

*A world of*  
POSSIBILITIES

## Financial Year 2023/24 – First Nine Months Performance

### Chief Executive Officer's Review

Amidst the backdrop of relatively stable operating conditions in the domestic economy, Hemas Holdings PLC (HHL) demonstrated a steady performance in the first nine months of the financial year 2023/24, achieving a cumulative revenue growth of 10.3 percent amounting to Rs. 90.2 billion. Operating profits for the period mirrored the revenue growth, reaching Rs. 8.8 billion, while earnings experienced a 41.2 percent increase, posting a total of Rs. 4.5 billion.

During the quarter, Group revenue witnessed a marginal increase of 4.9 percent standing at Rs. 31.2 billion. However, strong contribution from the Learning Segment due to seasonality effect and the positive impact of efficiency improvement initiatives resulted in operating profit and earnings registering growth of 19.6 percent and 126.6 percent, reaching Rs. 3.9 billion and Rs. 2.2 billion, respectively.

### Operating Environment

Sri Lanka witnessed a gradual economic turnaround, marked by favourable shifts in key indicators. The Gross Domestic Product (GDP) for the third quarter achieved positive growth at 1.6 percent, ending a streak of consecutive negative quarters since the onset of 2022. Throughout the period, the exchange rate remained relatively stable, and the Average Weighted Prime Lending Rate (AWPLR), which was over 28 percent last year, has now reduced to below 12 percent. Furthermore, the external sector of the economy demonstrated optimistic developments, including a rise in tourist arrivals and an improved balance in the Current Account.

Despite the positive developments in the operating environment, consumer spending remained low due to substantial inflationary pressure. Although September 2023 marked a historic low in inflation growth, it is crucial to note that while this percentage denotes the lowest growth in recent history, the calculation is grounded on an already elevated base.

### Consumer Brands

During the third quarter, there was a surge in demand across the industry attributable to the festive season; however, it did not reach the anticipated levels due to increased pressure on purchasing power of the consumers. Despite these challenges, modern trade channels exhibited a higher offtake compared to general trade channels with improved footfall to supermarkets during the period. Prices exhibited a gradual stabilisation characterised by comparatively minimal fluctuations in comparison to the preceding quarters.

With the commencement of the pre-school season in January 2024 and the imminent commencement of the back-to-school season in February 2024, the stationery industry performance remained significantly influenced by seasonal stocking across both essential and non-essential categories. Under relatively lower prices, intense competition unfolded across all three segments: mass, value-for-money and premium. Consumers, amidst inflationary pressure remained price sensitive, resulting in a tendency to strategically phase out their purchases.

LKR Mn	Quarterly Financial Snapshot		
	FY24 Q3	Vs FY23 Q3	Vs FY24 Q2
Consumer Brands	15,433.1	13.2%	34.0%
Healthcare	15,326.0	-2.7%	-14.4%
Mobility	460.4	19.8%	22.4%
Other	3.2	462.1%	-83.9%
<b>Revenue</b>	<b>31,222.7</b>	<b>4.9%</b>	<b>4.7%</b>
<b>Gross Profit</b>	<b>9,851.3</b>	<b>23.5%</b>	<b>13.8%</b>
Gross Profit Margin	31.6%	4.8pt	2.5pt
<b>EBITDA</b>	<b>4,288.6</b>	<b>19.1%</b>	<b>35.2%</b>
EBITDA Margin	13.74%	1.6pt	3.1pt
<b>Operating Profit</b>	<b>3,868.5</b>	<b>19.6%</b>	<b>39.8%</b>
Operating Profit Margin	12.4%	1.5pt	3.1pt
Net Interest Cost	(515.6)	-57.1%	-32.4%
Income Tax Expenses	(1,055.5)	23.6%	45.3%
<b>Earnings</b>	<b>2,220.1</b>	<b>126.6%</b>	<b>82.0%</b>

The challenges in the economic landscape of Bangladesh were worsened by the prolonged inflationary pressure driven by soaring food inflation, concurrent political turmoil, timed with the parliamentary election held in January 2024.

The Consumer Brands Sector posted a cumulative revenue growth of 17.1 percent to reach Rs. 38.0 billion driven by the increased performance of the businesses amidst relatively stable operating conditions. Further to the revenue growth, improved product mix, cost-saving initiatives and lower finance costs resulted in the operating profit and earnings growing by 54.8 percent and 117.2 percent, reaching Rs. 5.7 billion and Rs. 4.1 billion, respectively.

The revenue for the quarter witnessed a growth of 13.2 percent to reach Rs. 15.4 billion while the operating profits reported a growth of 73.8 percent due to improved performance of the Home and Personal Care Business and the seasonality impact of the Learning Segment. Amidst the increase in operating profits, lower finance costs and the impact of reduced NCI, earnings for the period reached Rs. 2.1 billion posting a growth of 179.2 percent for the quarter.

#### *Home and Personal Care*

During the quarter, the Home and Personal Care business strategically intensified its emphasis on the personal care segment, yielding a notable surge in market share and enhanced performance within the category. The heightened focus on target market segments coupled with increased concentration on value propositions, empowered Hemas to outperform the market resulting in volume-led growth for key categories, including baby soap, oral care, and shampoo. While both the general and modern trade channels experienced volume growth, the modern trade channel exhibited a superior growth trajectory during the quarter. Sustaining ongoing investments in the beauty space, 'Prasara' continued to witness significant traction in the market.

#### *Learning Segment*

Leveraging seasonal offtake, 'Atlas' sustained its market-leading position in the mass market while simultaneously expanding market share in the newly entered premium and value-for-money segments. In line with the brand's purpose of 'making learning fun', multiple digital efforts were undertaken to create a unique and novel Point-of-Difference (POD) in a highly commoditised mass segment, positively contributing to the brand value and the overall performance.

#### *Consumer Brands International*

Despite persistent inflation and the contraction in the value-added hair oil (VAHO) market, 'Kumarika' increased its market share marginally in the VAHO segment. Recent launches in the value-for-money verticals and the pure coconut oil market gained significant traction during the quarter, contributing over 10 percent to the overall revenue of the Bangladesh Business. The introduction of the personal care brand 'Actiseef' a few years ago, as an initiative to mitigate single-brand concentration, has proven to be a substantial contributor to the topline.

During the quarter, 'Atlas' continued to focus on the East African market while increased focus in the Middle Eastern region resulted in repeat orders for 'Kumarika,' leading to a notable revenue contribution from the export segment.

