HEXAS

Enriching Lives

Earnings Call Presentation – Q2 & H1 FY27

November 2026

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SUMMARY & OPERATING ENVIRONMENT

HIGHLIGHTS

H1 FY27: Q2 marks the turn, volumes protected, positioned for a stronger H2

Q2 is the turning quarter

Clear recovery after a subdued Q1: EBITDA **nearly 2x QoQ** to LKR 4.5 Bn, earnings **2.1x** to LKR 2.0 Bn, revenue **+17% YoY**

Volumes protected, margins absorbed

Middle East crisis drove oil **+72% YoY** and higher funding costs; we chose to defend volumes and franchises over price. GP margin **(3.1pp)** in Q2

Portfolio softened the impact

Hospitals **+27%** and Mobility **+23%** Q2 earnings growth cushioned pressure in Consumer and Life Sciences

Market positions held, focus franchises grew

#1 private pharma, #1 in Learning, Mori brands, Baby Care, Beauty and Back-to-School grew strongly

Invested for growth

Twiga added to the portfolio, **5 new** diagnostic centres, new Cath Lab, Bangladesh premium beauty

H2 FY27 FOCUS

Cash
Unwind working capital, now 24% of sales

Pricing
Measured increases; pharma pricing relief from 14 Oct

Life Sciences
Restore supply as licences clear; 10+ new molecules

School season
Ride the season with Atlas and Twiga

Consumer margins
Re-engineer through cost innovation and premiumisation

Operating Environment – Q2 FY27

Inflation and rates up, currency stabilising

Indicator	Sep-25	Jun-26	Sep-26	Change: YoY | QoQ	Impact on HHL
Palm oil USD / tonne	1,037	1,104	**1,180**	+14% | +7%	LKR 29 Mn adverse in H1 (~0.2pp HPC SL GP margin impact)
Brent crude USD / barrel	67.95	85.4	**116.8**	+72% | +37%	Higher packaging, freight and energy costs
LKR Interest rates AWPLR	8.05%	10.39%	**10.94%**	+2.9pp | +0.6pp	Higher finance costs: ~20% from higher rates, ~80% from higher borrowings
Currency LKR / USD	302.61	336.66	**330.83**	9.3% weaker | 1.7% stronger	Higher LKR cost of imported pharma and raw materials; partly offset by higher Mobility earnings
Inflation CCPI, YoY	1.5%	6.8%	**8.0%**	+6.5pp | +1.2pp	Pressure on consumer affordability; higher wage and utility costs

Net impact on HHL: higher input, admin and funding costs, mitigating through measured pricing, cost innovation and overhead discipline

Sources: CBSL (AWPLR, exchange rate), DCS (CCPI), World Bank Pink Sheet (palm oil, Brent). Rates as at period end.

Financial Results

FINANCIAL RESULTS

Q2 Performance | Q2 FY27 vs Q2 FY26

REVENUE *LKR Mn*
Q2 FY27
37,792
17.0% YoY
31.4% QoQ

GP MARGIN
Q2 FY27
29.7%
(3.1pp) YoY
(0.7pp) QoQ

Chose volumes over price: absorbed cost inflation

Excl. Twiga: revenue +[11.6%]

EBITDA *LKR Mn*
Q2 FY27
4,498
10.5% YoY
99.2% QoQ

EBITDA MARGIN
Q2 FY27
11.9%
(0.7pp) YoY
4.1pp QoQ

Q2 rebound: EBITDA nearly 2x Q1; margin +4.1 pp QoQ

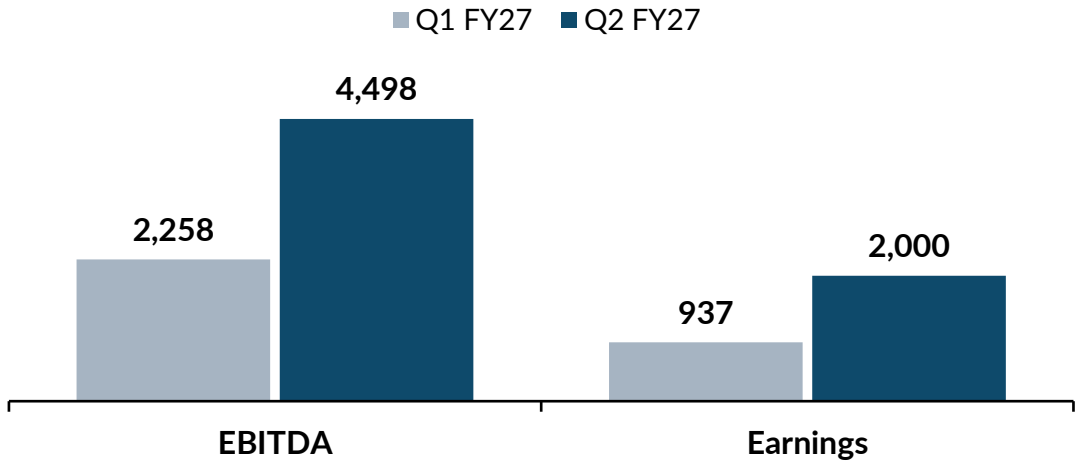
Overhead discipline: S&D and admin down as % of revenue

EARNINGS *LKR Mn*
Q2 FY27
2,000
(3.0%) YoY
113.4% QoQ

EARNINGS MARGIN
Q2 FY27
5.3%
(1.1pp) YoY
2.0pp QoQ

Higher finance costs: working capital and Twiga funding

Q1 → Q2 FY27: profit recovery (LKR Mn)



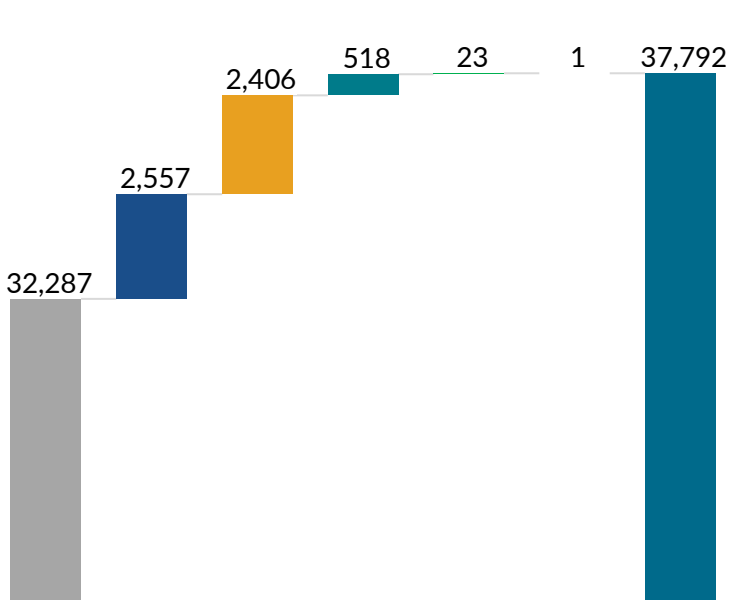
What drove Q2

- **Recovery:** EBITDA nearly doubled and earnings more than doubled QoQ on 31% higher revenue
- **Volumes over price:** GP margin (3.1pp) YoY as input cost increases were absorbed
- **Overhead discipline:** S&D and admin fell as % of revenue, limiting EBITDA margin decline to (0.7pp)
- **Below EBITDA:** finance costs up on working capital and Twiga funding; PBT still +2.6% YoY, PAT (3.0%) YoY on account of higher dividend tax

