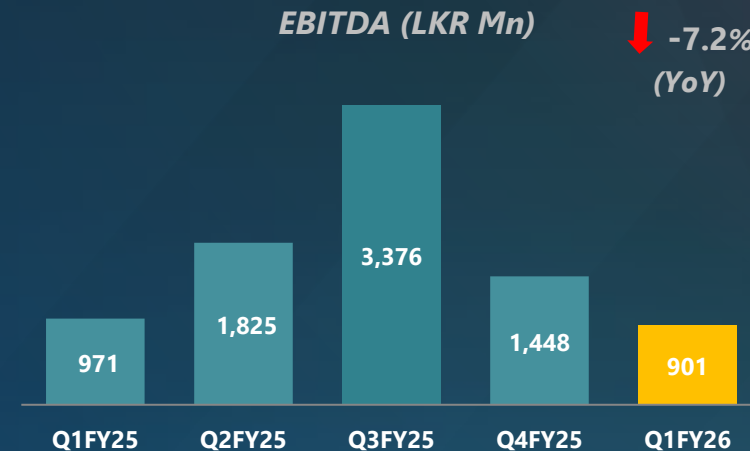


Sector Performance – 3M FY 2025-26

Revenue (LKR Mn)



EBITDA (LKR Mn)



Key Highlights

- Revenue witnessed a moderate decline primarily due to price adjustments taken previously that were driven by input cost deflation.
- Steady volume growth was observed across most categories
- The Learning segment was impacted by price competition in certain categories and seasonality factors.
- Bangladesh inflation continued to ease, falling to single digits during the quarter.