#### **Healthcare**

Sri Lanka continued to face a web of interconnected health challenges, ranging from unresolved and persistent drug shortages, substandard medicines, unregulated importation, to the migration of healthcare workers. Amid reduced purchasing power, the pharmaceutical industry continued to witness a market shift towards low-quality, low-price variants, exerting pressure on volumes. Instability within the National Medicines Regulatory Authority (NMRA) resulted in delays in new product registrations and the acceptance of buyback orders by the The Medical Supplies Division (MSD), amplifying challenges for the pharmaceutical industry at large.

The Healthcare Sector posted a cumulative revenue of Rs. 50.9 billion, a growth of 6.1 percent while the operating profit for the period stood at Rs. 3.7 billion with a degrowth of 4.2 percent. Despite the increase in revenue, the decline in operating profit is due to the one-off adverse impact from NMRA price reduction on distributor inventory and inflationary pressure on overheads. Consequently, earnings decreased by 6.8 percent, reaching Rs. 1.7 billion, despite the increase in revenue and lower net finance costs.

During the quarter, the Sector revenue declined by 2.7 percent, reaching Rs. 15.3 billion, while the operating profit contracted by 25.1 percent, amidst increased overheads to reach Rs 1.0 billion. Attributed to lower finance costs resulting from working capital management initiatives and reduced interest rates, the earnings of Rs. 482.0 million posted a growth of 16.9 percent.

### *Pharmaceuticals*

During the quarter, the Pharmaceutical Distribution Business witnessed volume-led growth outperforming the market in many key therapeutic segments. Multiple working capital initiatives resulted in approximate 50 percent reduction in finance cost for the Business arising from the combined effect of working capital base reduction and interest rate reduction. Over 20 new products were introduced to the market during the quarter in critical spaces including oncology, gastroenterology and cardiology.

The Pharmaceutical Manufacturing Business faced challenges with delayed registration of new products at NMRA for its primary focus area; Morison Branded Generics. Despite the slowdown in new registrations, branded portfolio continued to deliver robust performance, with 'Empamor' reclaiming its market-leading position in volume terms. Capacity utilisation levels at the 'Homagama' factory were maintained at over 50 percent with improved operational efficiencies.

### *Hospitals*

Hospitals Business delivered strong performance for the period with double-digit growth in surgical revenue and in-patient revenue under elevated occupancy levels at both the hospitals. Increased focus on anchor specialties including nephrology, cardiology gastroenterology and orthopaedic segments yielded significant revenue growth in these areas.

Hemas Ambulatory Surgical Care was introduced during the quarter, a pioneering service designed to transform the way Sri Lankans experience surgical procedures. It adopts a unique patient-centric approach to improve convenience and cost-effectiveness, enabling patients to return home on the same day of the surgery and recover faster, better, and more comfortably.

### **Mobility**

Despite the marginal recovery observed in merchandise exports towards the latter months of the quarter and the 6.3 percent growth in total throughput witnessed during the nine month period at the Port of Colombo, the Maritime Sector continued to witness challenges in both domestic and international spaces. The increased tensions in the Suez Canal have compelled vessels to redirect their routes around the southern tip of Africa, resulting in an extended journey duration of 10-14 days with many being rerouted via the Port of Colombo. Aviation space continued to witness challenges during the period in both passenger and Cargo verticals. However, both segments witnessed improved volume recovery during the quarter, with increased tonnage uplift for cargo, while the passenger vertical gained traction due to heightened student and labour traffic to Europe and the Middle East, respectively

The Mobility Sector witnessed a marginal decline in cumulative revenue to reach Rs. 1.3 billion, while the cumulative operating profit and earnings stood at Rs. 751.2 million and Rs. 402.6 million respectively, posting a decline of over 35 percent due to the adverse impact of lower freight rates and the appreciation of the domestic currency.

During the quarter, the Sector posted a revenue of Rs. 460.4 million, a growth of 19.8 percent mainly due to increased volume from seasonal cargo. The revenue growth was fully translated to operating profits, recording a growth rate of 20.2 percent at Rs. 279.6 million, while earnings for the period reached Rs. 144.2 million at a growth rate of 53.4 percent with lower tax expenses.

### **Leading with ESG**

Hemas marked 75 years of enriching Sri Lankan families' lives by investing in the country's future. The Hemas x Hatch Slingshot, a three year corporate innovation programme supporting 75 startups, is a testament to the Group's commitment to fostering a new ecosystem in Sri Lanka, with businesses contributing to essential infrastructure, knowledge, and capital. By supporting startups, the Group plays a crucial role in shaping an innovative and thriving future for Sri Lanka while delivering solutions that empower families.

The collaboration with Lanka Sathosa for the introduction of an eco-bag initiative is a part of the Group's commitment to address plastic pollution in Sri Lanka. By encouraging and incentivising consumers to adopt eco-friendly practices, the Group aims to reshape consumption habits and foster a healthier environment.

The Hemas Consumer power brand Baby CheraMy joined forces with Sri Lanka College of Paediatricians to address the pressing issue of child injuries and launched a guide booklet focused on educating parents on prevention of home accidents. In response to the escalating violence against children in recent years, Hemas Outreach Foundation partnered with Sri Lanka College of Paediatricians and the National Secretariat for Early Childhood Development to launch the first-ever nationwide campaign aimed at empowering and educating preschool children to safeguard themselves against abuse.

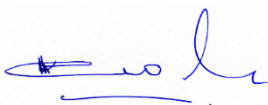
In addition, the Group continued to address the needs of the communities through its social initiatives, focusing on empowering families and promoting inclusivity, equality, and diversity. The Group initiatives impacted over 62,000 families across the island, reinforcing the Group's commitment to being a catalyst for positive change in the communities it serves.

## Outlook

While the broader macro economy has shown a turnaround, the consumer disposable income continues to be hampered amid multiple adjustments to direct and indirectly taxes and inflationary pressure. Revisions to the prices of basic utilities such as electricity tariffs, coupled with recent changes to VAT laws, have exacerbated the situation for the general population. While these modifications have played a key role in the efforts of economic revival, they have simultaneously posed difficulties for the average citizen, creating a complex economic landscape with both promising and challenging aspects. Hemas cognisant of these challenges persisting in the upcoming quarters, remains confident in its capability to navigate the headwinds and sustain resilience.