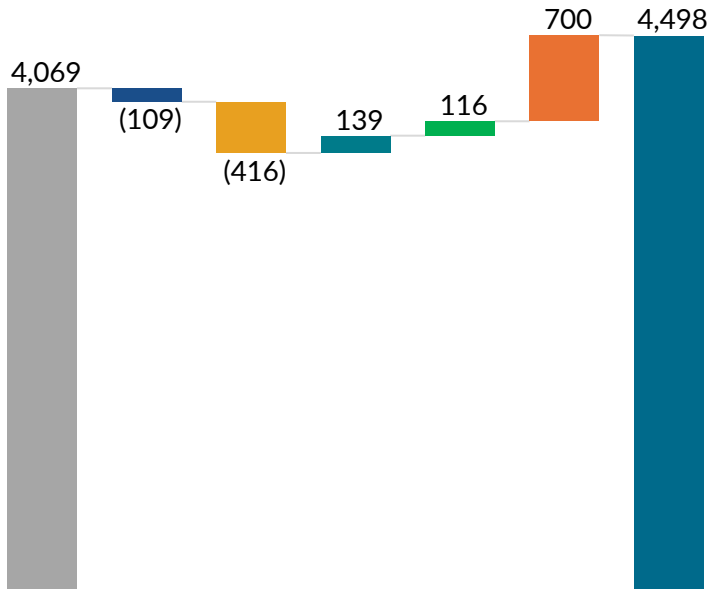
SECTOR PERFORMANCE SUMMARY

Q2 Performance | Q2 FY27 vs Q2 FY26

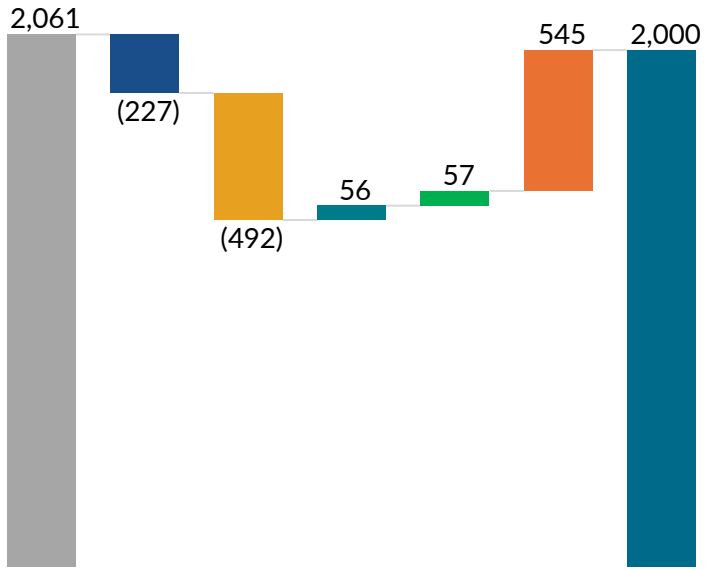
Revenue Walk (LKR Mn)



EBITDA Walk (LKR Mn)



Earnings Walk (LKR Mn)



	Q2 FY26	Life Sciences	Consumer Brands	Hospitals	Mobility	Other	Q2 FY27	Q2 FY26	Life Sciences	Consumer Brands	Hospitals	Mobility	Other	Q2 FY27	Q2 FY26	Life Sciences	Consumer Brands	Hospitals	Mobility	Other	Q2 FY27
Contribution to Group		48.6%	41.2%	8.5%	1.7%	0.0%			27.4%	41.8%	13.8%	12.7%	4.2%			31.1%	55.7%	13.2%	15.2%	(15.3%)	
YoY		16.2%	18.3%	19.3%	3.7%	39.6%	17.0%		(8.1%)	(18.1%)	28.9%	25.3%	137.5%	10.5%		(26.7%)	(30.6%)	26.8%	23.0%	64.0%	(3.0%)

FINANCIAL RESULTS

H1 Performance | H1 FY27 vs H1 FY26

REVENUE
LKR Mn
H1 FY27
66,563
9.5% YoY

GP MARGIN
H1 FY27
30.0%
(1.6pp) YoY

Chose volumes over price: absorbed cost inflation

Excl. Twiga: revenue +6.5%

EBITDA
LKR Mn
H1 FY27
6,756
0.9% YoY

EBITDA MARGIN
H1 FY27
10.2%
(0.9pp) YoY

Overhead discipline: S&D and admin down as % of revenue

Excl. Twiga: EBITDA (1.4%)

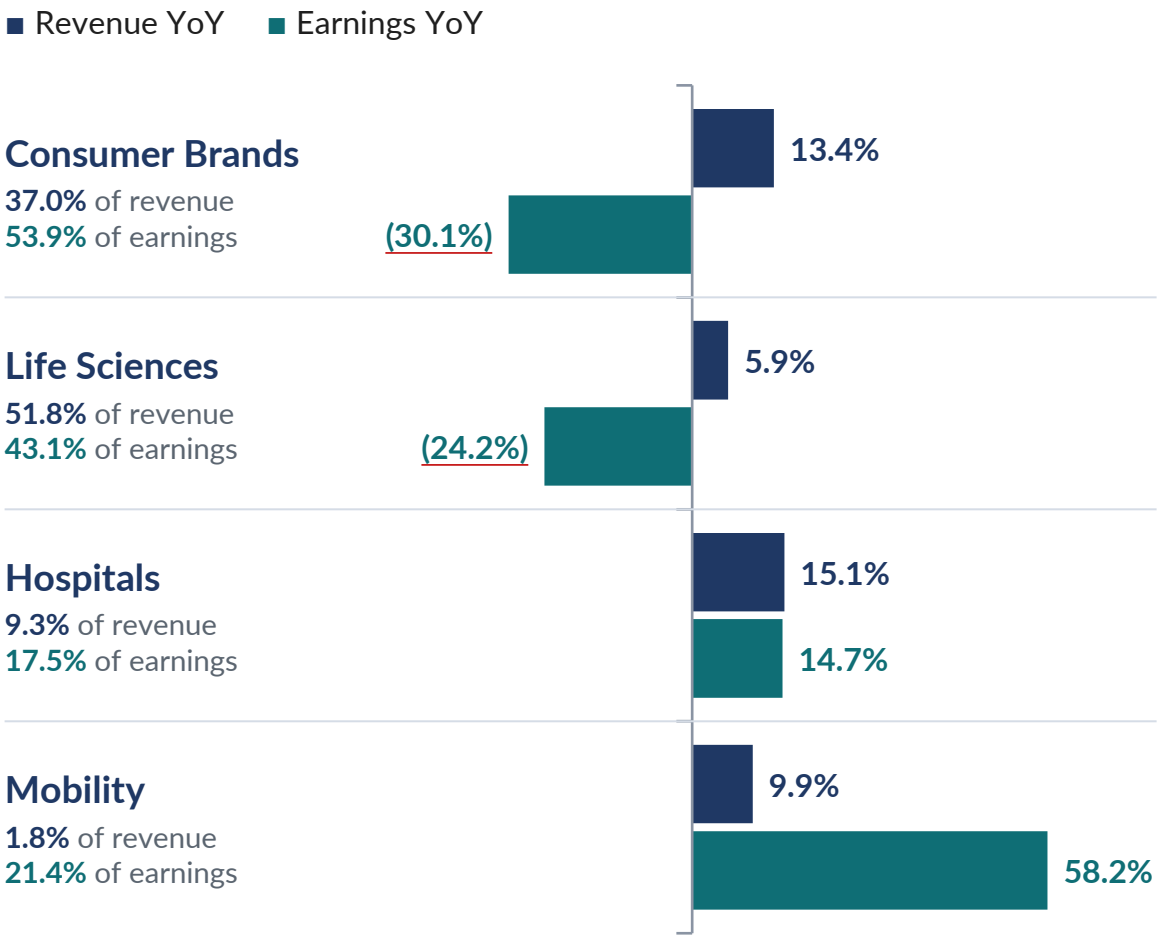
EARNINGS
LKR Mn
H1 FY27
2,937
(9.7%) YoY

EARNINGS MARGIN
H1 FY27
4.4%
(0.9pp) YoY

Higher finance costs: working capital and Twiga funding

Excl. Twiga: earnings (9.5%)

YoY growth by segment H1 FY27 vs H1 FY26

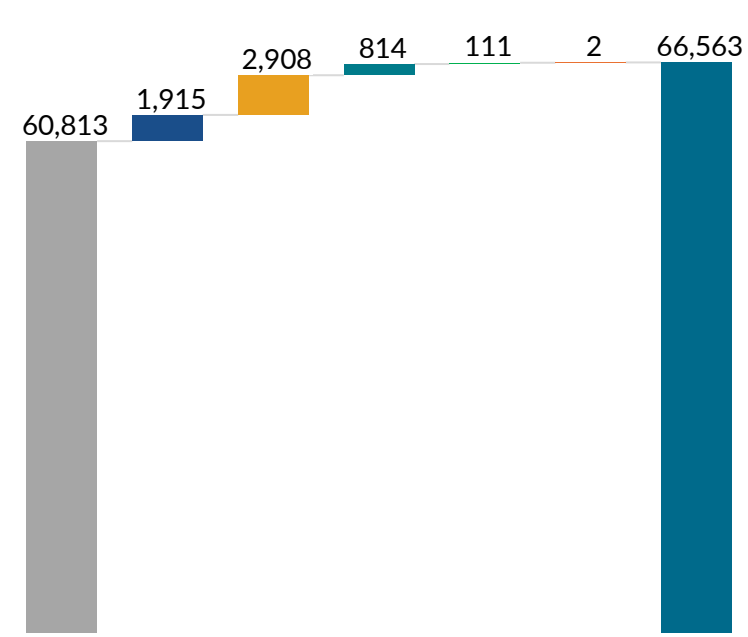


Other segment not shown: revenue LKR 8 Mn; earnings loss of LKR 1,054 Mn. Earnings shares add to more than 100% because Other's loss is netted in the Group total (LKR 2,937 Mn).

