

POWER OF



## Financial Year 2022/23 – Full Year Performance

### Chief Executive Officer’s Review

Demonstrating resilience in the face of one of the most turbulent years, Hemas Holdings PLC, posted a revenue of Rs. 113.9 billion for the financial year 2022/23, a growth of 44.5 per cent over last year. The high input costs, foreign currency limitations coupled with escalating interest costs experienced had a significant impact on the performance. The Group posted a cumulative operating profit of Rs. 11.0 billion, a 61.6 per cent growth over previous year and the earnings for the period remained flat against last year at Rs. 4.3 billion.

### Operating Environment

During the year, the livelihoods of Sri Lankans were severely affected by the economic crisis, with purchasing power of an average citizen drastically deteriorating by over 50 per cent. Amidst the extreme pressure on country’s external sector, the Government imposed multiple tax reforms in early 2023 which further reduced the purchasing power of the consumers. The country qualified for USD 2.9 billion extended funded facility in March 2023 from the International Monetary Fund (IMF).

Reasonable improvements in the macroeconomic variables witnessed during the fourth quarter was due to declining global commodity prices, appreciation of domestic currency and declining momentum of the borrowing rates. National Consumer Price Index (NCPI) which reached a record high in September 2022 eased down to 49.2 per cent by the end of the financial year.

LKR Mn	Quarterly Financial Snapshot		
	FY23 Q4	Vs FY22 Q4	Vs FY23 Q3
Consumer Brands	15,135.3	83.2%	11.1%
Healthcare	16,712.3	34.5%	6.1%
Mobility	344.8	-15.9%	-10.3%
Other	17.1	72.5%	>100%
<b>Revenue</b>	<b>32,209.4</b>	<b>52.6%</b>	<b>8.2%</b>
<b>Gross Profit</b>	<b>9,886.2</b>	<b>72.6%</b>	<b>24.0%</b>
Gross Profit Margin	30.7%	3.6pt	3.9pt
<b>EBITDA</b>	<b>3,466.8</b>	<b>83.2%</b>	<b>-3.7%</b>
EBITDA Margin	10.8%	1.8pt	-1.3pt
<b>Operating Profit</b>	<b>3,004.1</b>	<b>96.5%</b>	<b>-7.1%</b>
Operating Profit Margin	9.3%	2.1pt	-1.6pt
Net Interest Cost	(1,348.8)	>100%	9.3%
Income Tax Expenses	(584.8)	87.6%	31.5%
<b>Earnings</b>	<b>1,058.3</b>	<b>-0.4%</b>	<b>8.0%</b>

With relatively improved operating conditions, the revenue for the quarter reported a growth of 52.6 per cent while the operating profit for the quarter Rs. 3.0 billion was an increase of 96.5 per cent against last year. However, under elevated borrowing costs and increased working capital base, the earnings for the quarter remained flat at Rs 1.1 billion. Total tax payments to the Government for the year under review is Rs. 9.9 billion.

The defensive cashflows accompanied by the strong balance sheet enabled the Group’s Fitch rating of “AAA (lka)-Outlook Stable” to be reaffirmed for the fourth consecutive year even under testing circumstances.

### Consumer Brands

The market witnessed price reductions and promotional trade schemes to stimulate consumption. However, changes made to the personal income tax structure severely impacted modern trade sales volumes as consumers rationalised their purchases under reduced disposable income levels. The market continued to experience double-digit volume contraction in comparison to the previous year but did witness a recovering momentum on a quarter-on-quarter basis.

With the offtake of the back-to-school season, the demand for stationery products saw significant improvement during the quarter. As there were no noticeable reduction in the size of the booklist despite the pricing pressure, the

consumers opted for early purchases to even out the cash outlay during the festive season. Under improved operating conditions, all key categories including non-essential segments witnessed a recovering momentum as the prices stabilised to a greater extent.

Despite the Government's best efforts, the inflation in Bangladesh increased to 9.3 per cent in March 2023 owing to the external sector pressure. In the face of numerous challenges including slowdown in the global economy, depreciation in Taka, heightened inflation and depleting foreign currency reserves, the country entered an IMF programme in January 2023. The value-added hair oil market witnessed a degrowth, as consumers curbed consumption in many non-essential items and switched to value-for-money alternatives.

The Consumer Brands Sector posted a revenue of Rs 47.6 billion for the year, a growth of 54.7 per cent over last year mainly due to price increases made to partially compensate the cost escalations and the seasonal shift in the Learning Segment. In line with revenue growth, operating profit and earnings for the year improved to reach Rs 5.9 billion and Rs.3.2 billion respectively. Certain product categories showed gains in market share which reflected the strength of the Brands. Increased efforts in internationalisation and efficiency improvement initiatives positively impacted the performance of the Sector.

With the shift in back-to-school season the Learning Segment drove the performance of the Sector posting a revenue of Rs. 15.1 billion for the quarter. The operating profit and earnings achieved amounted to Rs. 2.2 billion and Rs. 1.4 billion respectively.

#### *Home and Personal Care*

While the modern trade channels witnessed a slow down due to the adverse impact of the tax reforms and high cost of credit on the middle-class urban population, the general trade channels experienced significant growth and increased foot fall. The decline in global commodity prices in the second half of the year, enabled the business to make price reductions across the portfolio. However, the benefit of appreciation of the Sri Lankan Rupee in March 2023 was not seen during the quarter due to the lag effect but is expected to realise in the quarters to come, provided the current economic conditions prevail. The value-for-money products continued to perform well amidst the inflationary pressure on the economy. Marking its entry into ayurvedic wellness, the business introduced its ayurvedic product range '*Prasara*', a 100 per cent natural brand with an extensive product line up including soap, toothpaste, face cream and face wash.

The high traction of the recent new product launches including, '*Vivya*,' '*Fems Aya*' and '*Diva Diriya*' resulted in a 10 per cent contribution to the overall revenue of the business.

#### *Learning*

The Learning Segment posted commendable performance for the quarter with increased focus on driving seasonal revenue. The business continued to engage with communities through purpose-driven initiatives to empower students, parents, and teachers across the country. During the quarter, '*Quirky Lanka*', the latest addition to the premium stationery range '*Innovate*' was launched, representing the fusion of two worlds: the heritage of Sri Lanka and modern futurisms.

#### *Consumer Brands International*

The Bangladesh business increased its focus on the personal care brand '*Actisef*' as a strategy to reduce high single brand concentration, which resulted in the brand contributing approximately 15 per cent to the overall revenue. Timely strategies on providing consumers with alternatives at lower price points assisted the business to maintain volumes during the quarter despite the adverse market conditions.

Increased focus on internationalisation and exports resulted in a 60 per cent growth in export revenue for the year primarily from the Southeast Asian and South Asian markets. Leveraging on our world class manufacturing capabilities, the business successfully secured agreements to manufacture for globally recognised brands.

## Healthcare

Despite the support of multiple parties with credit lines and donations, Sri Lanka's state-dependent healthcare ecosystem continued to face severe challenges due to a lack of funding resulting in shortages of essential medication. Scarcity of resources, including medicines and medical equipment, has been exacerbated by the high medical professional migration, which has led to a shortage of staff in Government hospitals across the country.

During the quarter, many key therapeutic segments including medication for non-communicable diseases witnessed a double-digit decline in the market while antibiotics and respiratory related medication witnessed a significant improvement.

The Healthcare Sector reported a revenue of Rs. 64.7 billion for the year driven by the improved performance of the Pharmaceutical Segment. This is mainly due to the price adjustments made by the National Medicines Regulatory Authority (NMRA) to offset the adverse effects of the steep rupee depreciation. However, the growth momentum in revenue was not translated into earnings for the year due to elevated costs driven by inflation and devaluation of the rupee accompanied by increased investments in working capital under a high interest rate regime. Operating profit for the year stood at Rs. 4.7 billion while the earnings recorded a degrowth to reach Rs. 2.0 billion.