In line with its purpose, the Group and its subsidiaries will continue to adapt a consumer centric approach in which meeting the ever evolving needs to the consumers would be an integral part. High emphasis will be made on both organic and inorganic growth within our core focus areas to exploit opportunities in Consumer Brands and Healthcare spaces. The Consumer Businesses will focus on championing local ingredients, cultivating purpose-driven brands and expanding in to international spaces. Simultaneously, the Healthcare Sector will prioritise ensuring availability, developing a Sri Lankan pharmaceutical brand and facilitating access to quality healthcare. Fostering a culture that empowers employees, Hemas will persist in nurturing talent across the Group while collaborating with our business partners to create long term value.

As my tenure as the Group Chief Executive Officer concludes on March 31, 2024, I want to express my heartfelt gratitude to the Hemas team for their focused efforts in navigating the pandemic and for standing with me during one of the toughest operating landscapes Sri Lanka has ever witnessed. Furthermore, I extend my deep appreciation to the Board for their unwavering belief in me and for providing continuous support and guidance. I have full confidence in the team's ability to drive the company to greater heights and extend my best wishes for the Group's continued success in the years to come.



**Kasturi C. Wilson**

**Group Chief Executive Officer**

**February 7, 2024**

**Colombo**

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Three Months Ended 31 December			Nine Months Ended 31 December		
	2023	2022	Change %	2023	2022	Change %
<b>Continuing Operations</b>						
<b>Revenue from Contracts with Customers</b>	<b>31,222,706</b>	29,770,003	4.9%	<b>90,173,528</b>	81,730,161	10.3%
Cost of Sales	(21,371,417)	(21,795,487)	-1.9%	(63,812,002)	(59,823,499)	6.7%
<b>Gross Profit</b>	<b>9,851,289</b>	7,974,516	23.5%	<b>26,361,526</b>	21,906,662	20.3%
Other Operating Income	133,998	240,963	-44.4%	504,130	861,978	-41.5%
Selling and Distribution Expenses	(2,272,380)	(2,348,524)	-3.2%	(6,867,674)	(6,186,398)	11.0%
Administrative Expenses	(3,814,348)	(2,632,928)	44.9%	(10,935,379)	(8,654,381)	26.4%
Share of Results of Equity Accounted Investees (Net of Tax)	(30,087)	740	-4165.8%	(274,248)	31,143	-980.6%
<b>Operating Profit</b>	<b>3,868,472</b>	3,234,767	19.6%	<b>8,788,355</b>	7,959,004	10.4%
Finance Cost	(691,449)	(1,415,730)	-51.2%	(2,561,510)	(2,760,707)	-7.2%
Finance Income	175,874	214,480	-18.0%	541,507	652,250	-17.0%
<b>Profit Before Tax</b>	<b>3,352,897</b>	2,033,517	64.9%	<b>6,768,352</b>	5,850,547	15.7%
Income Tax Expense	(1,055,468)	(854,064)	23.6%	(2,067,649)	(2,111,538)	-2.1%
<b>Profit for the Period</b>	<b>2,297,429</b>	1,179,453	94.8%	<b>4,700,703</b>	3,739,009	25.7%
<b>Attributable to:</b>						
Equity Holders of the Parent	2,220,061	979,762	126.6%	4,533,427	3,210,526	41.2%
Non-Controlling Interests	77,368	199,691	-61.3%	167,276	528,483	-68.3%
	<b>2,297,429</b>	1,179,453	94.8%	<b>4,700,703</b>	3,739,009	25.7%
	<b>LKR</b>	<b>LKR</b>		<b>LKR</b>	<b>LKR</b>	
<b>Earnings Per Share</b>						
Basic	3.72	1.64		7.60	5.38	
Diluted	3.72	1.64		7.60	5.38	
<b>Dividend Per Share</b>	<b>0.40</b>	0.40		<b>2.35</b>	2.35	

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 December		Nine Months Ended 31 December	
	2023	2022	2023	2022
Profit for the Period	2,297,429	1,179,453	4,700,703	3,739,009
<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	-	1,009	-	(5,109)
Exchange Differences on Translation of Foreign Operations	23,233	26,265	(33,033)	84,705
	23,233	27,274	(33,033)	79,596
<b>Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods (Net of Tax)</b>				
Net Profit /(Loss) on Financial Assets at FVOCI (Equity)	(510)	(206)	7,513	(16,150)
Income Tax Effect on Other Comprehensive Income	-	(336,673)	-	(336,673)
	(510)	(336,879)	7,513	(352,823)
<b>Other Comprehensive Income for the Period, Net of Tax</b>	22,723	(309,605)	(25,520)	(273,227)
<b>Total Comprehensive Income for the Period, Net of Tax</b>	2,320,152	869,848	4,675,183	3,465,782
<b>Attributable to:</b>				
Equity Holders of the Parent	2,242,784	703,653	4,507,907	2,973,817
Non-Controlling Interests	77,368	166,195	167,276	491,965
	2,320,152	869,848	4,675,183	3,465,782

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## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 31 December		As at 31 March
	2023	2022	2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	18,622,227	18,021,749	19,912,878
Investment Properties	3,739,720	2,100,161	2,310,150
Right-of-Use Assets	1,335,325	1,056,378	995,097
Intangible Assets	3,278,544	3,269,998	3,311,373
Investment in Equity Accounted Investees	427,484	11,831	702,063
Lease Receivables	58,446	106,199	122,186
Other Non-Current Financial Assets	197,999	168,805	181,515
Deferred Tax Asset	240,152	68,368	87,366
	<b>27,899,897</b>	<b>24,803,489</b>	<b>27,622,628</b>
<b>Current Assets</b>			
Inventories	25,845,303	29,180,263	28,602,360
Trade and Other Receivables	29,983,847	28,303,054	25,456,335
Tax Recoverable	281,835	453,153	323,854
Lease Receivables	37,411	31,836	22,761
Other Current Financial Assets	197,973	124,767	139,171
Cash and Cash Equivalents	13,912,652	10,842,305	16,330,774
	<b>70,259,021</b>	<b>68,935,378</b>	<b>70,875,255</b>
<b>Total Assets</b>	<b>98,158,918</b>	<b>93,738,867</b>	<b>98,497,883</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Stated Capital	7,783,875	7,776,111	7,776,111
Other Capital and Revenue Reserves	123,141	160,764	119,164
Other Components of Equity	6,516,115	4,209,400	6,541,635
Retained Earnings	26,485,966	23,465,648	23,967,649
<b>Equity Attributable to Equity Holders of the Parent</b>	<b>40,909,097</b>	<b>35,611,923</b>	<b>38,404,559</b>
Non-Controlling Interests	696,671	637,736	715,842
<b>Total Equity</b>	<b>41,605,768</b>	<b>36,249,659</b>	<b>39,120,401</b>
<b>Non-Current Liabilities</b>			
Interest-Bearing Loans and Borrowings	6,645,466	3,981,392	5,449,482
Other Non-Current Financial Liabilities	275,505	275,508	275,505
Deferred Tax Liability	2,642,539	2,376,764	2,901,176
Employee Benefit Liability	1,255,848	1,035,624	1,198,963
	<b>10,819,358</b>	<b>7,669,288</b>	<b>9,825,126</b>
<b>Current Liabilities</b>			
Trade and Other Payables	29,779,150	27,240,331	29,625,732
Income Tax Liabilities	1,277,735	1,157,256	969,224
Other Financial Liabilities	-	2,483,641	2,949,482
Interest-Bearing Loans and Borrowings	12,693,660	13,922,030	11,739,284
Bank Overdraft	1,983,247	5,016,662	4,268,634
	<b>45,733,792</b>	<b>49,819,920</b>	<b>49,552,356</b>
<b>Total Equity and Liabilities</b>	<b>98,158,918</b>	<b>93,738,867</b>	<b>98,497,883</b>
<b>Net Assets per share - (LKR)</b>	<b>68.56</b>	<b>59.70</b>	<b>64.38</b>