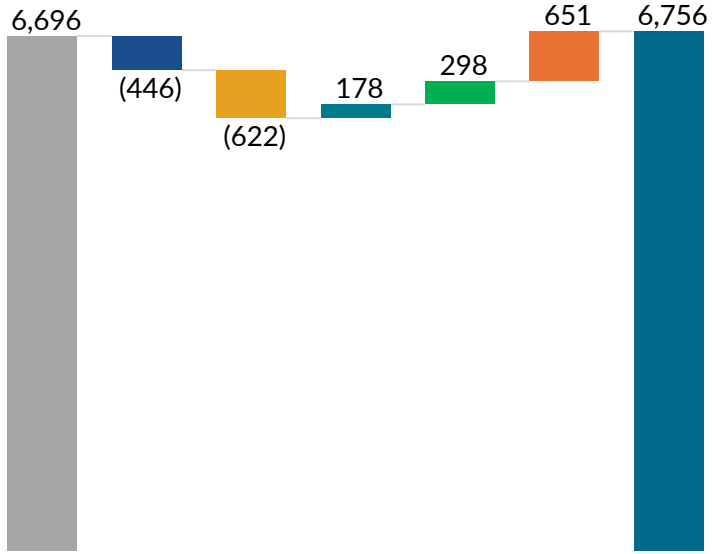
SECTOR PERFORMANCE SUMMARY

H1 Performance | H1 FY27 vs H1 FY26

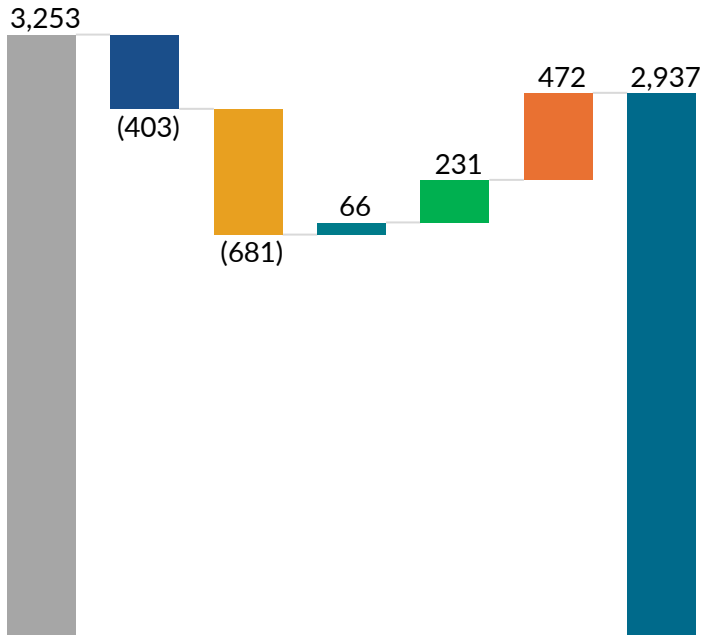
Revenue Walk (LKR Mn)



EBITDA Walk (LKR Mn)



Earnings Walk (LKR Mn)



	H1 FY26	Life Sciences	Consumer Brands	Hospitals	Mobility	Other	H1 FY27	H1 FY26	Life Sciences	Consumer Brands	Hospitals	Mobility	Other	H1 FY27	H1 FY26	Life Sciences	Consumer Brands	Hospitals	Mobility	Other	H1 FY27
Contribution to Group		51.8%	37.0%	9.3%	1.8%	0.0%			34.8%	38.0%	17.8%	15.7%	(6.3%)			43.1%	53.9%	17.5%	21.4%	(35.9%)	
YoY		5.9%	13.4%	15.1%	9.9%	25.4%	9.5%		(15.9%)	(19.5%)	17.3%	39.1%	60.5%	0.9%		(24.1%)	(30.1%)	14.7%	58.2%	30.9%	(9.7%)

CAPITAL DEPLOYMENT & BALANCE SHEET

Investing for growth with a measured balance sheet

ROCE (Q2 FY27)

23.4%

Excl. Twiga: 27% | Mar-26: 32.1%

NET GEARING (SEP-26)

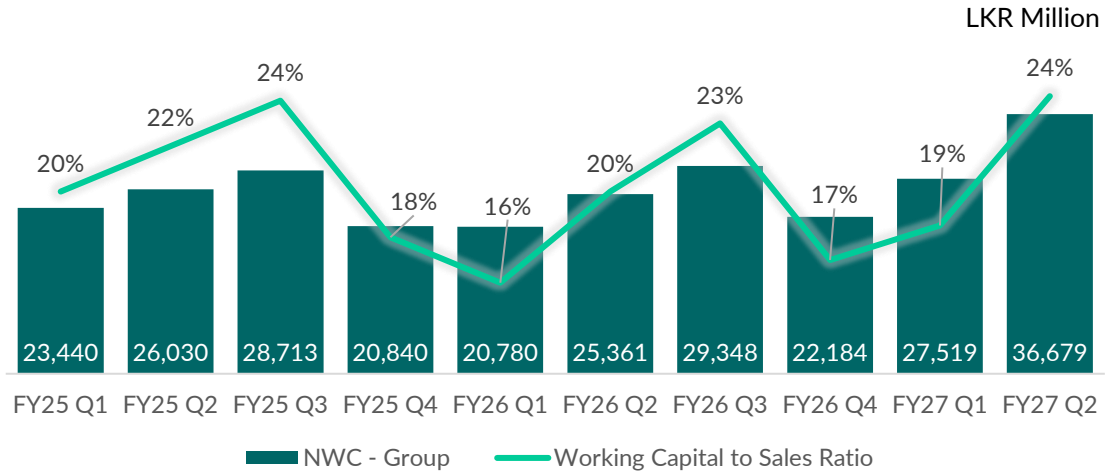
16.6%

from net gearing (21.6%) in Mar-26

Why ROCE is lower

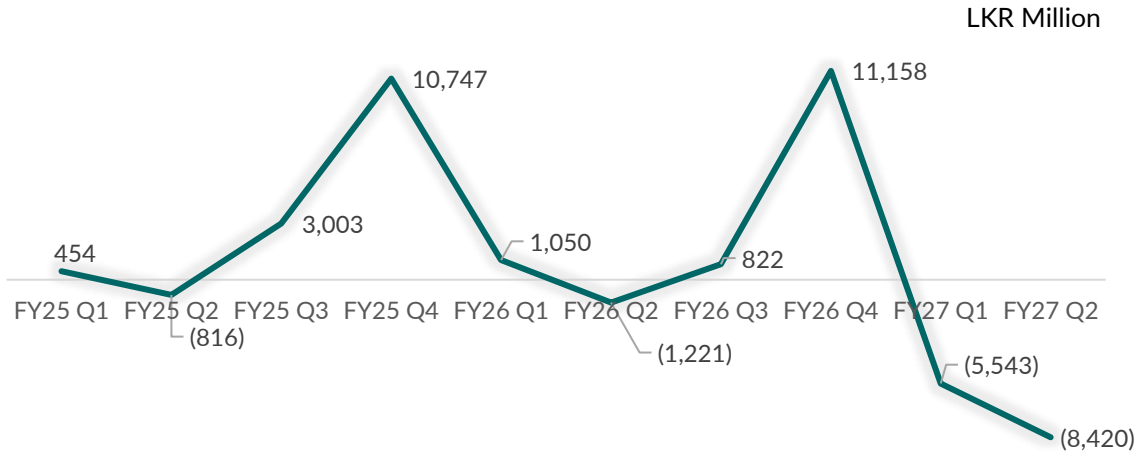
- **Twiga:** only ~45 days of Twiga EBIT in the return, but its full capital employed in the base
- **Working capital:** seasonal build-up and extended distributor credit expected to unwind in H2

NWC movement (Trade) – FY25 Q1 to FY27 Q2



Average NWC: FY25 24,756 (21% of sales) | FY26 24,418 (19% of sales)