Home and Personal Care – Sri Lanka

8

Key categories with market leading positions



Extensions to the Portfolio

3.8%

3M volume growth

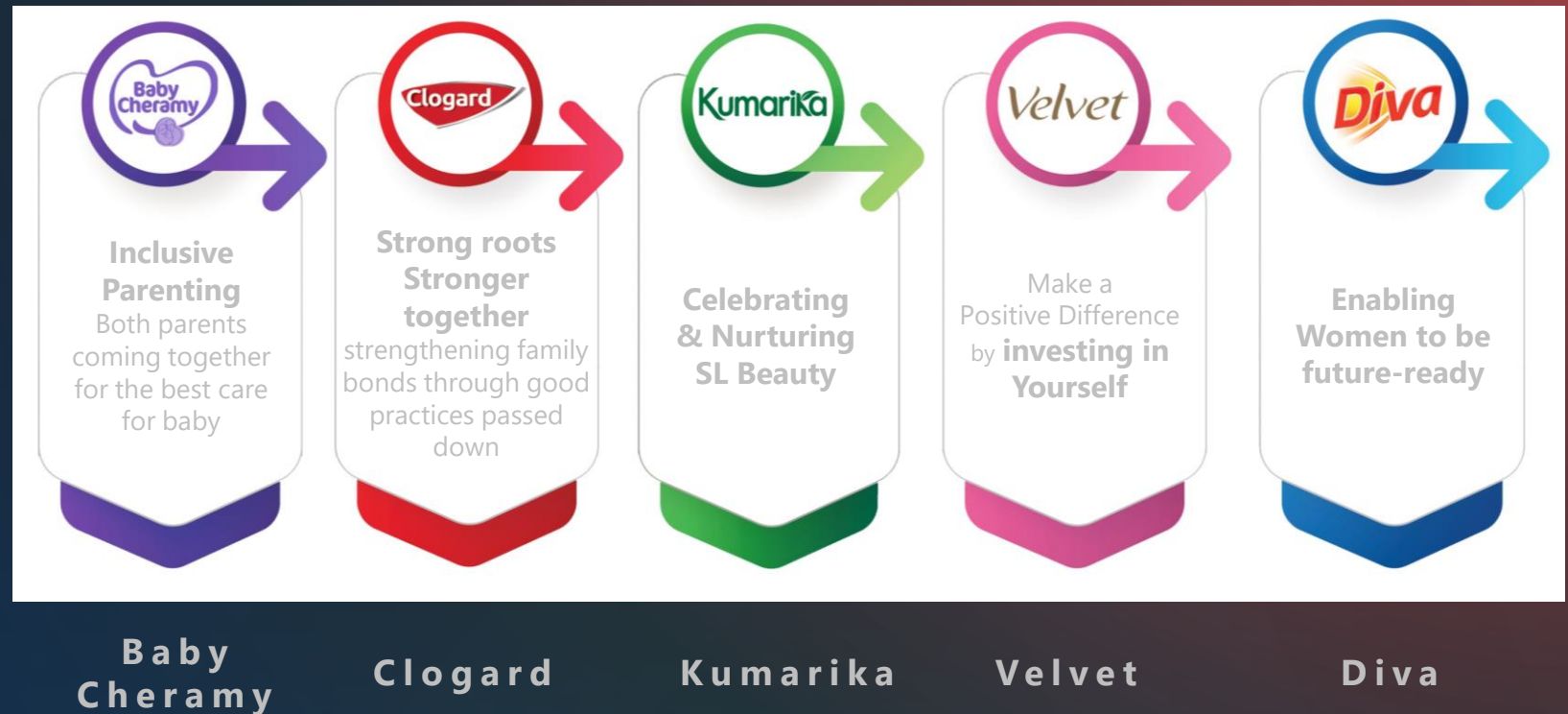
80k

Direct outlet coverage

72%

3M contribution to Consumer Brands revenue

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



Home and Personal Care – International

2

Geographies
Bangladesh & West Bengal

3

Key categories
Value added and Pure Coconut Hair Oil
Health Soap

15.5%

Market share in VAHO
(Bangladesh – Q4 FY25 Data)

4K

Retailers reached in
Bangladesh

14%

3M 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

>90%

On-shore
manufacturing

Home and Personal Care – Sri Lanka and International

Sri Lanka

Revenue

- The personal care segment experienced volume-led growth
- The Home care segment continued to be impacted due to increased demand for generic products in price-sensitive segments.
- Gold Hair wax range was introduced further strengthening its presence in the male grooming segment

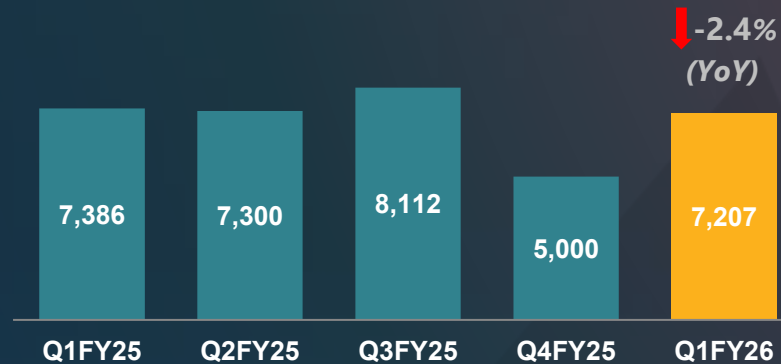
Profitability

- Profitability was negatively impacted by higher advertising, promotion and marketing costs.

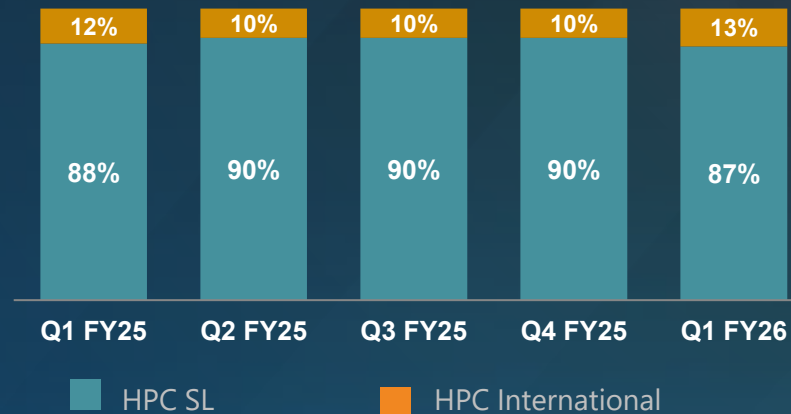
Outlook

- Rising commodity prices will have a negative impact on input costs.

Revenue (LKR Mn)



International Segment Revenue as a % of total HPC Segment



International

Revenue

- Revenues increased driven by a better sales mix
- 'Kumarika', the flagship Value-Added Hair Oil (VAHO) product witnessed a resilient performance.

Profitability

- Profitability increased due to margin improvements and reduced input costs, resulting from proactive and disciplined procurement efforts

Outlook

- Consumer sentiment is expected to turn around with the improving macroeconomic conditions.
- Imposition of 20% tariffs on exports to the United States will impact exports.