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



**Moiz Rehmanjee**

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

February 07, 2024



**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 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	-	-	-	-	-	-	(1,548,727)	(1,548,727)	(119,604)	(1,668,331)
<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>21,657,005</b>	<b>34,039,059</b>	<b>799,913</b>	<b>34,838,972</b>
Profit for the Period	-	-	-	-	-	-	3,210,526	3,210,526	528,483	3,739,009
Other Comprehensive Income	-	-	(300,155)	84,705	(16,150)	(5,109)	-	(236,709)	(36,518)	(273,227)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>(300,155)</b>	<b>84,705</b>	<b>(16,150)</b>	<b>(5,109)</b>	<b>3,210,526</b>	<b>2,973,817</b>	<b>491,965</b>	<b>3,465,782</b>
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	-	930	-	-	-	-	-	930	-	930
Reclassification of Non-Controlling Interest to be Acquired	-	-	-	-	-	-	-	-	(211,342)	(211,342)
<b>As at 31 December 2022</b>	<b>7,776,111</b>	<b>160,764</b>	<b>4,073,508</b>	<b>726,879</b>	<b>(346,896)</b>	<b>(244,091)</b>	<b>23,465,648</b>	<b>35,611,923</b>	<b>637,736</b>	<b>36,249,659</b>
<b>As at 1 April 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>
Profit for the Period	-	-	-	-	-	-	4,533,427	4,533,427	167,276	4,700,703
Other Comprehensive Income	-	-	-	(33,033)	7,513	-	-	(25,520)	-	(25,520)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(33,033)</b>	<b>7,513</b>	<b>-</b>	<b>4,533,427</b>	<b>4,507,907</b>	<b>167,276</b>	<b>4,675,183</b>
Share Based Payments	-	3,977	-	-	-	-	-	3,977	-	3,977
Exercise of ESOS	7,764	-	-	-	-	-	-	7,764	-	7,764
Final Dividend -2022/23	-	-	-	-	-	-	(1,163,274)	(1,163,274)	-	(1,163,274)
Interim Dividend - 2023/24	-	-	-	-	-	-	(238,670)	(238,670)	-	(238,670)
Subsidiary Dividend to Non-Controlling Interest	-	-	-	-	-	-	-	-	(36,000)	(36,000)
Reclassification of Non-Controlling Interest to be Acquired	-	-	-	-	-	-	-	-	4,296	4,296
Fair Value Changes in Non-Controlling Interest to be Acquired	-	-	-	-	-	-	(464,909)	(464,909)	-	(464,909)
Adjustment in Respect of Changes in Group Holding	-	-	-	-	-	-	(148,257)	(148,257)	(154,743)	(303,000)
<b>As at 31 December 2023</b>	<b>7,783,875</b>	<b>123,141</b>	<b>6,845,833</b>	<b>489,578</b>	<b>(44,262)</b>	<b>(775,034)</b>	<b>26,485,966</b>	<b>40,909,097</b>	<b>696,671</b>	<b>41,605,768</b>

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## COMPANY STATEMENT OF PROFIT OR LOSS

	Three Months Ended 31 December			Nine Months Ended 31 December		
	2023	2022	Change %	2023	2022	Change %
<b>Revenue from Contracts with Customers</b>	287,252	245,654	16.9%	833,941	731,062	14.1%
Cost of Sales	-	-	-	-	-	-
<b>Gross Profit</b>	287,252	245,654	16.9%	833,941	731,062	14.1%
Other Operating Income	661	870	-24.1%	2,892	1,974,761	-99.9%
Administrative Expenses	(560,926)	(221,900)	152.8%	(1,330,217)	(983,383)	35.3%
<b>Operating Profit/(Loss)</b>	(273,013)	24,624	1208.7%	(493,384)	1,722,440	-128.6%
Finance Cost	(100,083)	(168,138)	-40.5%	(315,221)	(371,345)	-15.1%
Finance Income	6,146	73,051	-91.6%	63,521	159,008	-60.1%
<b>Profit/ (Loss) Before Tax</b>	(366,950)	(70,463)	-420.8%	(745,084)	1,510,103	-149.3%
Income Tax Expense	9,181	(69,144)	113.3%	(5,888)	(72,537)	91.9%
<b>Profit/ (Loss) for the Period</b>	(357,769)	(139,607)	-156.3%	(750,972)	1,437,566	-152.2%

## COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Three Months Ended 31 December		Nine Months Ended 31 December	
	2023	2022	2023	2022
Profit/ (Loss) for the Period	(357,769)	(139,607)	(750,972)	1,437,566
<b>Other Comprehensive Income</b>				
Net Gain/ (Loss) on Financial Assets at FVOCI	(306)	(42)	1,199	582
<b>Other Comprehensive Income for the Period, Net of Tax</b>	(306)	(42)	1,199	582
<b>Total Comprehensive Income for the Period, Net of Tax</b>	(358,075)	(139,649)	(749,773)	1,438,148

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## COMPANY STATEMENT OF FINANCIAL POSITION