During the quarter, the Sector experienced a revenue growth of 34.5 percent, primarily attributable to the NMRA price adjustments mentioned. However, earnings faced a decline of 69.1 percent due to increased borrowing cost.

### Pharmaceuticals

Pharmaceutical Businesses strived to prioritise availability over profitability as Hemas continued to work with its strategic partnerships to ensure availability of medication in the market. The Pharmaceutical Distribution Business recently launched over 20 new products into the market. These products are essential in providing in-patient care and performing surgical procedures.

The Pharmaceutical Manufacturing arm of the Group introduced 'FoliMor' 1mg variant which is used to treat or prevent folic acid deficiency, increasing the total number of new products launched under the brand Morison within the year to five. The capacity utilisation of the 'Homagama' factory was improved during the latter part of the quarter due to the business securing an order from the Government buyback scheme. Gradual improvements in utilisation levels are expected in the quarters to come as commercial manufacturing commences for the multiple products that are in the pipeline.

### Hospitals

Despite a decline in surgical admissions due to reduced disposable income levels, occupancy at both Wattala and Thalawathugoda hospitals was over 60 per cent for the year, with improved medical admissions. In line with the strategic objective to focus on anchor specialties and digital and technological capabilities, Hospitals invested in a mammogram machine for diagnosis of breast cancers.

## Mobility

Total throughput and transshipment volumes at Port of Colombo declined by over 7.0 per cent during the year due to slow down in the global economy and reduced demand for apparel and tea in western markets. Global freight rates continued to decline nearing pre-pandemic levels imposing margin pressure on shipping companies. While the passenger vertical of the Aviation business has displayed commendable growth, the cargo vertical remained challenged under excess supply of capacity and reduced economic activity in Europe and America.

Despite the challenges observed in both the Aviation and Maritime Businesses, underlying revenue for the year adjusted for the divestment of Spectra Logistics resulted in a 21.6 per cent growth in Sector revenue. Favourable impact on domestic currency devaluation also positively contributed to the 13.9 per cent growth in underlying earnings for the year to reach Rs. 769.9 million.

However, with the extreme challenges faced by the cargo vertical, quarter witnessed a revenue decline of 15.9 per cent while the reported earnings of Rs. 114.8 million is a degrowth of 62.2 per cent.

## Our Commitment to ESG

The Group remained committed to its environmental and social initiatives during the quarter. As a part of its efforts to offset its plastic waste the Group partnered with Clean Ocean Force to clean up the waterways in Jaffna, becoming the first corporate to join hands with them. The partnership involves daily cleaning operations, and community awareness and engagement to keep the Jaffna waterways free from plastic. The Group partnerships have ensured the collection and responsible disposal of over 45,000 kg of plastic waste to date.

Hemas Outreach Foundation began the construction of its 62nd Piyawara pre-school in Wanathamulla, Colombo 08. Each year the initiative benefits over 4,000 students and 150 teachers.

During the quarter, the Group continued supporting our vulnerable communities and building a social security net. The Pharmaceutical businesses partnered with the Sri Lanka College of Pediatricians to tackle malnutrition through Feed a Child Community initiative. Hemas committed to distribute dry ration packs every fortnight to 150 families in the rural areas of Anuradhapura District for a period of six months. The Pharmaceutical Manufacturing business launched 'Suwadeya,' focused on providing access to affordable medicines. As a first step, the initiative offered three of Morison's latest branded medicines to treat the two most prevalent non-communicable diseases in the country, diabetes, and cardiovascular diseases. free of charge on a monthly basis to team members and their immediate family.

## Outlook

The recent quarter has witnessed relative improvements in many key economic parameters, including inflation, exchange rates, and interest rates. The successful restructure of external debt accompanied by consistent and effective implementation of policy reforms will play a pivotal role in the recovery of the economy.

The Group is poised to meet challenges head-on with a strong strategic vision to drive growth while maintaining an acceptable risk profile. Hemas will continue to leverage on the strength of the business relationships of our strategic partners to generate win-win solutions and continue investments to strengthen the core portfolio. Exports and Internationalisation will remain focus areas, while the Group explores opportunities for organic and inorganic growth primarily in Consumer and Healthcare spaces.

I am proud of the Hemas team and thankful for their dedicated efforts to successfully steer us through a challenging year and ensure that we emerged stronger from it. As we step into our seventy-fifth year in business, Hemas is confident in its team's competency and ability to think boldly to drive the business to greater heights, living by the Group's purpose of empowering families to live a better tomorrow.



**Kasturi C. Wilson**

**Group Chief Executive Officer**  
**May 24, 2023**  
**Colombo**

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Three Months Ended 31 March			Twelve Months Ended 31 March		
	2023	2022	Change %	2023	2022	Change %
<b>Revenue from Contracts with Customers</b>	32,209,413	21,108,711	52.6%	113,939,574	78,830,849	44.5%
Cost of Sales	(22,323,215)	(15,381,337)	45.1%	(82,146,714)	(56,981,187)	44.2%
<b>Gross Profit</b>	9,886,198	5,727,374	72.6%	31,792,860	21,849,662	45.5%
Other Operating Income/Expenses	(141,926)	456,703	-131.1%	720,052	1,098,803	-34.5%
Selling and Distribution Expenses	(2,082,051)	(1,531,165)	36.0%	(8,268,449)	(6,434,673)	28.5%
Administrative Expenses	(4,226,793)	(2,732,256)	54.7%	(12,881,174)	(9,206,084)	39.9%
Share of Results of Equity Accounted Investees (Net of Tax)	(431,281)	(392,132)	-10.0%	(400,138)	(525,064)	23.8%
<b>Operating Profit</b>	3,004,147	1,528,524	96.5%	10,963,151	6,782,644	61.6%
Finance Cost	(1,348,837)	(60,189)	2141.0%	(4,109,544)	(486,251)	745.1%
Finance Income	259,143	147,770	75.4%	911,393	351,787	159.1%
<b>Profit Before Tax</b>	1,914,453	1,616,105	18.5%	7,765,000	6,648,180	16.8%
Income Tax Expense	(584,779)	(311,651)	87.6%	(2,696,317)	(1,813,714)	48.7%
<b>Profit for the Period</b>	1,329,674	1,304,454	1.9%	5,068,683	4,834,466	4.8%
<b>Attributable to:</b>						
Equity Holders of the Parent	1,058,329	1,062,838	-0.4%	4,268,855	4,248,553	0.5%
Non-Controlling Interests	271,345	241,616	12.3%	799,828	585,913	36.5%
	1,329,674	1,304,454	1.9%	5,068,683	4,834,466	4.8%
	LKR	LKR		LKR	LKR	
<b>Earnings Per Share</b>						
Basic	1.77	1.78		7.16	7.12	
Diluted	1.76	1.78		7.15	7.12	
<b>Dividend Per Share</b>	-	-		2.35	4.35	