Learning Segment

7

Key categories



High Efficiency and productivity through lean initiatives



Market leader in key product categories

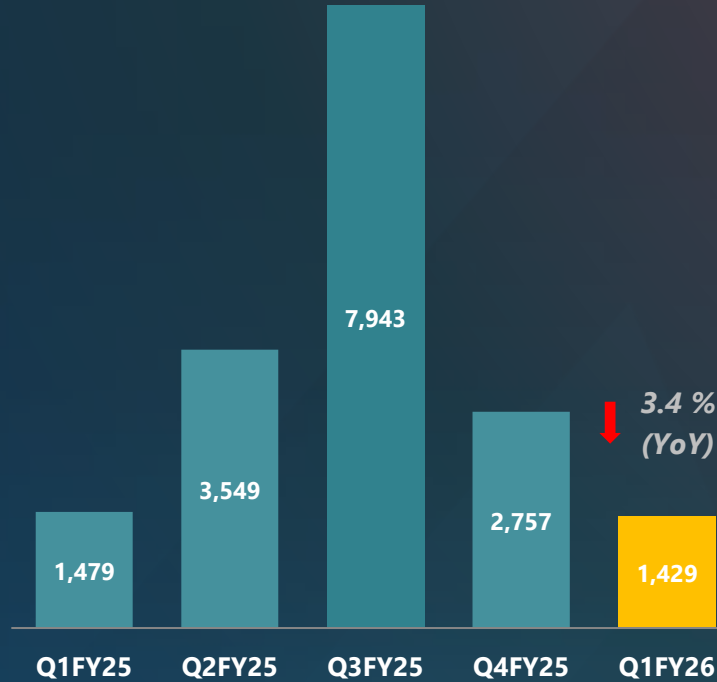
50+k

Outlet coverage across Sri Lanka

16%

3M contribution to Consumer Brands revenue

Revenue (LKR Mn)



Revenue

- Revenues were marginally lower with sales supported by increased sales and marketing efforts.

Profitability

- Marginal drop in revenue, coupled with Increased sales and distribution costs impacted earnings.

Outlook

- Expand the sales and promotion of the Educational toys and aids.
- Pursue distribution partnerships with international players and expand the export footprint.
- Explore opportunities in related spaces.