	As at 31 December		As at 31 March
	2023	2022	2023
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	88,181	52,781	60,543
Investment Properties	1,065,305	851,300	1,065,305
Right-of-Use Assets	73,142	14,056	-
Intangible Assets	27,478	30,812	49,484
Investment in Subsidiaries	18,271,396	18,390,557	17,999,897
Other Non-Current Financial Assets	14,419	13,918	13,928
	<b>19,539,921</b>	<b>19,353,424</b>	<b>19,189,157</b>
<b>Current Assets</b>			
Trade and Other Receivables	432,853	762,902	1,026,689
Tax Recoverable	18,592	6,288	32,433
Other Current Financial Assets	1,207,033	1,072,883	536,063
Cash and Cash Equivalents	26,240	11,062	23,712
	<b>1,684,718</b>	<b>1,853,135</b>	<b>1,618,897</b>
<b>Total Assets</b>	<b>21,224,639</b>	<b>21,206,559</b>	<b>20,808,054</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Stated Capital	7,783,875	7,776,111	7,776,111
Other Capital and Revenue Reserves	344,492	382,115	340,515
Other Components of Equity	2,763	(293,037)	1,564
Retained Earnings	7,442,715	8,880,224	9,595,631
<b>Total Equity</b>	<b>15,573,845</b>	<b>16,745,413</b>	<b>17,713,821</b>
<b>Non-Current Liabilities</b>			
Interest-Bearing Loans and Borrowings	562,250	-	692,000
Deferred Tax Liability	228,587	190,727	239,951
Employee Benefit Liability	87,697	63,948	79,692
	<b>878,534</b>	<b>254,675</b>	<b>1,011,643</b>
<b>Current Liabilities</b>			
Trade and Other Payables	954,691	1,089,180	776,928
Income Tax Liabilities	-	20,804	-
Interest-Bearing Loans and Borrowings	3,702,653	2,204,660	570,240
Bank Overdraft	114,916	891,827	735,422
	<b>4,772,260</b>	<b>4,206,471</b>	<b>2,082,590</b>
<b>Total Equity and Liabilities</b>	<b>21,224,639</b>	<b>21,206,559</b>	<b>20,808,054</b>
<b>Net Assets per share - (LKR)</b>	<b>26.10</b>	<b>28.07</b>	<b>29.69</b>

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



**Moiz Rehmanjee**

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

February 07, 2024



**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 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	-	-	-	1,437,566	1,437,566
Other Comprehensive Income	-	-	582	-	582
<b>Total Comprehensive Income</b>	-	-	582	1,437,566	1,438,148
Share Based Payments	-	930	-	-	930
Final Dividend - 2021/22	-	-	-	(1,163,265)	(1,163,265)
Interim Dividend - 2022/23	-	-	-	(238,618)	(238,618)
<b>As at 31 December 2022</b>	<b>7,776,111</b>	<b>382,115</b>	<b>(293,037)</b>	<b>8,880,224</b>	<b>16,745,413</b>
<b>As at 1 April 2023</b>	7,776,111	340,515	1,564	9,595,631	17,713,821
Loss for the Period	-	-	-	(750,972)	(750,972)
Other Comprehensive Income	-	-	1,199	-	1,199
<b>Total Comprehensive Income</b>	-	-	1,199	(750,972)	(749,773)
Share Based Payments	-	3,977	-	-	3,977
Exercise of share options	7,764	-	-	-	7,764
Final Dividend -2022/23	-	-	-	(1,163,274)	(1,163,274)
Interim Dividend - 2023/24	-	-	-	(238,670)	(238,670)
<b>As at 31 December 2023</b>	<b>7,783,875</b>	<b>344,492</b>	<b>2,763</b>	<b>7,442,715</b>	<b>15,573,845</b>

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## STATEMENT OF CASH FLOWS

Nine Months Ended 31 December	Group		Company	
	2023	2022	2023	2022
<b>Operating Activities</b>				
Profit/(Loss) Before Taxation from Continuing Operations	6,768,352	5,850,547	(745,084)	1,510,103
<b>Adjustments for,</b>				
Depreciation	961,553	903,463	22,117	15,053
Amortisation of Right-of-Use Assets	197,065	178,920	43,885	42,167
(Gain) on Disposal of Property, Plant and Equipment, Investment Properties	(5,101)	(33,037)	(464)	(13,826)
Provision for Share Based Payment Expense	5,635	930	2,304	(948)
(Reversal)/ Provision for Impairment of Trade and Other Receivables	(58,472)	48,945	(18,105)	8,344
Provision for Obsolete Stocks	461,303	188,067	-	-
Amortisation of Intangible Assets	69,702	57,373	22,006	19,470
Impairment of Investment in Subsidiaries	-	-	80,000	-
Finance Cost	2,561,510	2,609,465	315,221	371,345
Finance Income	(541,507)	(501,008)	(63,521)	(159,008)
Share of Results of Equity Accounted Investees (Net of Tax)	274,248	(31,143)	-	-
Investment Income	-	-	(3)	(1,939,049)
Movement in Employee Benefit Liability	167,906	146,690	16,426	10,226
<b>Operating Cash Flows before Working Capital Changes</b>	<b>10,862,194</b>	<b>9,419,212</b>	<b>(325,217)</b>	<b>(136,123)</b>
<b>Working Capital Adjustments</b>				
(Increase)/Decrease in Inventories	2,295,754	(12,561,208)	-	-
(Increase)/Decrease in Trade and Other Receivables	(4,415,761)	(8,579,692)	616,287	(476,639)
Increase/(Decrease) in Trade and Other Payables	153,418	74,937	177,842	293,650
Increase/(Decrease) in Other Non-Current Financial Liabilities	-	(760)	-	-
<b>Cash Generated from Operations</b>	<b>8,895,605</b>	<b>(11,647,511)</b>	<b>468,912</b>	<b>(319,112)</b>
Finance Cost Paid	(2,415,093)	(2,511,586)	(306,728)	(369,698)
Finance Income Received	531,495	499,159	63,393	158,921
Income Tax Paid	(2,128,439)	(1,548,787)	(3,409)	(105,898)
Surcharge Tax Paid	-	(1,668,331)	-	(11,627)
Employee Retirement Benefit Paid	(111,161)	(103,406)	(8,499)	(12,785)
<b>Net Cash Flows From/(Used in) Operating Activities</b>	<b>4,772,407</b>	<b>(16,980,462)</b>	<b>213,668</b>	<b>(660,199)</b>
<b>Investing Activities</b>				
Purchase of Property, Plant and Equipment	(1,241,639)	(932,372)	(49,928)	(10,579)
Investment in Intangible Assets	(37,478)	(34,061)	-	-
Net Movement in Financial Assets	(18,403)	7,544	(671,150)	(1,071,750)
Dividend received from Equity Accounted Investees	-	104,400	-	-
Acquisition of /Investment in Subsidiaries	(3,410,096)	-	(351,500)	(798,000)
Investment Income Received	-	-	3	1,939,049
Proceeds on Disposal of Property, Plant and Equipment/ Intangible Assets / Leasehold Properties/ Investment Properties	69,099	79,169	637	19,000
<b>Net Cash Flows From/(Used in) Investing Activities</b>	<b>(4,638,517)</b>	<b>(775,320)</b>	<b>(1,071,938)</b>	<b>77,720</b>
<b>Financing Activities</b>				
Interest-Bearing Loans and Borrowings (Net)	1,467,031	12,272,636	2,877,142	1,014,070
Proceed from Exercise of ESOS	6,106	-	6,106	-
Proceeds from/to Non-Controlling Interest	(303,000)	-	-	-
Dividends Paid to Equity Holders of the Parent	(1,401,944)	(1,401,883)	(1,401,944)	(1,401,883)
Dividends Paid to Non-Controlling Interest	(36,000)	(442,800)	-	-
<b>Net Cash Flows From/(Used in) Financing Activities</b>	<b>(267,807)</b>	<b>10,427,953</b>	<b>1,481,305</b>	<b>(387,813)</b>
Net Increase/(Decrease) in Cash and Cash Equivalents	(133,917)	(7,327,829)	623,035	(970,292)
Net Foreign Exchange Difference	1,183	54,737	-	-
Cash and Cash Equivalents at the Beginning of the Period	12,062,139	13,098,735	(711,711)	89,527
<b>Cash and Cash Equivalents at the End of the Period</b>	<b>11,929,405</b>	<b>5,825,643</b>	<b>(88,676)</b>	<b>(880,765)</b>