All values are in LKR'000, unless otherwise stated.  
The above figures are provisional and subject to audit.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three Months Ended 31 March		Twelve Months Ended 31 March	
	2023	2022	2023	2022
Profit for the Period	1,329,674	1,304,454	5,068,683	4,834,466
<b>Other Comprehensive Income</b>				
<b>Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax)</b>				
Net Movement on Cash Flow Hedges	-	69,344	(5,109)	82,384
Exchange Differences on Translation of Foreign Operations	(204,268)	503,010	(119,563)	536,307
Share of Other Comprehensive Loss of Equity Accounted Investees	(530,570)	(44,247)	(530,570)	(44,247)
	(734,838)	528,107	(655,242)	574,444
<b>Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax)</b>				
Net Gain/(Loss) on Financial Assets at FVOCI	643	(14,991)	(15,507)	11,419
Actuarial Gain / (Loss) on Defined Benefit Plans	(145,831)	53,847	(145,831)	53,847
Revaluation of Land and Building	1,834,882	1,640,242	1,834,882	1,640,242
Income Tax Effect on Other Comprehensive Income	(605,667)	-	(942,340)	-
Share of Other Comprehensive Income of Equity Accounted Investees	1,651,379	170,001	1,651,379	170,001
	2,735,406	1,849,099	2,382,583	1,875,509
<b>Other Comprehensive Income for the Period, Net of Tax</b>	<b>2,000,568</b>	<b>2,377,206</b>	<b>1,727,341</b>	<b>2,449,953</b>
<b>Total Comprehensive Income for the Period, Net of Tax</b>	<b>3,330,242</b>	<b>3,681,660</b>	<b>6,796,024</b>	<b>7,284,419</b>
<b>Attributable to:</b>				
Equity Holders of the Parent	2,999,943	3,424,522	5,973,760	6,657,104
Non-Controlling Interests	330,299	257,138	822,264	627,315
	3,330,242	3,681,660	6,796,024	7,284,419

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## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 March	
	2023	2022
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	19,912,878	18,006,908
Investment Properties	2,310,150	2,100,161
Right-of-Use Assets	995,097	1,177,653
Intangible Assets	3,311,373	3,295,464
Investment in Equity Accounted Investees	702,063	85,088
Lease Receivables	122,186	125,306
Other Non-Current Financial Assets	181,515	210,100
Deferred Tax Asset	87,366	85,621
	<b>27,622,628</b>	<b>25,086,301</b>
<b>Current Assets</b>		
Inventories	28,602,360	16,807,120
Trade and Other Receivables	25,456,335	19,771,795
Tax Recoverable	323,854	328,811
Lease Receivables	22,761	59,520
Other Current Financial Assets	139,171	359,197
Cash and Short-Term Deposits	16,330,774	13,894,926
	<b>70,875,255</b>	<b>51,221,369</b>
<b>Total Assets</b>	<b>98,497,883</b>	<b>76,307,670</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Stated Capital	7,776,111	7,776,111
Other Capital and Revenue Reserves	119,164	159,834
Other Components of Equity	6,541,635	4,446,109
Retained Earnings	23,967,649	23,205,732
<b>Equity Attributable to Equity Holders of the Parent</b>	<b>38,404,559</b>	<b>35,587,786</b>
Non-Controlling Interests	715,842	919,517
<b>Total Equity</b>	<b>39,120,401</b>	<b>36,507,303</b>
<b>Non-Current Liabilities</b>		
Interest Bearing Loans and Borrowings	5,449,482	3,092,910
Other Non-Current Financial Liabilities	275,505	276,538
Deferred Tax Liability	2,901,176	1,723,527
Employee Benefit Liability	1,198,963	991,714
	<b>9,825,126</b>	<b>6,084,689</b>
<b>Current Liabilities</b>		
Trade and Other Payables	29,625,732	27,165,394
Income Tax Liabilities	969,224	803,617
Other Financial Liabilities	2,949,482	2,272,299
Interest Bearing Loans and Borrowings	11,739,284	2,678,177
Bank Overdraft	4,268,634	796,191
	<b>49,552,356</b>	<b>33,715,678</b>
<b>Total Equity and Liabilities</b>	<b>98,497,883</b>	<b>76,307,670</b>
<b>Net Assets per share - (LKR)</b>	<b>64.38</b>	<b>59.66</b>


All values are in LKR'000, unless otherwise stated.  
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These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.

  
**Zalmi Fazeel**

Group Chief Financial Officer

The Board of Directors is responsible for these financial statements.  
Signed for and on behalf of the Board by,

  
**Husein Esufally**  
Chairman  
Colombo  
May 24, 2023

  
**Kasturi C. Wilson**  
Group Chief Executive Officer



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent						Retained Earnings	Total	Non - Controlling Interests	Total Equity
	Stated Capital	Other Capital & Revenue Reserves	Other Component of Equity							
			Revaluation Reserve	Foreign Currency Translation Reserve	Fair Value Reserve of Financial Assets at FVOCI	Cash Flow Hedge Reserve				
<b>As at 1 April 2021</b>	7,776,111	180,806	2,637,592	173,403	(342,165)	(307,904)	21,777,539	31,895,382	1,542,904	33,438,286
Profit for the Period	-	-	-	-	-	-	4,248,553	4,248,553	585,913	4,834,466
Other Comprehensive Income	-	-	1,738,320	564,953	11,419	43,714	50,146	2,408,551	41,402	2,449,953
<b>Total Comprehensive Income</b>	-	-	1,738,320	564,953	11,419	43,714	4,298,699	6,657,104	627,315	7,284,419
Subsidiary Dividend paid to Non-Controlling Interest	-	-	-	-	-	-	-	-	(413,314)	(413,314)
Final Dividend - 2020/21	-	-	-	-	-	-	(864,992)	(864,992)	-	(864,992)
Interim Dividend - 2021/22	-	-	-	-	-	-	(1,729,983)	(1,729,983)	-	(1,729,983)
Share Based Payments	-	40,988	-	-	-	-	-	40,988	-	40,988
Transfer Due to the Expiry of ESOS	-	(61,960)	-	-	-	-	61,960	-	-	-
Fair Value Changes in Non-Controlling Interest to be Acquired	-	-	-	-	-	-	(279,543)	(279,543)	-	(279,543)
Reclassification of Non-Controlling Interest to be Acquired	-	-	-	-	-	-	-	-	(19,482)	(19,482)
Adjustment on Disposal of Subsidiary	-	-	(2,249)	(96,182)	-	25,208	(22,959)	(96,182)	(833,391)	(929,573)
Adjustment in Respect of Changes in Group Holding	-	-	-	-	-	-	(34,989)	(34,989)	15,485	(19,504)
<b>As at 31 March 2022</b>	7,776,111	159,834	4,373,663	642,174	(330,746)	(238,982)	23,205,732	35,587,786	919,517	36,507,303
<b>As at 1 April 2022</b>	7,776,111	159,834	4,373,663	642,174	(330,746)	(238,982)	23,205,732	35,587,786	919,517	36,507,303
Adjustment for Surcharge Tax levied under Surcharge Tax Act	-	-	-	-	-	-	(1,548,726)	(1,548,726)	(119,604)	(1,668,330)
<b>As at 1 April 2022 (Adjusted)</b>	<b>7,776,111</b>	<b>159,834</b>	<b>4,373,663</b>	<b>642,174</b>	<b>(330,746)</b>	<b>(238,982)</b>	<b>21,657,006</b>	<b>34,039,060</b>	<b>799,913</b>	<b>34,838,973</b>
Profit for the Period	-	-	-	-	-	-	4,268,855	4,268,855	799,828	5,068,683
Other Comprehensive Income	-	-	2,472,170	(119,563)	(15,507)	(536,052)	(96,143)	1,704,905	22,436	1,727,341
<b>Total Comprehensive Income</b>	-	-	2,472,170	(119,563)	(15,507)	(536,052)	4,172,712	5,973,760	822,264	6,796,024
Subsidiary Dividend to Non-Controlling Interest	-	-	-	-	-	-	-	-	(442,800)	(442,800)
Final Dividend -2021/22	-	-	-	-	-	-	(1,163,265)	(1,163,265)	-	(1,163,265)
Interim Dividend - 2022/23	-	-	-	-	-	-	(238,618)	(238,618)	-	(238,618)
Share Based Payments	-	6,772	-	-	-	-	-	6,772	-	6,772
Transfer Due to the Expiry of ESOS	-	(47,442)	-	-	-	-	47,442	-	-	-
Transfer	-	-	-	-	294,478	-	(294,478)	-	-	-
Fair Value Changes in Non-Controlling Interest to be Acquired	-	-	-	-	-	-	(213,150)	(213,150)	-	(213,150)
Reclassification of Non-Controlling Interest to be Acquired	-	-	-	-	-	-	-	-	(463,535)	(463,535)
<b>As at 31 March 2023</b>	<b>7,776,111</b>	<b>119,164</b>	<b>6,845,833</b>	<b>522,611</b>	<b>(51,775)</b>	<b>(775,034)</b>	<b>23,967,649</b>	<b>38,404,559</b>	<b>715,842</b>	<b>39,120,401</b>