OCF – FY25 Q1 to FY27 Q2

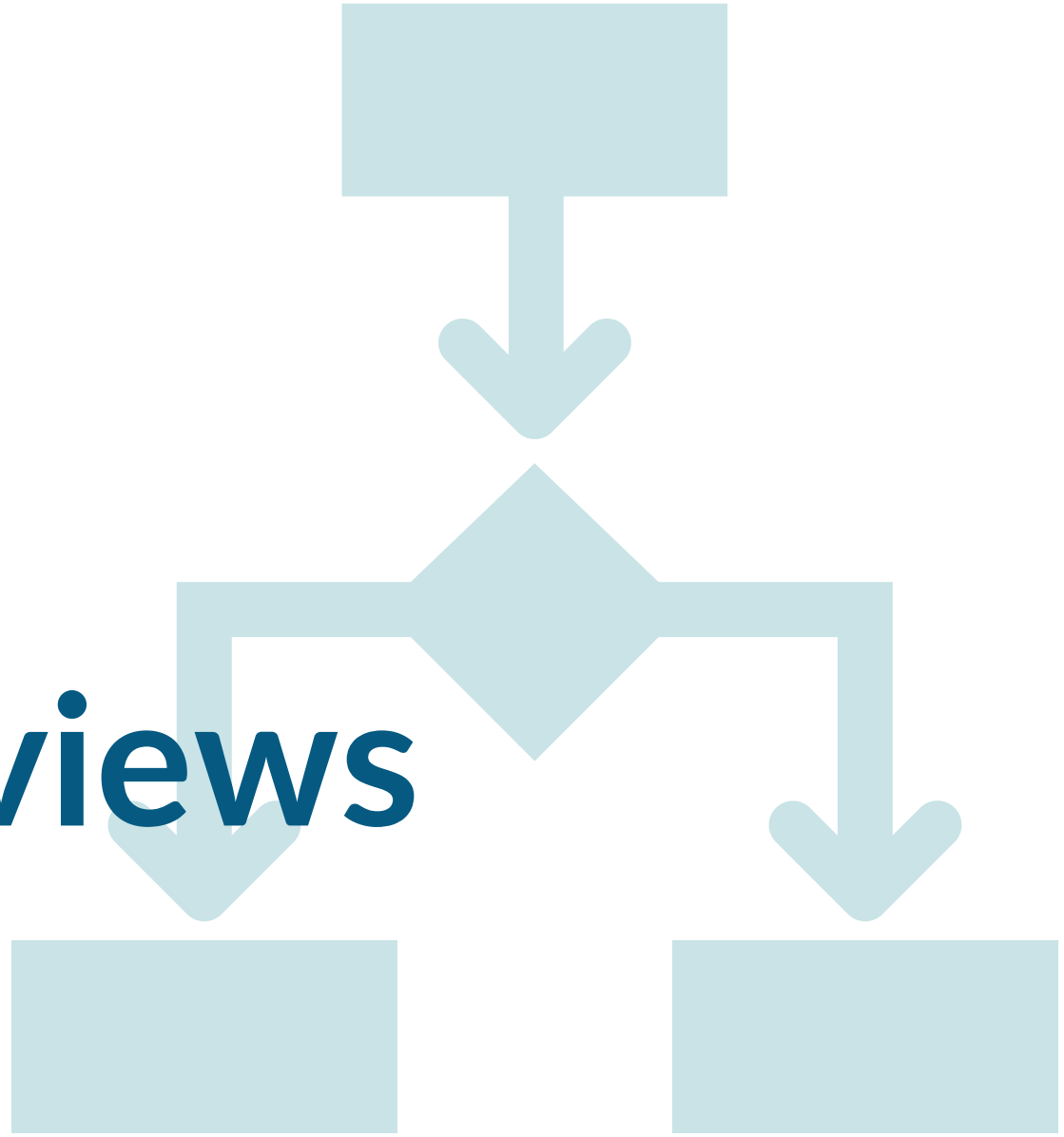


Average OCF: FY25 3,347 | FY26 2,952

Working capital: usual seasonal build, but larger this year.

1. greater seasonality delta between Q2 FY27 and Q4 FY26 compared with Q2 FY26 and Q4 FY25,
2. higher distributor inventory and broader market conditions.

Segment Reviews



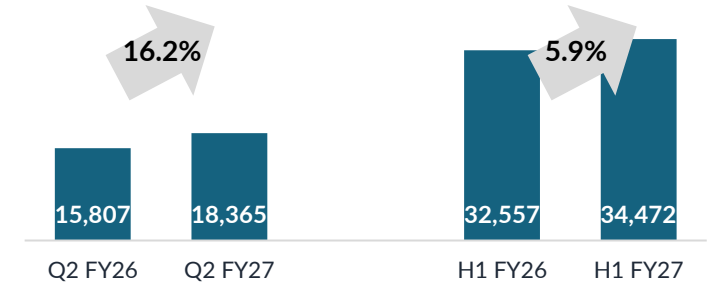
LIFE SCIENCES

Performance Review (Q2 & H1 FY27)

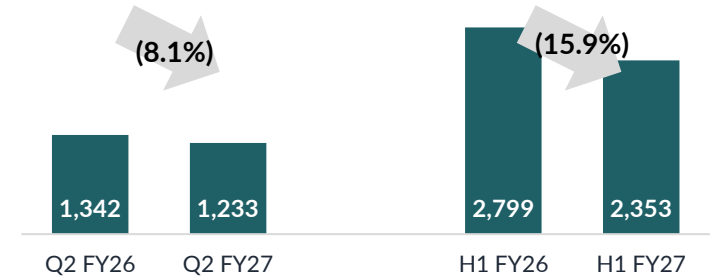




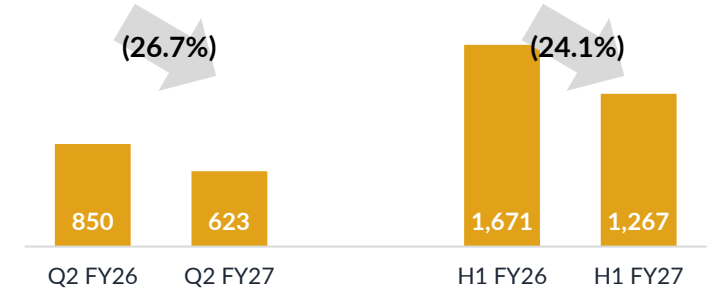
Revenue
(LKR Mn)



EBITDA
(LKR Mn)



Earnings
(LKR Mn)



Revenue: Q2 +16.2%, H1 +5.9%

- Distribution: growth in line with the industry; market share broadly stable
- Manufacturing: volume-led growth across Morison branded, Diagnostics and buy-back portfolios

EBITDA: Q2 (8.1%); margin 6.7%, (1.8pp)

- Distribution: better principal mix offset by higher overheads (field-force incentives, Group charges)
- Manufacturing: higher input costs, weaker LKR and soft generic demand left fixed costs under-absorbed

Earnings: Q2 (26.7%); margin 3.4%, (2.0pp)

- Higher finance costs on increased working capital in distribution

HEMAS PHARMACEUTICALS

HEMAS SURGICAL & DIAGNOSTICS

Morison





LIFE SCIENCES

Margins, KPIs & Outlook





	Q2 FY26	Q2 FY27	YoY	H1 FY26	H1 FY27	YoY
GP margin	17.7%	17.3%	(0.4%)	17.2%	16.6%	(0.6%)
EBITDA margin	8.5%	6.7%	(1.8%)	8.6%	6.8%	(1.8%)
Earnings margin	5.4%	3.4%	(2.0%)	5.1%	3.7%	(1.5%)

KEY PERFORMANCE INDICATORS – Q2 & H1 FY27

Pharma Distribution

- **#1 private pharma:** 31.6% share (12m MAT, Jun-26)
- **Registrations:** 6 new in Q2, 14 YTD

Morison

- **Mori branded volumes:** +22% Q2, +33% H1
- **New products:** 4 NPDs launched YTD
- **Market position:** #1 local private manufacturer by volume, #5 by value (12m MAT, Jun-26)

OUTLOOK

Pharma Distribution

- **Pricing:** interim relief on the pricing formula from 14 October; outlook stable to improving
- **Availability:** import licence delays being resolved, restoring supply
- **Pipeline:** 10+ new molecule registrations expected in H2

Morison

- **Own brands:** driving Mori branded sales and expanding the portfolio, with 4–5 new product launches planned for H2

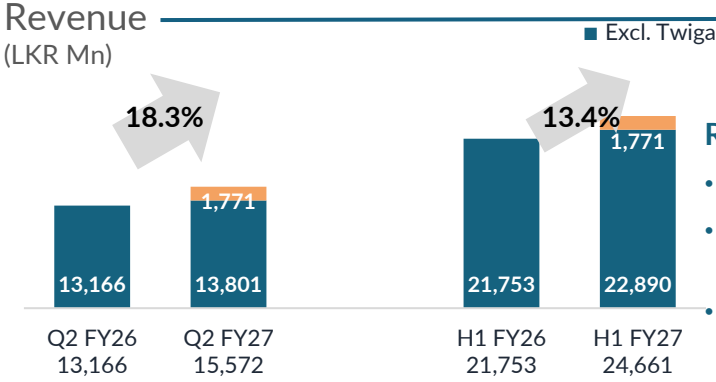
CONSUMER BRANDS

Performance Review (Q2 & H1 FY27)