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## SEGMENTAL INFORMATION

Three Months Ended 31 December	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	15,463,613	13,631,109	16,652,787	17,125,341	464,488	389,254	396,187	327,837	32,977,075	31,473,541
Intra Segmental Revenue	(30,532)	(3,154)	(1,326,834)	(1,367,761)	(4,053)	(4,792)	(46,746)	(37,150)	(1,408,166)	(1,412,857)
Segment Revenue	15,433,081	13,627,955	15,325,953	15,757,580	460,435	384,462	349,441	290,687	31,568,909	30,060,684
Inter Segmental Revenue	-	-	-	(570)	-	-	(346,203)	(290,111)	(346,203)	(290,681)
<b>Total Revenue from Contract with Customers</b>	<b>15,433,081</b>	<b>13,627,955</b>	<b>15,325,953</b>	<b>15,757,010</b>	<b>460,435</b>	<b>384,462</b>	<b>3,238</b>	<b>576</b>	<b>31,222,706</b>	<b>29,770,003</b>
<b>Results</b>										
<b>Segmental Results</b>										
Finance Cost	3,102,543	1,785,144	952,158	1,271,318	284,119	231,939	(440,261)	(54,374)	3,898,559	3,234,027
Finance Income	(216,864)	(585,403)	(408,310)	(715,162)	(3,446)	(2,022)	(62,827)	(113,143)	(691,449)	(1,415,730)
Share of Results of Equity Accounted Investees (Net of Tax)	58,466	64,861	86,600	101,877	24,707	45,484	6,100	2,258	175,874	214,480
	-	-	-	-	(4,511)	740	(25,576)	-	(30,087)	740
<b>Profit/(Loss) before Tax</b>	<b>2,944,145</b>	<b>1,264,602</b>	<b>630,448</b>	<b>658,033</b>	<b>300,869</b>	<b>276,141</b>	<b>(522,565)</b>	<b>(165,259)</b>	<b>3,352,897</b>	<b>2,033,517</b>
Income Tax	(815,877)	(347,707)	(126,688)	(247,390)	(102,076)	(135,636)	(10,827)	(123,331)	(1,055,468)	(854,064)
<b>Profit/(Loss) for the Period</b>	<b>2,128,268</b>	<b>916,895</b>	<b>503,760</b>	<b>410,643</b>	<b>198,793</b>	<b>140,505</b>	<b>(533,392)</b>	<b>(288,590)</b>	<b>2,297,429</b>	<b>1,179,453</b>
<b>Attributable to:</b>										
Equity Holders of the Parent	2,127,301	762,073	481,989	412,279	144,162	94,000	(533,392)	(288,590)	2,220,061	979,762
Non-Controlling Interests	967	154,822	21,771	(1,636)	54,630	46,505	-	-	77,368	199,691
	<b>2,128,268</b>	<b>916,895</b>	<b>503,760</b>	<b>410,643</b>	<b>198,792</b>	<b>140,505</b>	<b>(533,392)</b>	<b>(288,590)</b>	<b>2,297,429</b>	<b>1,179,453</b>

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## SEGMENTAL INFORMATION

Nine Months Ended 31 December	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	38,132,164	32,590,365	55,165,551	52,389,072	1,265,080	1,315,307	1,163,743	975,837	95,726,538	87,270,581
Intra Segmental Revenue	(123,524)	(130,724)	(4,277,972)	(4,432,464)	(17,688)	(18,311)	(135,096)	(108,558)	(4,554,280)	(4,690,057)
Segment Revenue	38,008,640	32,459,641	50,887,579	47,956,608	1,247,392	1,296,996	1,028,647	867,279	91,172,258	82,580,524
Inter Segmental Revenue	-	-	(4,088)	(1,384)	-	-	(994,641)	(848,979)	(998,729)	(850,363)
<b>Total Revenue from Contract with Customers</b>	<b>38,008,640</b>	<b>32,459,641</b>	<b>50,883,491</b>	<b>47,955,224</b>	<b>1,247,392</b>	<b>1,296,996</b>	<b>34,006</b>	<b>18,300</b>	<b>90,173,528</b>	<b>81,730,161</b>
<b>Results</b>										
<b>Segmental Results</b>										
Finance Cost	5,726,026	3,700,063	3,658,503	3,817,308	749,297	1,135,168	(1,071,224)	(724,678)	9,062,603	7,927,861
Finance Income	(564,727)	(1,043,338)	(1,745,606)	(1,500,322)	(18,935)	(7,741)	(232,240)	(209,306)	(2,561,510)	(2,760,707)
Share of Results of Equity Accounted Investees (Net of Tax)	180,172	194,062	275,337	244,293	86,432	209,170	(435)	4,725	541,507	652,250
Profit/(Loss) before Tax	-	-	-	-	1,939	31,143	(276,187)	-	(274,248)	31,143
<b>Profit/(Loss) before Tax</b>	<b>5,341,471</b>	<b>2,850,787</b>	<b>2,188,234</b>	<b>2,561,279</b>	<b>818,733</b>	<b>1,367,740</b>	<b>(1,580,086)</b>	<b>(929,259)</b>	<b>6,768,352</b>	<b>5,850,547</b>
Income Tax	(1,266,657)	(733,909)	(412,534)	(674,107)	(307,668)	(471,877)	(80,790)	(231,645)	(2,067,649)	(2,111,538)
<b>Profit/(Loss) for the Period</b>	<b>4,074,814</b>	<b>2,116,878</b>	<b>1,775,700</b>	<b>1,887,172</b>	<b>511,065</b>	<b>895,863</b>	<b>(1,660,876)</b>	<b>(1,160,904)</b>	<b>4,700,703</b>	<b>3,739,009</b>
<b>Attributable to:</b>										
Equity Holders of the Parent	4,077,503	1,877,156	1,714,191	1,839,142	402,609	655,132	(1,660,876)	(1,160,904)	4,533,427	3,210,526
Non-Controlling Interests	(2,689)	239,722	61,509	48,030	108,456	240,731	-	-	167,276	528,483
	4,074,814	2,116,878	1,775,700	1,887,172	511,065	895,863	(1,660,876)	(1,160,904)	4,700,703	3,739,009