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## COMPANY STATEMENT OF PROFIT OR LOSS

	Three Months Ended 31 March			Twelve Months Ended 31 March		
	2023	2022	Change %	2023	2022	Change %
<b>Revenue from Contracts with Customers</b>	262,749	220,862	19.0%	993,811	885,849	12.2%
Cost of Sales	-	-	-	-	-	-
<b>Gross Profit</b>	262,749	220,862	19.0%	993,811	885,849	12.2%
Other Operating Income	1,037,764	156,651	562.5%	3,012,525	2,419,939	24.5%
Administrative Expenses	(179,582)	(253,084)	-29.0%	(1,162,965)	(1,061,211)	9.6%
<b>Operating Profit</b>	1,120,931	124,429	800.9%	2,843,371	2,244,577	26.7%
Finance Cost	(186,503)	(19,681)	847.6%	(557,848)	(56,822)	881.7%
Finance Income	50,790	817	6116.6%	209,798	12,820	1536.5%
<b>Profit Before Tax</b>	985,218	105,565	833.3%	2,495,321	2,200,575	13.4%
Income Tax Expense	(11,511)	(5,697)	102.1%	(84,048)	(345,333)	-75.7%
<b>Profit for the Period</b>	973,707	99,868	875.0%	2,411,273	1,855,242	30.0%

## COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Three Months Ended 31 March		Twelve Months Ended 31 March	
	2023	2022	2023	2022
Profit for the Period	973,707	99,868	2,411,273	1,855,242
<b>Other Comprehensive Income</b>				
Actuarial Gain/(Loss) on Defined Benefit Plans	(11,264)	1,214	(11,264)	1,214
Net Gain/ (Loss) on Financial Assets at FVOCI	123	(2,687)	705	2,103
<b>Other Comprehensive Income for the Period, Net of Tax</b>	123	(1,473)	(10,559)	3,317
<b>Total Comprehensive Income for the Period, Net of Tax</b>	973,830	98,395	2,400,714	1,858,559

All values are in LKR'000, unless otherwise stated.  
The above figures are provisional and subject to audit.

## COMPANY STATEMENT OF FINANCIAL POSITION

	As at 31 March	
	2023	2022
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	60,543	62,434
Investment Properties	1,065,305	851,300
Right-of-Use Assets	-	56,223
Intangible Assets	49,484	50,282
Investment in Subsidiaries	17,999,897	17,592,558
Other Non-Current Financial Assets	13,928	14,023
	<b>19,189,157</b>	<b>18,626,820</b>
<b>Current Assets</b>		
Trade and Other Receivables	1,026,689	291,958
Tax Recoverable	32,433	6,288
Other Current Financial Assets	536,063	1,132
Cash and Short-Term Deposits	23,712	90,348
	<b>1,618,897</b>	<b>389,726</b>
<b>Total Assets</b>	<b>20,808,054</b>	<b>19,016,546</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Stated Capital	7,776,111	7,776,111
Other Capital and Revenue Reserves	340,515	381,185
Other Components of Equity	1,564	(293,619)
Retained Earnings	9,595,631	8,856,168
<b>Total Equity</b>	<b>17,713,821</b>	<b>16,719,845</b>
<b>Non-Current Liabilities</b>		
Interest-Bearing Loans and Borrowings	692,000	-
Deferred Tax Liability	239,951	147,963
Employee Benefit Liability	79,692	66,507
	<b>1,011,643</b>	<b>214,470</b>
<b>Current Liabilities</b>		
Trade and Other Payables	776,928	795,540
Income Tax Liabilities	-	96,925
Interest-Bearing Loans and Borrowings	570,240	1,188,944
Bank Overdraft	735,422	822
	<b>2,082,590</b>	<b>2,082,231</b>
<b>Total Equity and Liabilities</b>	<b>20,808,054</b>	<b>19,016,546</b>
<b>Net Assets per share - (LKR)</b>	<b>29.69</b>	<b>28.03</b>

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These financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



**Zalmi Fazeel**  
Group Chief Financial Officer

The Board of Directors is responsible for these financial statements.  
Signed for and on behalf of the Board by,



**Husein Esufally**  
Chairman  
Colombo  
May 24, 2023



**Kasturi C. Wilson**  
Group Chief Executive Officer

## COMPANY STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Other Capital Reserves	Other Components Of Equity		Total Equity
			Fair Value Reserve of Financial Assets at FVOCI	Retained Earnings	
<b>As at 1 April 2021</b>	7,776,111	402,157	(295,722)	9,532,727	17,415,273
Profit for the Period	-	-	-	1,855,242	1,855,242
Other Comprehensive Income	-	-	2,103	1,214	3,317
<b>Total Comprehensive Income</b>	-	-	2,103	1,856,456	1,858,559
Share Based Payments	-	40,988	-	-	40,988
Transfer due to the Expiry of ESOS	-	(61,960)	-	61,960	-
Final Dividend - 2020/21	-	-	-	(864,992)	(864,992)
Interim Dividend - 2021/22	-	-	-	(1,729,983)	(1,729,983)
<b>As at 31 March 2022</b>	<b>7,776,111</b>	<b>381,185</b>	<b>(293,619)</b>	<b>8,856,168</b>	<b>16,719,845</b>
<b>As at 1 April 2022</b>	7,776,111	381,185	(293,619)	8,856,168	16,719,845
Adjustment for Surcharge Tax levied under Surcharge Tax Act	-	-	-	(11,627)	(11,627)
<b>As at 1 April 2022 (Adjusted)</b>	7,776,111	381,185	(293,619)	8,844,541	16,708,218
Profit for the Period	-	-	-	2,411,273	2,411,273
Other Comprehensive Income	-	-	705	(11,264)	(10,559)
<b>Total Comprehensive Income</b>	-	-	705	2,400,009	2,400,714
Share Based Payments	-	6,772	-	-	6,772
Transfer due to the Expiry of ESOS	-	(47,442)	-	47,442	-
Transfer	-	-	294,478	(294,478)	-
Final Dividend -2021/22	-	-	-	(1,163,265)	(1,163,265)
Interim Dividend - 2022/23	-	-	-	(238,618)	(238,618)
<b>As at 31 March 2023</b>	<b>7,776,111</b>	<b>340,515</b>	<b>1,564</b>	<b>9,595,631</b>	<b>17,713,821</b>