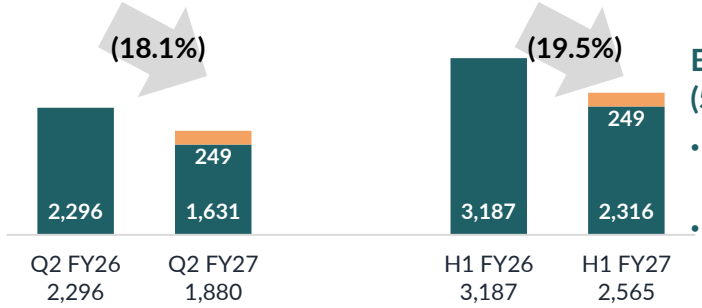
Revenue
(LKR Mn)



Revenue: Q2 +18.3%, H1 +13.4%

- Excl. Twiga: Q2 +4.8%, H1 +5.2%
- HPC: Sri Lanka volumes +3.1% in Q2, with price growth; key categories held leadership
- Learning: Back-to-School volumes +62% in Q2

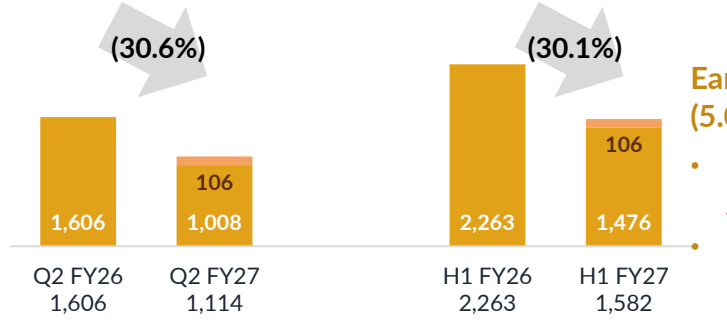
EBITDA
(LKR Mn)



EBITDA: Q2 (18.1%); margin 12.1%, (5.4pp)

- Volumes over price: most input cost increases absorbed
- Higher overheads (staff costs, group charges)

Earnings
(LKR Mn)



Earnings: Q2 (30.6%); margin 7.2%, (5.0pp)

- Higher finance costs: seasonal inventory, distributor credit and Twiga funding
- Q2 earnings 2.4x Q1



#1 Baby Care



#1 Value Added Hair Oil



#1 Learning (SL)
#1 Exercise books (Kenya)



#2 Oral Care



#2 San Naps

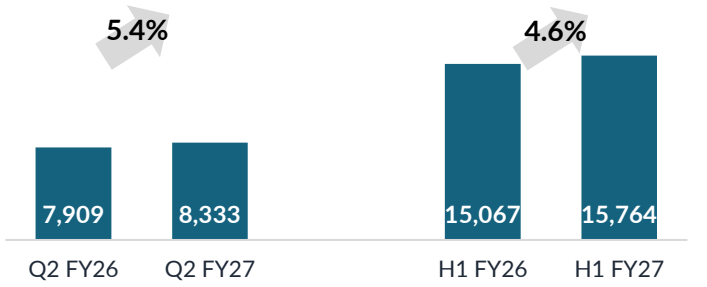


#2 Face Care

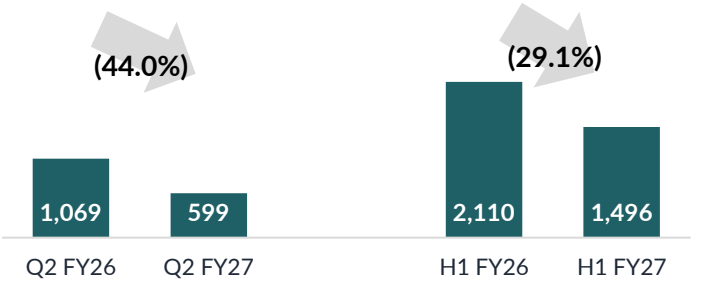
CONSUMER BRANDS: HOME & PERSONAL CARE

Performance Review, Margins, KPIs & Outlook

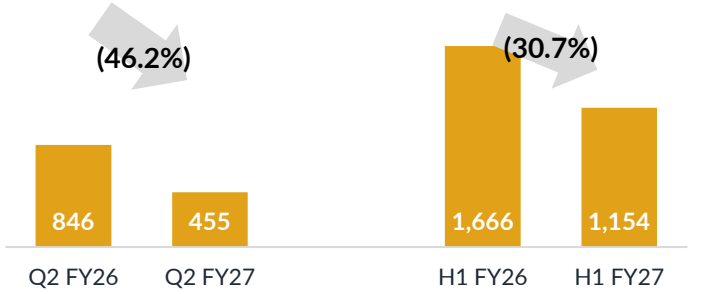
Revenue
(LKR Mn)



EBITDA
(LKR Mn)



Earnings
(LKR Mn)



	Q2 FY26	Q2 FY27	YoY	H1 FY26	H1 FY27	YoY
GP margin	44.4%	39.3%	*(5.1%)*	44.2%	41.0%	*(3.2%)*
EBITDA margin	13.5%	7.2%	*(6.3%)*	14.0%	9.5%	*(4.5%)*
Earnings margin	10.2%	5.5%	*(4.7%)*	11.1%	7.3%	*(3.7%)*

KEY PERFORMANCE INDICATORS – Q2 & H1 FY27

Sri Lanka

Volume Growth	Q2	H1
Home Care	4.6%	(8.7%)
Personal Care	0.2%	1.9%
Beauty	6.4%	7.2%
Personal Wash	8.7%	6.5%
Fem Hygiene	(14.7%)	(13.4%)
Baby Care	14.2%	12.1%
Total	**3.1%**	**2.0%**

International (Bangladesh)

- VAHO market share 17% (Jun-26)
- EBITDA and earnings margins up YTD despite a marginal GP decline
- VAHO and personal wash volumes ~(10%)
- Male grooming (~4% of revenue): >100% volume growth

OUTLOOK

- **Pricing:** measured price increases across the portfolio
- **Costs:** stabilising as supply chains normalise; accelerating cost innovation while premiumising and widening value differentiation
- **Sri Lanka:** beauty pivot accelerating (Vivya Collagen launched); distributor credit normalising; public sector salary revisions to support demand
- **Bangladesh:** premiumisation – customised premium skincare and premium fragrance launched

CONSUMER BRANDS: NEW LAUNCHES

Premiumising the portfolio in Sri Lanka and Bangladesh

SRI LANKA



Vivya Collagen Boost Range

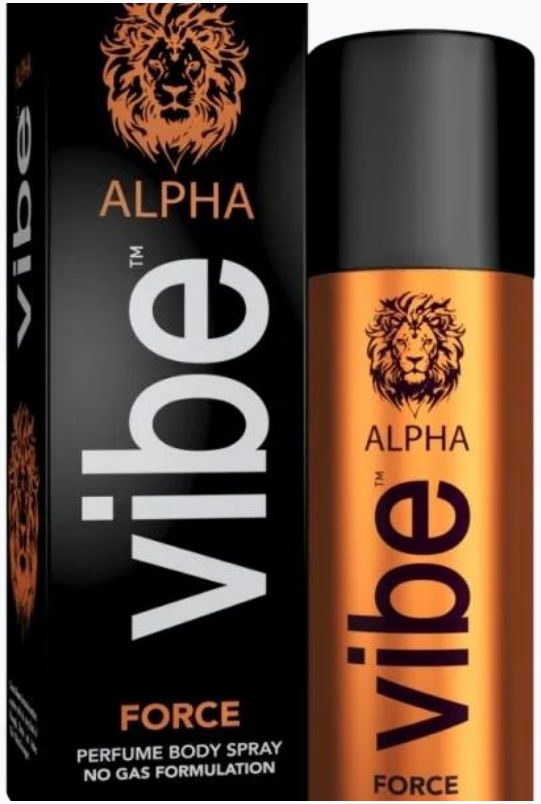
Premium collagen skincare – accelerating the beauty pivot