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## SEGMENTAL INFORMATION

As at	Consumer Brands		Healthcare		Mobility		Others		Group	
	31.12.2023	31.03.2023	31.12.2023	31.03.2023	31.12.2023	31.03.2023	31.12.2023	31.03.2023	31.12.2023	31.03.2023
<b>ASSETS</b>										
<b>Non-Current Assets</b>										
Property, Plant and Equipment	5,460,691	5,385,962	9,859,110	9,960,147	27,492	19,768	309,633	1,377,582	15,656,926	16,743,459
Right of Use Assets	668,193	138,474	743,924	787,451	71,446	54,992	93,769	14,179	1,577,332	995,096
Investment Property	2,100	2,100	-	-	1,261,285	-	5,389,105	5,389,105	6,652,490	5,391,205
Other Non Current Financial Assets	43,820	286,805	135,889	190,518	-	-	76,616	68,083	256,325	545,406
Other Non Current Assets	6,220,396	2,827,790	1,513,192	1,506,413	1,253,683	1,251,784	25,477,402	25,504,178	34,464,675	31,090,165
<b>Segmental Non Current Assets</b>	<b>12,395,200</b>	<b>8,641,131</b>	<b>12,252,115</b>	<b>12,444,529</b>	<b>2,613,906</b>	<b>1,326,545</b>	<b>31,346,525</b>	<b>32,353,128</b>	<b>58,607,748</b>	<b>54,765,331</b>
Deferred Tax Assets									240,152	87,366
Eliminations/Adjustments									(30,948,003)	(27,230,070)
<b>Total Non Current Assets</b>	<b>12,395,200</b>	<b>8,641,131</b>	<b>12,252,115</b>	<b>12,444,529</b>	<b>2,613,906</b>	<b>1,326,545</b>	<b>31,346,525</b>	<b>32,353,128</b>	<b>27,899,897</b>	<b>27,622,628</b>
<b>Current Assets</b>										
Other Current Financial Assets	1,004,177	53,324	893,447	1,170,435	85,903	130,145	2,189,097	2,156,945	4,172,624	3,510,849
Segmental Current Assets	24,526,184	23,285,127	41,017,188	43,161,913	4,515,053	3,849,990	1,387,018	1,971,950	71,445,443	72,268,980
Tax Recoverable									281,836	323,854
Eliminations/Adjustments									(5,640,882)	(5,228,429)
<b>Total Current Assets</b>	<b>25,530,361</b>	<b>23,338,451</b>	<b>41,910,635</b>	<b>44,332,348</b>	<b>4,600,956</b>	<b>3,980,135</b>	<b>3,576,115</b>	<b>4,128,895</b>	<b>70,259,021</b>	<b>70,875,255</b>
<b>Total Assets</b>	<b>37,925,561</b>	<b>31,979,582</b>	<b>54,162,750</b>	<b>56,776,877</b>	<b>7,214,862</b>	<b>5,306,680</b>	<b>34,922,640</b>	<b>36,482,023</b>	<b>98,158,918</b>	<b>98,497,883</b>
<b>Non Current Liabilities</b>										
Segmental Non Current Liabilities	1,794,593	820,398	5,379,550	5,425,320	57,679	80,285	694,403	800,574	7,926,225	7,126,577
Other Non-current Financial Liabilities	-	-	40	40	465	465	275,000	275,000	275,505	275,505
Deferred Tax Liability									2,642,539	2,901,176
Eliminations/Adjustments									(24,911)	(478,132)
<b>Total Non Current Liabilities</b>	<b>1,794,593</b>	<b>820,398</b>	<b>5,379,590</b>	<b>5,425,360</b>	<b>58,144</b>	<b>80,750</b>	<b>969,403</b>	<b>1,075,574</b>	<b>10,819,358</b>	<b>9,825,126</b>
<b>Current Liabilities</b>										
Segmental Current Liabilities	13,630,052	12,497,652	28,744,521	32,358,421	3,159,751	2,942,023	4,928,052	3,064,412	50,462,376	50,862,508
Income Tax Liability									1,277,735	969,224
Eliminations/Adjustments									(6,006,319)	(2,279,376)
<b>Total Current Liabilities</b>	<b>13,630,052</b>	<b>12,497,652</b>	<b>28,744,521</b>	<b>32,358,421</b>	<b>3,159,751</b>	<b>2,942,023</b>	<b>4,928,052</b>	<b>3,064,412</b>	<b>45,733,792</b>	<b>49,552,356</b>
<b>Total Liabilities</b>	<b>15,424,645</b>	<b>13,318,050</b>	<b>34,124,111</b>	<b>37,783,781</b>	<b>3,217,895</b>	<b>3,022,773</b>	<b>5,897,455</b>	<b>4,139,986</b>	<b>56,553,150</b>	<b>59,377,482</b>
<b>Total Segment Assets</b>	<b>37,925,561</b>	<b>31,979,582</b>	<b>54,162,750</b>	<b>56,776,877</b>	<b>7,214,862</b>	<b>5,306,679</b>	<b>34,922,640</b>	<b>36,482,023</b>	<b>134,225,815</b>	<b>130,545,160</b>
<b>Total Segment Liabilities</b>	<b>15,424,645</b>	<b>13,318,050</b>	<b>34,124,111</b>	<b>37,783,781</b>	<b>3,217,895</b>	<b>3,022,773</b>	<b>5,897,455</b>	<b>4,139,986</b>	<b>58,664,106</b>	<b>58,264,590</b>
<b>Other Segmental Information</b>										
Acquisition Cost of property plant and equipment	521,960	493,651	468,295	844,819	18,313	7,749	233,071	73,511	1,241,639	1,419,730
Depreciation of segmental assets	339,457	421,168	536,677	706,138	13,220	12,219	72,199	80,408	961,553	1,219,933
Provision for Retiring Gratuity	60,007	80,634	81,455	109,687	6,077	6,191	20,367	17,910	167,906	214,422
Impairment/Amortization of Intangibles	19,232	11,289	28,341	38,811	40	208	22,089	26,079	69,702	76,387
Amortisation of Right-of-Use Assets	48,661	94,438	123,568	185,892	19,036	25,790	5,800	-	197,065	306,120