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## STATEMENT OF CASH FLOWS

Twelve Months Ended 31 March	Group		Company	
	2023	2022	2023	2022
<b>Operating Activities</b>				
Profit Before Taxation from Continuing Operations	7,765,000	6,648,180	2,495,321	2,200,575
<b>Adjustments for,</b>				
Depreciation	1,219,933	1,091,858	20,587	21,672
Amortisation of Right-of-Use Assets	306,120	292,945	56,223	56,223
(Gain) on Disposal of Property, Plant and Equipment, Investment Properties, Intangible Assets	(57,332)	(29,049)	(14,226)	(14,885)
(Gain) on Sale of Non-Current Investments	-	(272,496)	(65,950)	-
Gain on Fair Value Adjustment of Investment Properties	(207,889)	(158,062)	(214,005)	(122,500)
Provision/(Reversal) for Share Based Payment Expense	6,772	40,988	(40)	8,956
Provision/(Reversal) for Impairment of Trade and Other Receivables	114,715	46,470	10,651	(4,829)
Provision/ (Reversal) for Obsolete Stocks	88,032	(34,574)	-	-
Amortisation of Intangible Assets	76,387	76,543	25,960	31,657
Exchange Loss on Foreign Currency Borrowings	-	719	-	-
Finance Cost	4,109,544	486,251	557,848	56,822
Finance Income	(911,393)	(351,787)	(209,798)	(12,820)
Share of Results of Equity Accounted Investees (Net of Tax)	400,138	525,064	-	-
Investment Income	-	-	(2,706,034)	(2,251,470)
Movement in Employee Benefit Liability	214,422	186,059	13,635	11,666
<b>Operating Cash Flows before Working Capital Changes</b>	<b>13,124,449</b>	<b>8,549,109</b>	<b>(29,828)</b>	<b>(18,934)</b>
<b>Working Capital Adjustments</b>				
(Increase)/Decrease in Inventories	(11,883,271)	(1,492,722)	-	-
(Increase)/Decrease in Trade and Other Receivables	(5,798,756)	(6,732,003)	4,069	(11,520)
Increase/(Decrease) in Trade and Other Payables	2,460,338	9,622,749	(31,400)	262,528
Increase/(Decrease) in Other Non-Current Financial Liabilities	(1,033)	(790)	-	-
<b>Cash Generated from Operations</b>	<b>(2,098,273)</b>	<b>9,946,343</b>	<b>(57,159)</b>	<b>232,075</b>
Finance Cost Paid	(3,957,360)	(320,834)	(556,063)	(52,396)
Finance Income Received	905,381	348,388	209,600	12,450
Income Tax Paid	(2,290,117)	(1,788,714)	(110,303)	(228,776)
Surcharge Tax Paid	(1,668,330)	-	(11,627)	-
Employee Retirement Benefit Paid	(153,004)	(132,847)	(16,254)	(21,804)
<b>Net Cash Flows From/(Used in) Operating Activities</b>	<b>(9,261,703)</b>	<b>8,052,336</b>	<b>(541,806)</b>	<b>(58,452)</b>
<b>Investing Activities</b>				
Purchase of Property, Plant and Equipment	(1,419,730)	(1,531,239)	(24,171)	(12,054)
Investment in Intangible Assets	(71,771)	(102,033)	-	(375)
Net Movement in Financial Assets	(26,068)	68,284	(784,749)	370,648
Dividend received from Equity Accounted Investees	104,400	72,000	-	-
Acquisition of /Investment in Subsidiaries	-	-	(1,228,889)	(894,900)
Proceeds from Disposal of Subsidiaries	-	1,646,759	1,150,000	-
Investment Income Received	-	-	1,939,051	2,251,470
Proceeds on Disposal of Property, Plant and Equipment/ Intangible Assets / Investment Properties	105,002	114,113	19,701	17,752
<b>Net Cash Flows From/(Used in) Investing Activities</b>	<b>(1,308,167)</b>	<b>267,884</b>	<b>1,070,943</b>	<b>1,732,541</b>
<b>Financing Activities</b>				
Interest-Bearing Loans and Borrowings (Net)	11,441,695	(508,131)	71,511	797,071
Proceeds from/to Non-Controlling Interest	-	(19,503)	-	-
Dividends Paid to Equity Holders of the Parent	(1,401,883)	(2,594,975)	(1,401,883)	(2,594,975)
Dividends Paid to Non-Controlling Interest	(442,800)	(413,314)	-	-
<b>Net Cash Flows From/(Used in) Financing Activities</b>	<b>9,597,012</b>	<b>(3,535,923)</b>	<b>(1,330,372)</b>	<b>(1,797,904)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	(972,858)	4,784,297	(801,235)	(123,815)
Net Foreign Exchange Difference	(63,737)	360,399	-	-
Cash and Cash Equivalents at the Beginning of the Period	13,098,735	7,954,039	89,525	213,340
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>12,062,140</b>	<b>13,098,735</b>	<b>(711,710)</b>	<b>89,525</b>

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**SEGMENTAL INFORMATION**

Three Months Ended 31 March	Consumer Brands		Healthcare		Mobility		Others		Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Continuing Operation</b>										
<b>Revenue from Contract with Customers</b>										
Segmental Revenue - Gross	15,201,104	8,305,729	17,963,037	13,460,971	352,840	416,244	350,849	303,413	33,867,830	22,486,357
Intra Segmental Revenue	(65,849)	(43,957)	(1,250,384)	(1,021,974)	(8,078)	(6,377)	(38,216)	(36,819)	(1,362,527)	(1,109,127)
Segment Revenue	15,135,255	8,261,772	16,712,653	12,438,997	344,762	409,867	312,633	266,594	32,505,303	21,377,230
Inter Segmental Revenue	-	-	(358)	(11,841)	-	-	(295,532)	(256,678)	(295,890)	(268,519)
<b>Total Revenue from Contract with Customers</b>	<b>15,135,255</b>	<b>8,261,772</b>	<b>16,712,295</b>	<b>12,427,156</b>	<b>344,762</b>	<b>409,867</b>	<b>17,101</b>	<b>9,916</b>	<b>32,209,413</b>	<b>21,108,711</b>
<b>Results</b>										
<b>Segmental Results</b>	<b>2,170,558</b>	<b>830,919</b>	<b>930,365</b>	<b>885,716</b>	<b>201,080</b>	<b>238,671</b>	<b>(74,463)</b>	<b>(192,712)</b>	<b>3,227,539</b>	<b>1,762,594</b>
Finance Cost	(415,711)	(156,019)	(711,935)	(95,989)	(85,501)	198,895	(135,690)	(7,076)	(1,348,837)	(60,189)
Finance Income	85,349	45,964	109,268	37,685	73,504	55,949	(8,978)	8,172	259,143	147,770
Change in Fair Value of Investment Properties	-	-	-	-	-	-	207,889	158,062	207,889	158,062
Share of Results of Equity Accounted Investees (Net of Tax)	-	-	-	-	9,718	12,463	(440,999)	(404,595)	(431,281)	(392,132)
<b>Profit/(Loss) before Tax</b>	<b>1,840,196</b>	<b>720,864</b>	<b>327,698</b>	<b>827,412</b>	<b>198,801</b>	<b>505,977</b>	<b>(452,242)</b>	<b>(438,149)</b>	<b>1,914,453</b>	<b>1,616,105</b>
Income Tax	(248,676)	(49,221)	(98,986)	(133,120)	(64,503)	(70,361)	(172,614)	(58,949)	(584,779)	(311,651)
<b>Profit/(Loss) for the Period</b>	<b>1,591,520</b>	<b>671,643</b>	<b>228,712</b>	<b>694,292</b>	<b>134,298</b>	<b>435,616</b>	<b>(624,856)</b>	<b>(497,098)</b>	<b>1,329,674</b>	<b>1,304,454</b>
<b>Attributable to:</b>										
Equity Holders of the Parent	1,371,412	618,035	196,990	638,011	114,783	303,890	(624,856)	(497,098)	1,058,329	1,062,838
Non-Controlling Interests	220,108	53,608	31,722	56,281	19,515	131,726	-	-	271,345	241,616
	<b>1,591,520</b>	<b>671,643</b>	<b>228,712</b>	<b>694,292</b>	<b>134,298</b>	<b>435,616</b>	<b>(624,856)</b>	<b>(497,098)</b>	<b>1,329,674</b>	<b>1,304,454</b>