Healthcare Sector

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

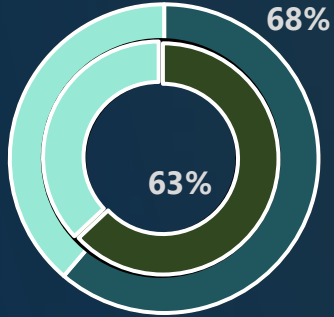


Healthcare

Contribution to Group

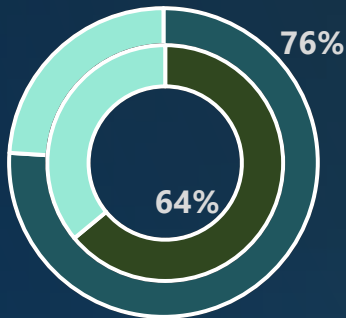
Revenue %

3M FY26
3M FY25



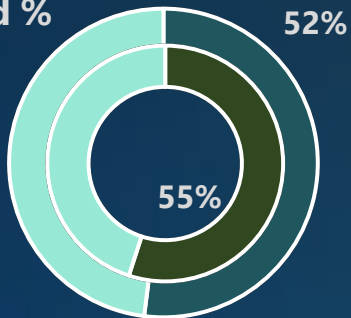
EBITDA %

3M FY26
3M FY25



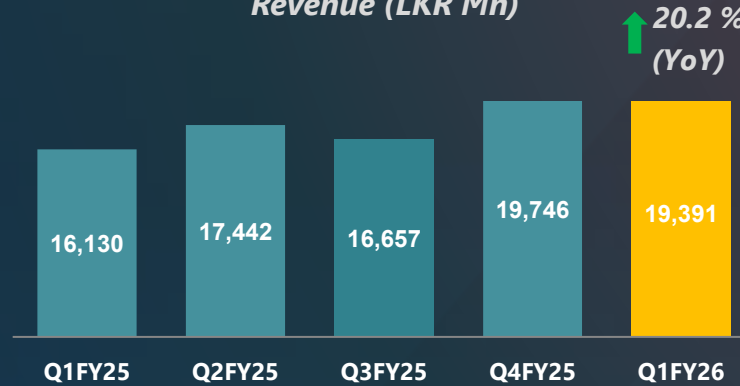
Capital Employed %

FY26
FY25

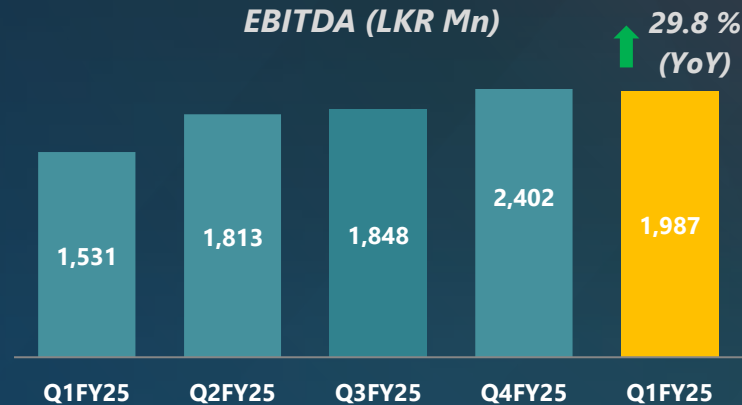


Sector Performance – 3M FY 2025-26

Revenue (LKR Mn)



EBITDA (LKR Mn)

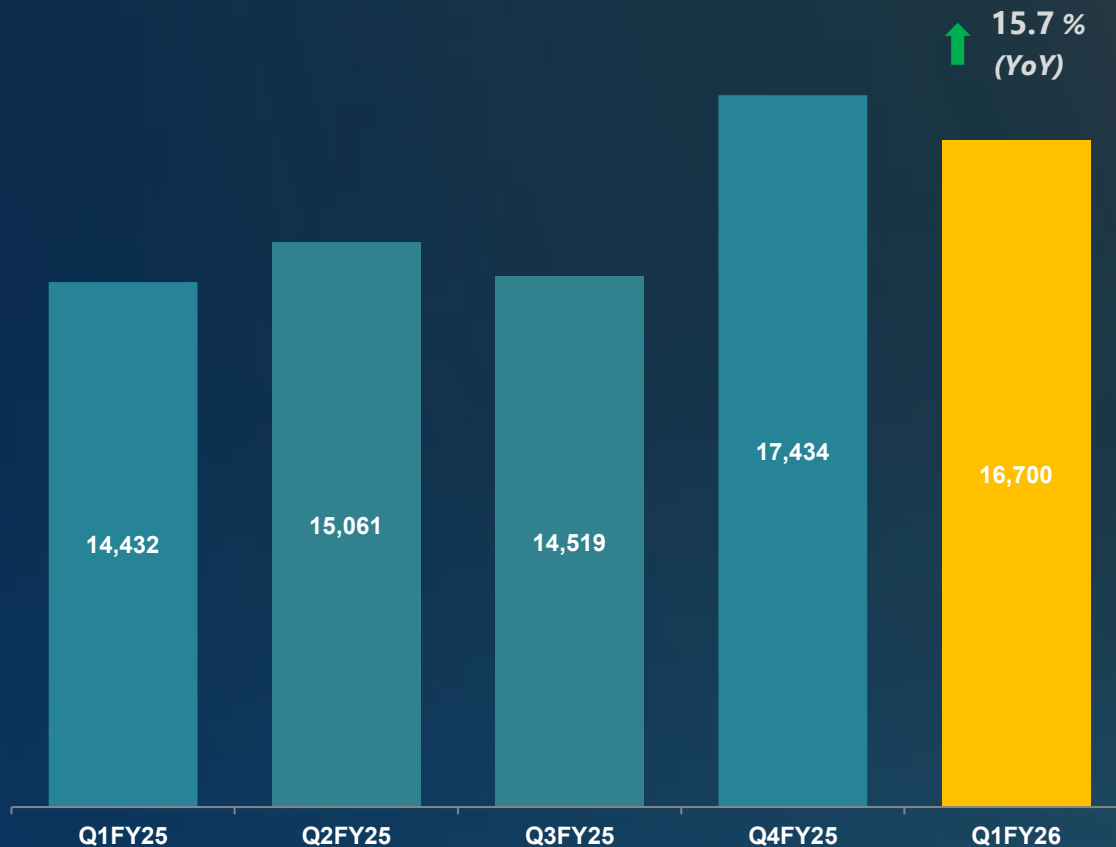


Key Highlights

- Strong growth in Revenue driven by expansion of services and facilities
- The EBITDA witnessed strong growth due to increased revenue and efficiency measures.