BANGLADESH



Nia

K-beauty inspired skincare range

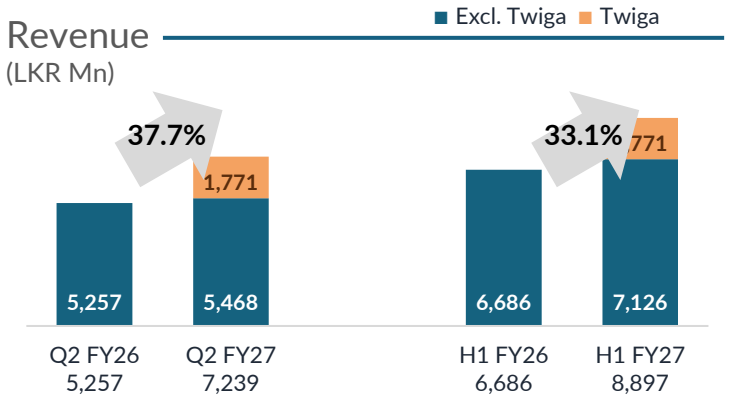


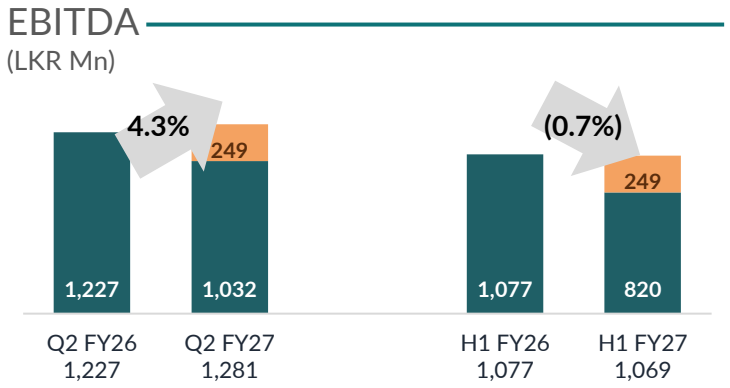
Vibe

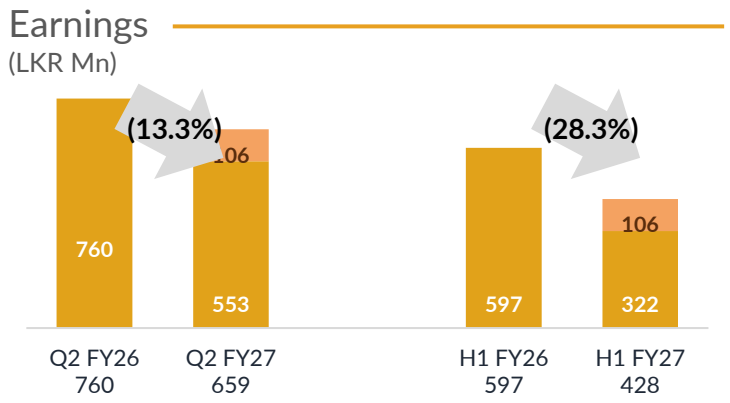
Male deodorants – building on male grooming momentum

CONSUMER BRANDS: LEARNING

Performance Review, Margins, KPIs & Outlook







	Q2 FY26	Q2 FY27	excl. Twiga	YoY (with Twiga)	YoY (w/o Twiga)	H1 FY26	H1 FY27	excl. Twiga	YoY	YoY (w/o Twiga)
GP margin	39.6%	32.5%	36.6%	(7.1%)	(3.0%)	38.0%	32.6%	35.8%	(5.5%)	(2.2%)
EBITDA margin	23.3%	17.7%	18.9%	(5.7%)	(4.4%)	16.1%	12.0%	11.6%	(4.1%)	(4.5%)
Earnings margin	14.5%	9.1%	10.2%	(5.4%)	(4.3%)	8.9%	4.8%	4.6%	(4.1%)	(4.3%)

KEY PERFORMANCE INDICATORS – Q2 & H1 FY27

Atlas – Sri Lanka

- **Market share:** 58.7% (12m MAT, Aug-26)
- **Volumes:** held or grew in most categories YTD
- **Mix:** books, pencils & pens ~70% of revenue

Volume Growth	Q2	H1
Books	(0.5%)	0.5%
Pencil	1.2%	6.6%
Pens	(7.5%)	(0.7%)
Back to School	62.0%	57.5%
Edutoys	50.5%	73.5%
Total	**3.2%**	**5.3%**

OUTLOOK

Atlas

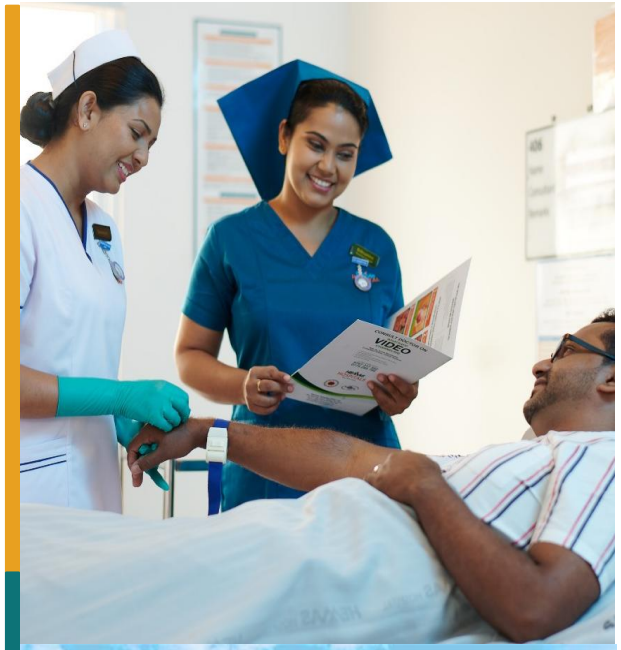
- **SLS standards:** government push on Back-to-School items is an opportunity
- **Market share:** changing competition opens room to gain share
- **VAT:** potential removal on exercise books margin-neutral; pricing a tactical call

Twiga

- **Market share:** regaining most of the lost market share this season
- **Transition:** control and key relationships moving to the new MD

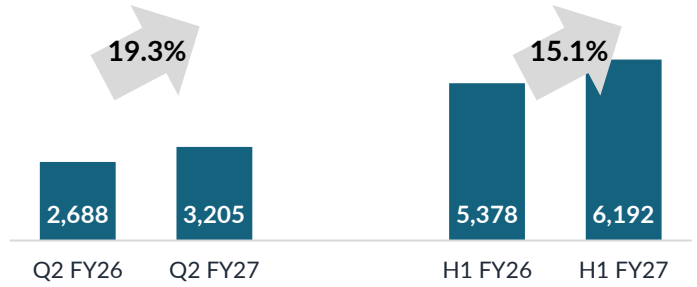
HOSPITALS

Performance Review (Q2 & H1 FY27)





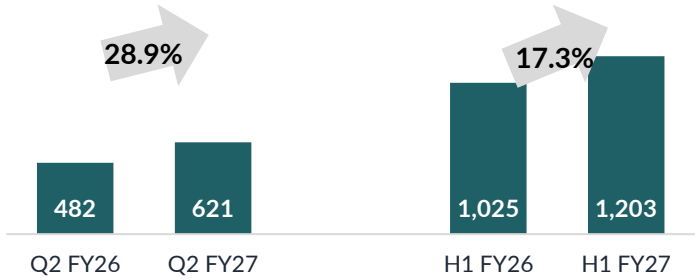
Revenue
(LKR Mn)



Revenue: Q2 +19.3%, H1 +15.1%

- Growth across hospitals, outer labs and primary care with price increases offset rising costs
- New Cath Lab and Health Plus units also positively contributed

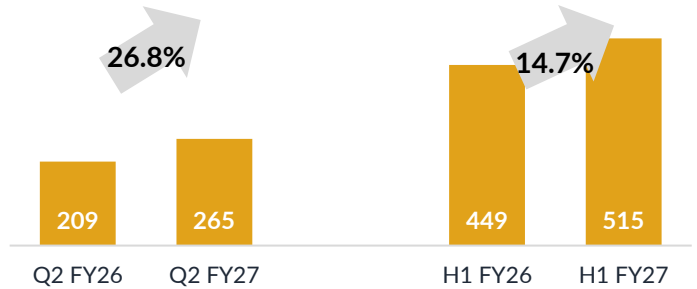
EBITDA
(LKR Mn)



EBITDA: Q2 +28.9%; margin 19.4%, +1.4pp

- GP margin +1.9pp; partly diluted by higher employee costs and Group charges

Earnings
(LKR Mn)