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## SEGMENTAL INFORMATION

Twelve Months Ended 31 March	Consumer Brands		Healthcare		Mobility		Others		Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
<b>Continuing Operation</b>										
<b>Revenue from Contract with Customers</b>										
Segmental Revenue - Gross	47,791,469	31,097,394	70,352,109	50,206,888	1,668,147	2,101,922	1,326,686	1,210,288	121,138,411	84,616,492
Intra Segmental Revenue	(196,573)	(336,073)	(5,682,848)	(4,036,830)	(26,389)	(29,662)	(146,774)	(143,904)	(6,052,584)	(4,546,469)
Segment Revenue	47,594,896	30,761,321	64,669,261	46,170,058	1,641,758	2,072,260	1,179,912	1,066,384	115,085,827	80,070,023
Inter Segmental Revenue	-	-	(1,742)	(80,911)	-	(117,717)	(1,144,511)	(1,040,545)	(1,146,253)	(1,239,174)
<b>Total Revenue from Contract with Customers</b>	<b>47,594,896</b>	<b>30,761,321</b>	<b>64,667,519</b>	<b>46,089,147</b>	<b>1,641,758</b>	<b>1,954,543</b>	<b>35,401</b>	<b>25,839</b>	<b>113,939,574</b>	<b>78,830,849</b>
<b>Results</b>										
<b>Segmental Results</b>										
Finance Cost	(1,459,049)	(242,624)	(2,212,257)	(375,607)	(93,242)	161,341	(344,996)	(29,361)	(4,109,544)	(486,251)
Finance Income	279,411	137,488	353,561	97,836	282,674	98,328	(4,253)	18,135	911,393	351,787
Change in Fair Value of Investment Properties	-	-	-	-	-	-	207,889	158,062	207,889	158,062
Share of Results of Equity Accounted Investees (Net of Tax)	-	-	-	-	40,861	29,288	(440,999)	(554,352)	(400,138)	(525,064)
<b>Profit/(Loss) before Tax</b>	<b>4,690,983</b>	<b>2,912,088</b>	<b>2,888,977</b>	<b>3,324,351</b>	<b>1,566,541</b>	<b>1,567,375</b>	<b>(1,381,501)</b>	<b>(1,155,635)</b>	<b>7,765,000</b>	<b>6,648,180</b>
Income Tax	(982,585)	(450,660)	(773,093)	(617,675)	(536,380)	(305,458)	(404,259)	(439,921)	(2,696,317)	(1,813,714)
<b>Profit/(Loss) for the Period</b>	<b>3,708,398</b>	<b>2,461,428</b>	<b>2,115,884</b>	<b>2,706,676</b>	<b>1,030,161</b>	<b>1,261,917</b>	<b>(1,785,760)</b>	<b>(1,595,556)</b>	<b>5,068,683</b>	<b>4,834,466</b>
<b>Attributable to:</b>										
Equity Holders of the Parent	3,248,568	2,225,579	2,036,132	2,647,593	769,915	970,937	(1,785,760)	(1,595,556)	4,268,855	4,248,553
Non-Controlling Interests	459,830	235,849	79,752	59,083	260,246	290,980	-	-	799,828	585,913
	3,708,398	2,461,428	2,115,884	2,706,676	1,030,161	1,261,917	(1,785,760)	(1,595,556)	5,068,683	4,834,466

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**SEGMENTAL INFORMATION**

As at	Consumer Brands		Healthcare		Mobility		Others		Group	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
<b>ASSETS</b>										
<b>Non-Current Assets</b>										
Property, Plant and Equipment	5,385,962	4,754,402	9,960,147	10,191,775	19,768	25,240	1,377,582	120,618	16,743,459	15,092,035
Right of Use Assets	138,474	206,882	787,451	905,345	54,992	82,986	14,179	82,211	995,097	1,277,424
Investment Property	2,100	-	-	-	-	-	5,389,105	4,878,462	5,391,205	4,878,462
Other Non Current Financial Assets	286,805	24,552	190,518	216,058	-	-	68,083	116,311	545,406	356,921
Other Non Current Assets	2,827,790	3,092,696	1,506,413	1,470,550	1,251,784	60,758	25,504,178	24,399,717	31,090,164	29,023,721
<b>Segmental Non Current Assets</b>	<b>8,641,131</b>	<b>8,078,532</b>	<b>12,444,529</b>	<b>12,783,728</b>	<b>1,326,544</b>	<b>168,984</b>	<b>32,353,127</b>	<b>29,597,319</b>	<b>54,765,331</b>	<b>50,628,563</b>
Deferred Tax Assets	-	-	-	-	-	-	-	-	87,366	85,621
Eliminations/Adjustments	-	-	-	-	-	-	-	-	(27,230,070)	(25,627,883)
<b>Total Non Current Assets</b>	<b>8,641,131</b>	<b>8,078,532</b>	<b>12,444,529</b>	<b>12,783,728</b>	<b>1,326,544</b>	<b>168,984</b>	<b>32,353,127</b>	<b>29,597,319</b>	<b>27,622,628</b>	<b>25,086,301</b>
<b>Current Assets</b>										
Other Current Financial Assets	53,324	21,470	1,170,435	1,078,275	130,145	1,768,669	2,156,945	1,340,158	3,510,849	4,208,572
Segmental Current Assets	23,285,127	16,977,985	43,161,913	28,344,685	3,849,990	6,306,967	1,971,950	1,587,577	72,268,980	53,217,214
Tax Recoverable	-	-	-	-	-	-	-	-	323,854	328,782
Eliminations/Adjustments	-	-	-	-	-	-	-	-	(5,228,429)	(6,533,199)
<b>Total Current Assets</b>	<b>23,338,451</b>	<b>16,999,455</b>	<b>44,332,348</b>	<b>29,422,960</b>	<b>3,980,135</b>	<b>8,075,636</b>	<b>4,128,895</b>	<b>2,927,735</b>	<b>70,875,255</b>	<b>51,221,369</b>
<b>Total Assets</b>	<b>31,979,582</b>	<b>25,077,987</b>	<b>56,776,877</b>	<b>42,206,688</b>	<b>5,306,679</b>	<b>8,244,620</b>	<b>36,482,022</b>	<b>32,525,054</b>	<b>98,497,883</b>	<b>76,307,670</b>
<b>Non Current Liabilities</b>										
Segmental Non Current Liabilities	820,398	539,075	5,425,320	3,601,560	80,285	100,806	800,574	110,822	7,126,577	4,352,263
Other Non-current Financial Liabilities	-	145	40	928	465	465	275,000	275,000	275,505	276,538
Deferred Tax Liability	-	-	-	-	-	-	-	-	2,901,176	1,723,527
Eliminations/Adjustments	-	-	-	-	-	-	-	-	(478,132)	(267,639)
<b>Total Non Current Liabilities</b>	<b>820,398</b>	<b>539,220</b>	<b>5,425,360</b>	<b>3,602,488</b>	<b>80,750</b>	<b>101,271</b>	<b>1,075,574</b>	<b>385,822</b>	<b>9,825,126</b>	<b>6,084,689</b>
<b>Current Liabilities</b>										
Segmental Current Liabilities	12,497,652	9,582,928	32,358,421	21,368,672	2,942,023	4,402,046	3,064,412	1,990,976	50,862,508	37,344,622
Income Tax Liability	-	-	-	-	-	-	-	-	969,224	805,053
Eliminations/Adjustments	-	-	-	-	-	-	-	-	(2,279,376)	(4,433,997)
<b>Total Current Liabilities</b>	<b>12,497,652</b>	<b>9,582,928</b>	<b>32,358,421</b>	<b>21,368,672</b>	<b>2,942,023</b>	<b>4,402,046</b>	<b>3,064,412</b>	<b>1,990,976</b>	<b>49,552,356</b>	<b>33,715,678</b>
<b>Total Liabilities</b>	<b>13,318,050</b>	<b>10,122,148</b>	<b>37,783,781</b>	<b>24,971,160</b>	<b>3,022,773</b>	<b>4,503,317</b>	<b>4,139,986</b>	<b>2,376,798</b>	<b>59,377,480</b>	<b>39,800,367</b>
<b>Total Segment Assets</b>	<b>31,979,582</b>	<b>25,077,987</b>	<b>56,776,877</b>	<b>42,206,688</b>	<b>5,306,679</b>	<b>8,244,620</b>	<b>36,482,023</b>	<b>32,525,054</b>	<b>130,545,160</b>	<b>108,054,349</b>
<b>Total Segment Liabilities</b>	<b>13,318,050</b>	<b>10,122,149</b>	<b>37,783,781</b>	<b>24,971,160</b>	<b>3,022,773</b>	<b>4,503,317</b>	<b>4,139,986</b>	<b>2,376,798</b>	<b>58,264,590</b>	<b>41,973,424</b>
<b>Other Segmental Information</b>										
Acquisition Cost of Property Plant and Equipment	493,651	403,908	844,819	1,046,183	7,749	52,167	73,511	28,981	1,419,730	1,531,239
Depreciation of Segmental Assets	421,168	361,173	706,138	563,813	12,219	85,984	80,408	80,888	1,219,933	1,091,858
Provision for Retirement Gratuity	80,634	69,190	109,687	94,123	6,191	7,822	17,910	14,925	214,422	186,059
Impairment/Amortization of Intangible Assets	11,289	5,264	38,811	36,983	208	2,494	26,079	31,803	76,387	76,543
Amortisation of Right-of-Use Assets	94,438	77,390	185,892	168,983	25,790	38,389	-	8,182	306,120	292,945