Pharmaceutical Import, Marketing, Distribution and Pharmaceutical Manufacturing

Revenue (LKR Mn)



Revenue

- The Distribution business continues to hold its market-leading position.
- Morison transitioned its distributed pharmaceutical agency operations to HPPL with the objective of unlocking greater group synergies and sharpening its focus on core manufacturing.

Profitability

- Pharmaceutical Distribution and Manufacturing segments recorded significant improvements in profitability during the period, underpinned by robust topline growth, margin expansion, and disciplined operational execution.

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
- Ensuring availability and increasing the offering by onboarding new Principles will drive the Distribution Arm.

Hospitals

200+ Beds

+50% Hospital occupancy



First hospital in Sri Lanka to implement fully fledged EHR system



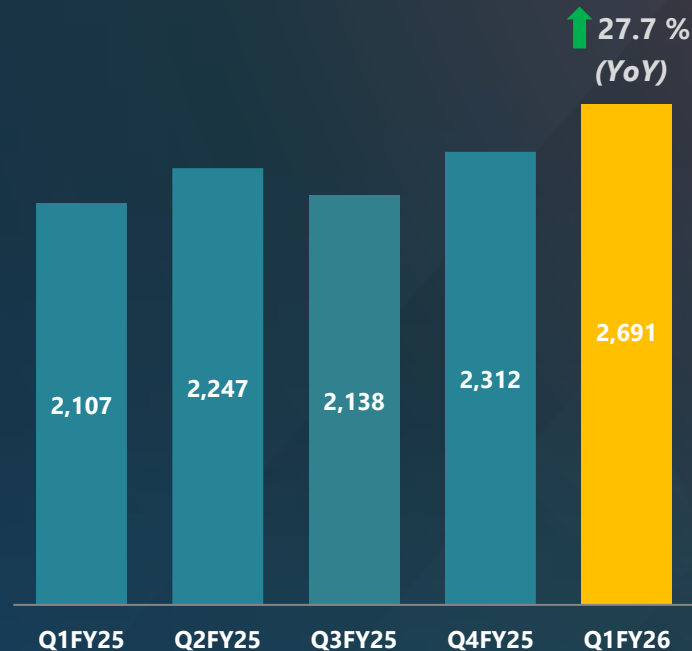
2
Hospitals

40+
Labs and
collection centres

14%

3M contribution to
Healthcare revenue

Revenue (LKR Mn)



Revenue

- Both outpatient and inpatient revenue recorded a steady increase.
- Revenue from the labs network also recorded a significant increase.

Profitability

- GP & EBITDA margins improved owing to the increased revenue and enhanced efficiency measures that were implemented.

Outlook

- Exploring options to introduce new specialties.
- Process is moving forward to transform the Thalawathugoda hospital to be a fully tertiary hospital.