Earnings: Q2 +26.8%; margin 8.3%, +0.5pp

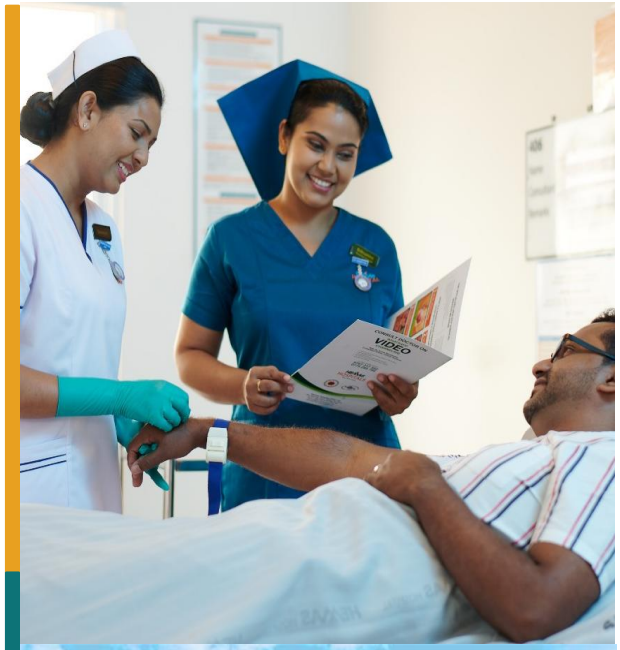
- Higher depreciation from capacity investment and higher tax on higher profit

HEMAS HOSPITALS
By your side

HEMAS LABS

HOSPITALS

Margins, KPIs & Outlook





	Q2 FY26	Q2 FY27	YoY	H1 FY26	H1 FY27	YoY
GP margin	47.6%	49.5%	*1.9%*	48.4%	49.1%	*0.7%*
EBITDA margin	17.9%	19.4%	*1.4%*	19.1%	19.4%	*0.3%*
Earnings margin	7.8%	8.3%	*0.5%*	8.4%	8.3%	*(0.1%)*

KEY PERFORMANCE INDICATORS – Q2 & H1 FY27

Hospitals

- **Occupancy:** 73% YTD
- **Admissions:** +4.4% Q2; flat H1
- **Channelling:** +4% Q2; ~3% H1

Diagnostics

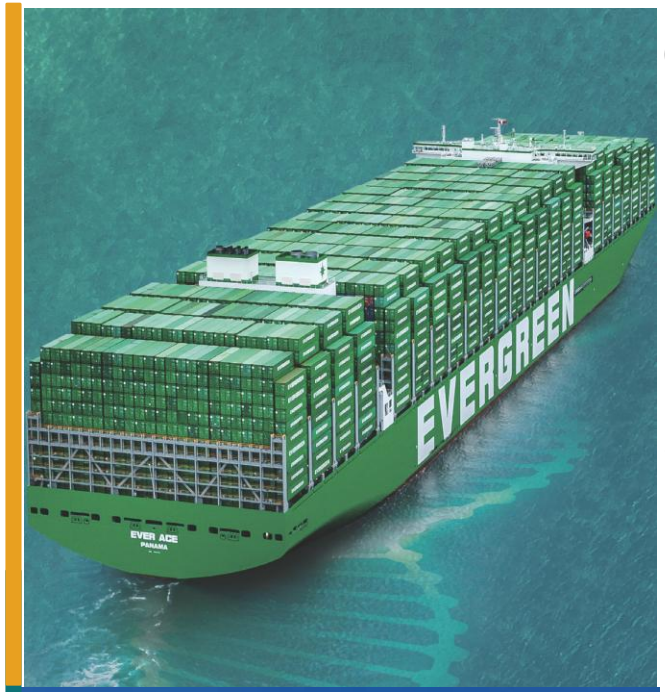
- **New centres:** +5 in H1
- **Network:** 55 diagnostic centres

OUTLOOK

- **Case mix and ARPOB:** improving; liver programme launched in Q3
- **Diagnostics:** footprint expansion continues
- **Thalawathugoda expansion:** progressing, though approvals slower than expected; operations expected in 2029

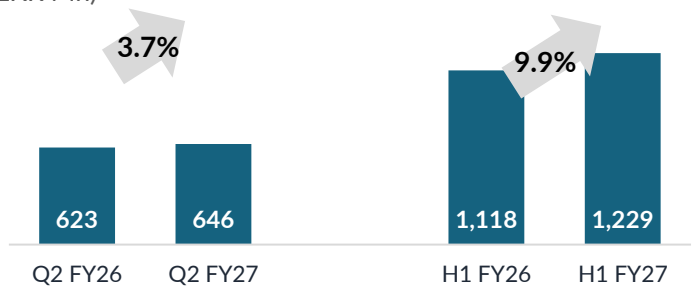
MOBILITY

Performance Review, Margins, KPIs & Outlook

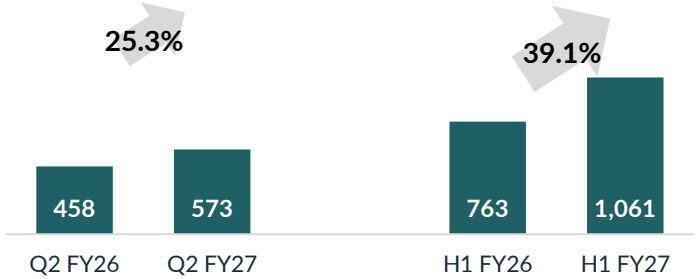




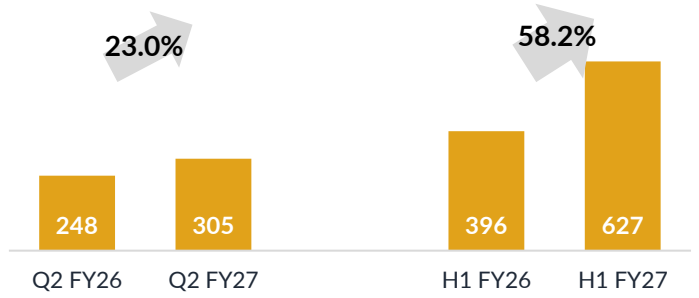
Revenue
(LKR Mn)



EBITDA
(LKR Mn)



Earnings
(LKR Mn)



	Q2 FY26	Q2 FY27	YoY	H1 FY26	H1 FY27	YoY
EBITDA margin	73.5%	88.7%	*15.2%*	68.2%	86.3%	*18.1%*
Earnings margin	39.8%	47.2%	*7.4%*	35.4%	51.0%	*15.6%*

KEY PERFORMANCE INDICATORS – YoY

Maritime (Evergreen)

	Q2	H1
TEUs	(21.1%)	0.5%

Aviation (Forbes Air)

	Q2	H1
Pax	(8.0%)	(14.0%)
Cargo	(10.1%)	(22.1%)

COMMENTARY

- **Yields:** higher yields offset lower volumes
- **Maritime:** temporary route suspensions weighed on volumes; pivot to higher-yield routes (US West Coast, Maldives) partly offset
- **Aviation:** volumes improving QoQ

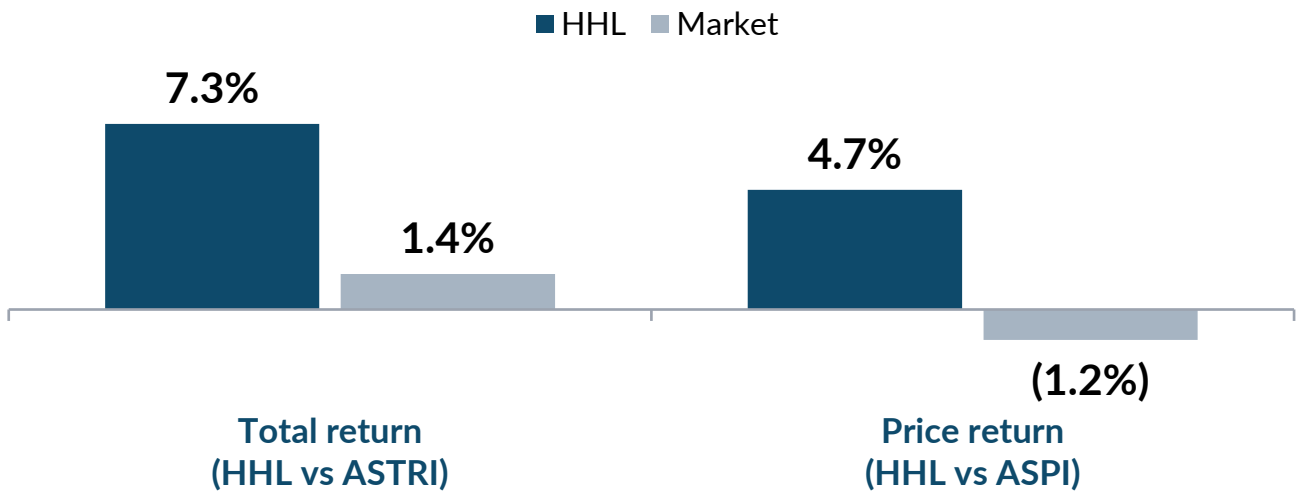
Share Performance

MOMENTUM IN SHARE PERFORMANCE

Outperformed the market by 5.9 pp in H1 FY27

+5.9 pp

ahead of the market in H1 FY27, on both total and price return



	HHL total return	ASTRI	vs ASTRI	HHL price return	ASPI	vs ASPI
Q1 FY27	13.7%	7.8%	+5.9pp	11.1%	5.7%	+5.4pp
Q2 FY27	(5.6%)	(5.9%)	+0.3pp	(5.8%)	(6.5%)	+0.7pp
H1 FY27	7.3%	1.4%	+5.9pp	4.7%	(1.2%)	+5.9pp