All values are in LKR'000, unless otherwise stated.  
The above figures are provisional and subject to audit.



## NOTES TO THE FINANCIAL STATEMENTS

### 1 Basis of Preparation

The condensed interim financial statements have been prepared in accordance with Sri Lanka Accounting Standard LKAS- 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 March 2022. Further, provisions of the Companies Act No. 7 of 2007 have been considered in preparing the interim financial statements.

The Management of the Group continues to monitor the potential impact on the performance due to the volatility in interest rates, inflation and other factors that may affect future profitability adversely. Furthermore, Management is currently not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern.

### 2 Employee Share Option Scheme (ESOS)

#### (a) Employee Share Option Scheme (ESOS) - 2015

The Board of Directors, with the approval in principal of the Colombo Stock Exchange, and authorised by the shareholders at an Extraordinary General Meeting dated 10 April 2015, to create an Employee Share Option Scheme (ESOS) to offer 13,900,000 ordinary shares being 2.4% of the total number of shares in issue to Executive Directors and Senior Executives of the Company and its Subsidiaries whom the Board deems to be eligible to be awarded the shares.

Accordingly the options were granted to the Executive Directors and Senior Executives of the Company and its subsidiaries as follows,

	Date Of Grant	No of Shares Granted	Grant Price (LKR)	Vesting Period	No of Shares Vested	Exercise Period
<b>Grant 1</b>	27.07.2015	3,053,750	82.00	1 Year	2,574,423	3 Years
<b>Grant 2</b>	27.07.2016	3,008,750	87.50	1 Year	2,421,867	3 Years
<b>Grant 3</b>	27.07.2017	3,420,000	149.50	1 Year	2,034,796	3 Years
<b>Grant 4</b>	27.07.2018	3,491,250	108.81	1 Year	2,032,822	3 Years
<b>Grant 5</b>	27.07.2019	4,115,000	69.00	1 Year	2,204,212	3 Years
<b>Grant 6</b>	27.07.2020	2,630,758	60.00	1 Year	1,924,065	3 Years

Under the Group's Employee Share Option Scheme (ESOS), share options of the parent are granted to executives of the Group/ Company generally with more than 12 months of service. The exercise price of the share options is equal to the 30 day volume weighted average market price of the underlying shares on the date of grant. The share options vested after period of one year from the date of grant and it depends on the performance criteria and time criteria. The fair value of the share options is estimated at the grant date using the Black Scholes option pricing model taking into account the terms and conditions upon which the share options were granted.

The exercise period for each option granted is three years. There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options.

#### (b) Employee Share Option Scheme (ESOS) - 2021

The Board of Directors, with the approval in principal of the Colombo Stock Exchange, and authorised by the shareholders at an Extraordinary General Meeting dated 30 June 2021, to create an Employee Share Option Scheme (ESOS) to offer 13,500,000 ordinary shares being 2.26% of the total issued and fully paid ordinary voting shares of the Company. The ESOS 2021 is applicable to Eligible Employees, who are employees of a company in the Hemas Group (i.e. the Company and subsidiaries of the Company as identified by the Board whose employees are eligible to participate in the Scheme)

The Grant Period under the ESOS 2021 shall commence on 20 July 2021 and end on 19 July 2026

	Date Of Grant	No of Shares Granted	Grant Price (LKR)	Vesting Period	No of Shares Vested	Exercise Period
<b>Grant 1</b>	20.07.2021	3,538,112	82.46	1 Year	1,156,726	5 Years
<b>Grant 2</b>	20.07.2022	3,071,647	43.84	1 Year	N/A	5 years

### 3 Surcharge Tax

As per the Surcharge Tax Act No. 14 of 2022, each company of a group of companies, of which the aggregate of the taxable income of all subsidiaries and the holding company in that Group of companies that have earned a taxable income in excess of LKR 2,000 million for the year of assessment 2020/2021 is liable for a surcharge tax at the rate of 25% on the taxable income of each entity within that group. As a result, the Group and the Company have been identified as having respective surcharge tax liabilities of LKR 1.6 Bn and LKR 11.6 Mn.

Based on the Addendum to Statement of Alternative Treatment (SoAT) issued by The Institute of Chartered Accountants of Sri Lanka on the 10 August, 2022, the surcharge tax has been recognised as an opening adjustment to the equity as of 1 April 2022 in the statement of Changes in Equity.

The following would have been the impact of the surcharge tax under the Surcharge Tax Act on the opening balances of the period:

Total Equity	Group	Company
Balance as at 1 April 2022	36,507,303	16,719,845
Surcharge Tax Expense	(1,668,331)	(11,627)
<b>Adjusted balance as at 1 April 2022</b>	<b>34,838,972</b>	<b>16,708,218</b>

### 4 Hemas Holdings PLC invested LKR 663.3Mn in Ecopower (Pvt) Ltd, a newly incorporated fully owned subsidiary to invest in facilitating solar power electricity generation across the Group companies in line with Group's ESG agenda.

### 5 Events After The Reporting Date

The Board of Directors of the Company has declared a final dividend of LKR 1.95 per share for the financial year ended 31 March 2023 as required by section 56(2) of the companies Act No 07 of 2007, the Board of Directors has confirmed that the Company satisfies the solvency test in accordance with section 57 of the companies Act No. 07 of 2007, and has obtained a certificate from the Auditors, prior to declaring the final dividend which is to be paid on or before 24 July 2023.