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 2023. Further, provisions of the Companies Act No. 7 of 2007 have been considered in preparing the interim financial statements.

Management is currently not aware of any material uncertainties that may cast significant doubt upon the Group's continuing performance.

### 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
Grant 1	27.07.2015	3,053,750	82.00	1 Year	2,574,423	3 Years
Grant 2	27.07.2016	3,008,750	87.50	1 Year	2,421,867	3 Years
Grant 3	27.07.2017	3,420,000	149.50	1 Year	2,034,796	3 Years
Grant 4	27.07.2018	3,491,250	108.81	1 Year	2,032,822	3 Years
Grant 5	27.07.2019	4,115,000	69.00	1 Year	2,204,212	3 Years
Grant 6	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
Grant 1	20.07.2021	3,538,112	82.46	1 Year	1,156,726	5 Years
Grant 2	20.07.2022	3,071,647	43.84	1 Year	927,454	5 years
Grant 3	20.07.2023	3,375,000	71.02	1 Year	N/A	5 years

### 3 Changes to the Group

Hemas Holdings PLC Group has acquired remaining stake (24.9%) of Atlas Axillia Company (Pvt) Ltd on 13 June 2023 for a total consideration of LKR 3.4Bn. Following the above transaction, Atlas Axillia Company (Private) Limited is now a wholly owned subsidiary of the Hemas Group.

Hemas Holdings PLC Group acquired further 4.0% stake of Hemas Hospitals (Pvt) Ltd on 19 July 2023 for a total consideration of LKR 303 Mn. Following the above transaction, Hemas Group now owns a total stake of 89.4% of Hemas Hospitals (Pvt) Ltd.

### 4 Events After The Reporting Date

There were no circumstances that have arisen since the reporting date, which would require adjustment to or disclosure in the financial statements.

5 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 2023.

## INVESTOR INFORMATION

	Three Months Ended 31 December	
	2023	2022
<b>Market Value of Shares</b>		
Closing Price on 31 December (LKR)	66.70	56.40
Last Traded Price on 31 December (LKR)	66.70	56.40
Highest Price During the Period (LKR)	79.00	63.50
Lowest Price During the Period (LKR)	66.50	51.00
Market Capitalisation on 31 December (LKR Mn)	39,798	33,645
<b>Ratios</b>		
Net Asset Per Share on 31 December (LKR)	68.56	59.70
Price Earnings Ratio on 31 December (Times)	6.58	7.86
<b>Share Trading</b>		
No of Transactions During the Period	2,536	3,264
No of Shares Traded During the Period	5,594,035	9,157,653
Value of Shares Traded During the Period (LKR. Mn)	398	518
<b>Number of Shares</b>	<b>596,672,617</b>	596,546,025

## SHARE INFORMATION

### List of 20 Major Shareholders as at 31 December

	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	15.32	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	14.90	88,927,940	14.91
5 Citibank Newyork S/A Norges Bank Account 2	18,322,898	3.07	11,510,345	1.93
6 BBH-Kopernik Global All Cap Fund	16,019,905	2.68	16,019,905	2.69
7 BBH-Kopernik Global All Cap Equity Fund	12,263,194	2.06	12,263,194	2.06
8 Mrs. R.G. Abdulhussein	10,000,000	1.68	-	-
9 J.B. Cocoshell (Pvt) Ltd	9,545,029	1.60	2,567,994	0.43
10 Rubber Investment Trust Ltd Account 1	7,339,008	1.23	7,932,332	1.33
11 BBH-Tundara Sustainable Frontier Fund	7,001,928	1.17	4,001,928	0.67
12 Pemberton Asian Opportunities Fund	6,000,000	1.01	2,587,229	0.43
13 Mr. H.H. Abdulhusein	5,799,000	0.97	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 Akbar Brothers (Pvt) Ltd	3,968,420	0.67	2,199,468	0.37
18 Invenco Capital (Private) Limited	3,939,978	0.66	-	-
19 Ceylon Investment PLC Account 2	3,706,719	0.62	5,456,719	0.91
20 BBH-Kopernik Global All Cap Master Fund	3,252,575	0.55	3,252,575	0.55

### Directors' Shareholding as at 31 December

	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	167,353
Mr. I.A.H. Esufally	2,086,284	7,086,284
Mr. M. A. H. Esufally	1,164,633	6,164,633
Mr. A.S. Amaratunga	-	-
Mr. J. M Trivedi	-	-
Mr.P. Subasinghe	-	-
Mr. Ranil Pathirana	-	-
	<b>369,722,765</b>	<b>379,722,765</b>

### Public Holding as at 31 December

	2023	2022
Issued Share Capital (No. of Shares)	596,672,617	596,546,025
Public Holding as a % of Issued Share Capital	36.77%	35.08%
Total Number of Shareholders	7,706	8,868
Number of Shareholders representing the Public Holding	7,690	8,852

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

	Float Adjusted Market Capitalisation - (LKR)	Public Holding Percentage	No of Shareholders	Option
Minimum Public Holding as at 31 December 2023	14,633,349,988	36.77%	7,690	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](http://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)  
Kasturi Chellarja Wilson (CEO)  
Abbas Esufally  
Imtiaz Esufally  
Murtaza Esufally  
Amitha Saktha Amaratunga  
Jyotindra Manibhai Trivedi  
Prabhash Subasighe  
Ranil Pathirana

### 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@slt.net.lk](mailto:sspsec@slt.net.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](mailto:ir@hemas.com)

### Bankers

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