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

Mobility Sector

❖ Maritime

❖ Aviation

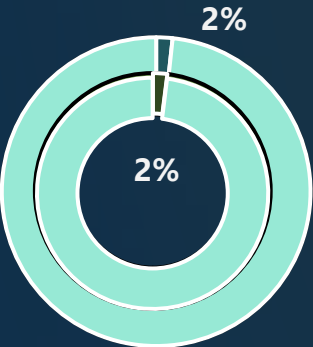


Mobility

Contribution to Group

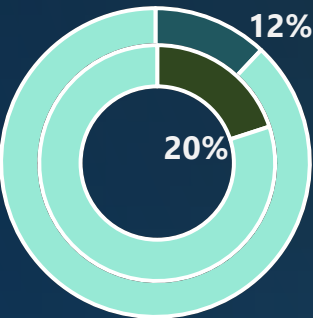
Revenue %

3M FY26
3M FY25



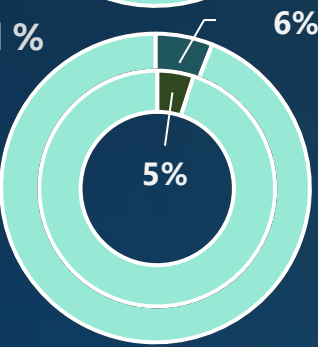
EBITDA %

3M FY26
3M FY25



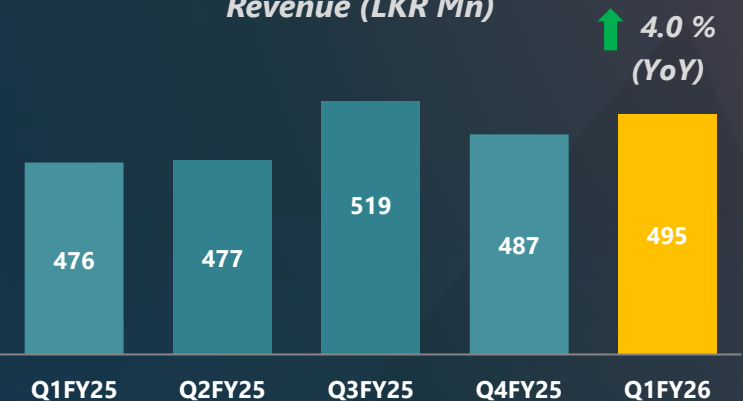
Capital Employed %

FY26
FY25

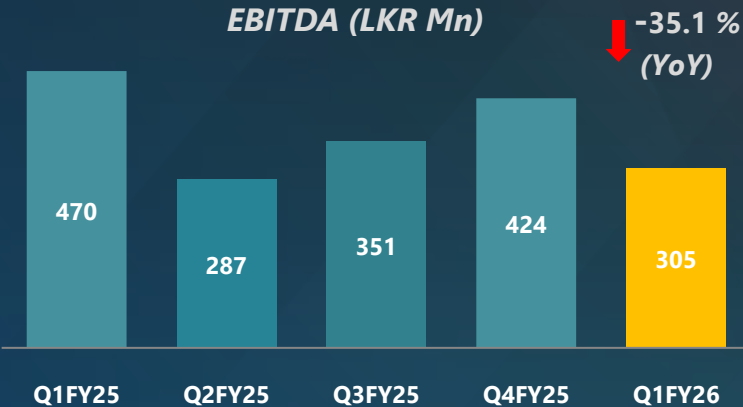


Sector Performance – 3M FY 2025-26

Revenue (LKR Mn)



EBITDA (LKR Mn)





Key Highlights

- The Maritime sector witnessed an increase in volumes in the import and export operations compared to the previous year while freight rates remained stable.
- In the Aviation segment, cargo revenue grew due to higher volumes, improved yield rates and expanded market share.
- Emirates will introduce its retrofitted four-class Boeing 777 on the Dubai Colombo route. This addition will mark the second daily Emirates flight to Sri Lanka featuring Premium Economy seats, offering an elevated travel experience.

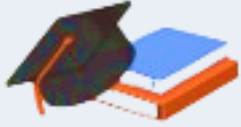
ENVIRONMENTAL AGENDA 2030 – PROGRESS SNAPSHOT



 2030 GOAL	 FY 26 MILESTONE
Facilitate the collection of 100% of plastic sent to the market/consumers through initiatives across the country	Collect back 50% of plastic sent to the market
25% of Energy obtained through renewable sources	9% of energy obtained through renewable sources
50% reduction of water intensity in significant operations	25% reduction of water intensity in significant operations
Protect and sustain 1,000 acres of forest cover in Sri Lanka	Reforestation of 50 acres
Protect 52 critically endangered endemic species	Intervention for the protection of 10 critically endangered endemic species

SOCIAL IMPACT: FOCUS AREAS

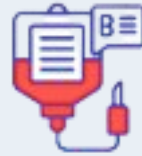
FY 26 Q1: 25,700+ FAMILIES EMPOWERED



Creating Equal Opportunities for Learning

19,000+
Children and Teachers

- 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

4,700+
Families

- 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

2,000+
Families

- 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.

SUSTAINABILITY PERFORMANCE IMPROVEMENTS FY 24 vs FY 25



Carbon Footprint

(per Rs. Mn Revenue) - %

0.09MT



Water Consumption

(per Rs. Mn Revenue) - %

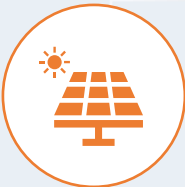
1.6 m³



Waste Recycled, Reused, or Recovered

15% ↑

73%



Renewable Energy Generated

21% ↓

429,202 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)

300% ↑

0.4



Training Hours and Development

(Hours)

67% ↑

14,125



Gender Diversity

(female employees)

7% ↓

27%

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

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 30 June 2025.