In accordance with the Sri Lanka Accounting Standard (LKAS 10) - Events after the reporting date, the final dividend has not been recognised as a liability in the Financial Statements as at 31 March 2023.

### 6 There have been no significant changes in the nature of the contingent liabilities which were disclosed in the Audited Financial Statements for the year ended 31 March 2022.

## INVESTOR INFORMATION

	Three Months Ended 31 March	
	2023	2022
<b>Market Value of Shares</b>		
Closing Price on 31 March (LKR)	65.00	46.20
Last Traded Price on 31 March (LKR)	65.00	45.70
Highest Price During the Period (LKR)	68.40	77.80
Lowest Price During the Period (LKR)	56.00	45.40
Market Capitalisation on 31 March (LKR Mn)	38,775	27,560
<b>Ratios</b>		
Net Asset Per Share on 31 March (LKR)	64.38	59.66
Price Earnings Ratio on 31 March (Times)	36.64	25.93
<b>Share Trading</b>		
No of Transactions During the Period	3,504	50,317
No of Shares Traded During the Period	31,575,702	114,525,195
Value of Shares Traded During the Period (LKR. Mn)	1,996	8,262
<b>Number of Shares</b>	<b>596,546,025</b>	596,546,025

## SHARE INFORMATION

List of 20 Major Shareholders as at 31 March	2023		2022	
	No. of Shares	%	No. of Shares	%
1 A Z Holdings (Pvt) Ltd.	94,092,305	15.77	94,092,305	15.77
2 Amagroup (Pvt) Ltd.	91,427,333	15.33	91,427,333	15.33
3 Saraz Investments (Pvt) Ltd.	89,565,277	15.01	89,565,277	15.01
4 Blueberry Investments (Pvt) Ltd.	88,927,940	14.91	88,927,940	14.91
5 Citibank Newyork S/A Norges Bank Account 2	18,829,504	3.16	7,146,662	1.20
6 BBH-Kopernik Global All Cap Fund	16,019,905	2.69	16,019,905	2.69
7 BBH-Kopernik Global All Cap Equity Fund	12,263,194	2.06	12,263,194	2.06
8 J.B. Cocoshell (Pvt) Ltd	8,784,879	1.47	1,280,997	0.21
9 Rubber Investment Trust Ltd Account 1	7,339,008	1.23	7,543,333	1.26
10 Mr. I.A.H. Esufally	7,086,284	1.19	7,086,284	1.19
11 BBH - Tundra Sustainable Frontier Fund	7,001,928	1.17	4,001,928	0.67
12 Mr. M.A.H. Esufally	6,164,633	1.03	6,164,633	1.03
13 Mr. H.H. Abdulhusein	5,500,000	0.92	5,500,000	0.92
14 Mellon Bank N.A-United Technologies CORP	5,488,757	0.92	5,488,757	0.92
15 Mr. M.J.Fernando	5,448,160	0.91	5,448,160	0.91
16 CB London s/a Verdipapirfondet Holberg Rurik	5,289,130	0.89	5,289,130	0.89
17 Invenco Capital (Pvt) Ltd	3,997,109	0.67	96,868	0.02
18 Ceylon Investment PLC Account 2	3,706,719	0.62	6,450,208	1.08
19 Jpmse Lux-Franklin Templeton Investment Funds	3,381,145	0.57	-	-
20 BBH - Kopernik Global All-Cap Master Fund	3,252,575	0.55	3,252,575	0.55

Directors' Shareholding as at 31 March	2023	2022
	No. of Shares	No. of Shares
<b>DIRECTORS' INDIRECT SHAREHOLDING</b>		
A Z Holdings (Pvt) Ltd.	94,092,305	94,092,305
Amagroup (Pvt) Ltd.	91,427,333	91,427,333
Saraz Investments (Pvt) Ltd.	89,565,277	89,565,277
Blueberry Investments (Pvt) Ltd.	88,927,940	88,927,940
<b>DIRECTORS' DIRECT SHAREHOLDING</b>		
Mr. H.N. Esufally (Chairman)	2,291,640	2,291,640
Dr. S.A.B Ekanayake (Deputy Chairman)	-	-
Ms. K.C. Wilson (CEO)	-	-
Mr. A.N. Esufally	167,353	2,617,353
Mr. I.A.H. Esufally	7,086,284	7,086,284
Mr. M. A. H. Esufally	6,164,633	6,164,633
Mr. A.S. Amaratunga	-	-
Mr. J. M Trivedi	-	-
Mr.P. Subasinghe	-	-
Mr Ranil Pathirana	-	-
	<b>379,722,765</b>	<b>382,172,765</b>

Public Holding as at 31 March	2023	2022
Issued Share Capital (No. of Shares)	596,546,025	596,546,025
Public Holding as a % of Issued Share Capital	35.08%	35.08%
Total Number of Shareholders	8,560	9,188
Number of Shareholders representing the Public Holding	8,544	9,204

### Minimum Public Holding Requirement as per Listing Rules 7.13.1

Minimum Public Holding as at 31 March 2023	Float Adjusted Market Capitalisation - (LKR)	Public Holding Percentage	No of Shareholders	Option
	13,602,442,462	35.08%	8,544	1

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## CORPORATE INFORMATION

### Legal Form

A limited Liability Company incorporated in Sri Lanka and listed on the Colombo Stock Exchange on 15th October 2003.

### Date of Incorporation

10 December 1948

### Date of Registration

30 May 2007

### Company Registration Number

PQ 6

### Accounting year end

31 March

### Registered Office

Hemas House  
No. 75, Braybrooke Place,  
Colombo 2.

### Website

www.hemas.com

### Telephone

+ 94 11 4731731

### Auditors

Ernst & Young  
Chartered Accountants  
No. 201, De Saram Place, Colombo 10.

### Directors

Husein Esufally (Chairman)  
Dr. Anura Ekanayake (Deputy Chairman) - Appointed w.e.f 01 January 2023.  
Kasturi Chellaraja Wilson (CEO)  
Abbas Esufally  
Imtiaza Esufally  
Murtaza Esufally  
Amitha Saktha Amaratunga  
Jyotindra Manibhai Trivedi  
Prabhash Subasighe  
Ranil Pathirana - Appointed w.e.f 01 January 2023.

### Secretaries

Hemas Corporate Services (Pvt) Ltd.  
No.75, Braybrooke Place, Colombo 02.  
Telephone: +94 11 4731731 (hunting)  
Facsimile: +94 11 4731777

### Registrars

SSP Corporate Services (Pvt) Ltd.  
No. 101, Inner Flower Road, Colombo 03.  
Telephone: +94 11 2573894, +94 11 2576871  
Email: sspsec@sltnet.lk

### Lawyers to the Company

Group Legal  
Hemas Holdings PLC  
Hemas House, No 75, Braybrooke Place,  
Telephone: +94 11 4731731

### Investor Relations

Hemas Holdings PLC  
Hemas House, No 75, Braybrooke Place,  
Colombo 2  
Telephone: +94 11 4731731  
Email: ir@hemas.com

### Bankers

Commercial Bank of Ceylon PLC  
Deutsche Bank AG  
The Hongkong & Shanghai Banking Corp. Ltd.  
Hatton National Bank PLC  
Standard Chartered Bank  
Nations Trust Bank PLC  
People's Bank  
National Development Bank PLC  
Sampath Bank PLC  
DFCC Bank PLC  
Citi Bank N.A.  
Bank of Ceylon