VALUATION

	FY26 Mar-26	Q1 FY27 Jun-26	Q2 FY27 Sep-26
Price to earnings	9.9x	11.0x	10.7x
Market cap (LKR Mn)	88,681	98,568	92,876
Market cap (USD Mn)	281	293	281

Total return includes dividends (H1 dividend contribution to HHL total return: 2.6 pp). ASPI = CSE All Share Price Index; ASTRI = All Share Total Return Index. Valuation as at period end.

Sustainability Review

SUSTAINABILITY

ENVIRONMENT

PLASTIC RECOVERY

3.5 Mn kg cumulative

- Supports readiness for Sri Lanka's forthcoming **Extended Producer Responsibility regulations**

WATER INTENSITY

1.5 m^3 / LKR 1mn ▼ from 1.6 m^3 QoQ

- Improved water efficiency across operations
- Targeted conservation measures and process optimisation

RENEWABLE ELECTRICITY

14.8% ▲ from 13.6% QoQ

- Progress towards the **25% renewable target**

14.8% achieved of 25% target

SOCIAL

COMMUNITY REACH

24,300+ individuals in Q2

- Education, health and wellbeing, and community development

PIYAWARA PRESCHOOL NETWORK

82 centres ▲ 5 new preschools in Q2

- **New centres:** Tissamaharama, Nawagampura, Kohombagasthalawa, Passara and Hali-Ela
- Expanding access to quality early childhood education



New Piyawara preschools opened in Q2

SOCIAL IMPACT: Tinkering Lab at the Nalanda Innovation Center

Expanding access to hands-on, technology-driven learning

PARTNERSHIP

Atlas Axillia and Nalanda College established a Tinkering Lab at the Nalanda Innovation Center

SUPPORTED BY

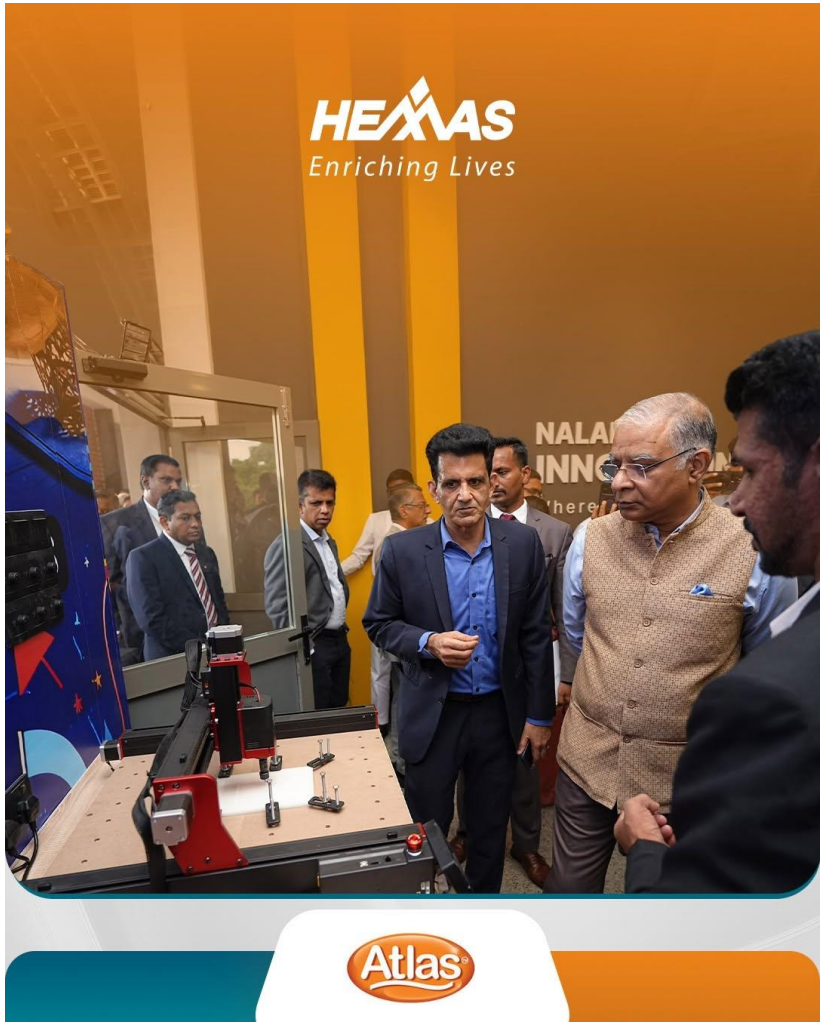
India's Atal Innovation Mission (AIM), NITI Aayog and the High Commission of India

WHAT IT DOES

Brings practical STEM and creative learning into the school environment

TECHNOLOGIES

- **Robotics**
- **AI**
- **3D printing**
- **AR/VR**



Strategy & Outlook

Proven Growth, Undiminished Ambition

Five years of compounding growth sets the base for the next phase

5-YEAR TRACK RECORD

FY21–FY26

14.6%
LKR Revenue CAGR
LKR 127.4 Bn in FY26

18.5%
EBIT CAGR
LKR 14.1 Bn in FY26

22.4%
Earnings CAGR
LKR 8.9 Bn in FY26

+6.9pp
Return on equity
17.2% in FY26

+13.7pp
ROCE
32.1% in FY26

190.5% TSR
Total shareholder return FY21–FY26; **22.3% CAGR**

FY30 AMBITION

FY26 base

Mid-teen CAGR

Revenue and earnings growth to FY30

15%

International share of revenue by FY30, up from 3.3% in FY26

FY = financial year ended 31 March. CAGR = compound annual growth rate. Investment pipeline to deliver the ambition: see Portfolio Roles.

Portfolio Roles: Today's Cash Funds Tomorrow's Growth

Every business has a defined role

Core Value Generators

Market leaders, defensive sectors, strong moat & efficiency champions

High single-digit growth

- Pharma
- Learning
- Mobility

Innovation & Expansion Catalysts

New products, formats & unmet needs

Double-digit growth

- Consumer SL & BD
- Hospitals
- Pharma Mfg

New Growth Engines

Growth markets & new verticals

Investment phase

- Twiga
- Althia
- White spaces

CASH GENERATED by today's market leaders → **INVESTED** in growth

Theme 1, the Consumer Story: Four Opportunities, One Runway

Under-penetrated categories and growing markets where Hemas is well positioned

WOMEN AT WORK

~32%

of Sri Lankan women are in the workforce, low for their high education levels* relative to regional peers

*nearly 80% of female labour force has had higher education

FEMININE HYGIENE

50%

of Sri Lankan households spend nothing on sanitary products

BANGLADESH BEAUTY

~34 Mn

middle-class and affluent consumers, at an early stage of beauty spending

USD 4.8 beauty spend vs USD 30 in APAC

KENYA SCHOOLING

3x

School-going population vs Sri Lanka, with a growing population at 2%

Each opportunity is a consumer spend runway for Hemas

Theme 2, Healthcare: Gaps Hemas Is Built to Close

Structural pressures that create long-term demand for private healthcare

AGEING POPULATION

1 in 5

Sri Lankans aged 60+ by 2030, one of the fastest-ageing populations in Asia

NCD BURDEN

83%

of deaths caused by non-communicable diseases; 1 in 3 now diagnosed with diabetes or hypertension

IMPORT RELIANCE

~85%

of pharmaceuticals are imported

PUBLIC SECTOR

93%

of hospital beds are government-owned, with funding stretched

WORKFORCE

1.2 / 2.4

doctors / nurses per 1,000 people, and the number of healthcare professionals is dwindling

We see opportunities to bridge these gaps through Life Sciences and Hospitals

Q & A Segment



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