

EMPOWERING

LIVES THROUGH INNOVATIVE SOLUTIONS



Performance review for the Three Months ended 30th June 2024

Hemas Holdings PLC achieved a cumulative revenue of Rs. 25.5 billion while delivering operating profits and earnings of Rs. 1.9 billion and Rs. 0.9 billion respectively. The decrease in revenue compared to last year was mainly influenced by several downward price adjustments and subdued consumer spending, intensified by extended holidays during the first two months of the quarter. Despite the revenue decline, the Group's profitability margins benefited from efficiency improvement initiatives and reduced finance costs.

Operating Environment

The positive economic trends observed in the previous quarter extended into this quarter, with the Gross Domestic Product (GDP) recording a growth of 5.3 percent. However, the exchange rate experienced some volatility resulting in the Sri Lankan Rupee (LKR) closing at 305.71 by the end of June 2024. The Average Weighted Prime Lending Rate (AWPLR) showcased a downward trajectory, settling at 8.78 per cent by quarter - end. This reduction eased the financial strain for numerous businesses and individuals.

The Colombo Consumer Price Index rose to 1.7 percent by the end of June 2024, primarily influenced by food inflation. Despite improved macroeconomic indicators, affordability continues to be a concerning issue for the public due to the already elevated cost of living and adverse impact of direct and indirect taxes. Consequently, consumption levels remain more subdued than anticipated.

Consumer Brands

During the quarter, market-wide price reductions were evident, driven by the strengthening of the domestic currency and decline in global commodity prices. However, there was a visible slowdown in consumer demand across general trade channels due to extended holidays during the first two months of the quarter. Consumer purchasing patterns continued to favour value-for-money offerings, reflecting the ongoing constraints on consumer purchasing power.

The Stationery market faced a slow down with prolonged school closures in the first quarter coupled with the gradual easing of increased seasonal stock holding from previous quarters. Further the market continues to face intense competition from new brands entering the market with the relaxation of import restrictions and appreciation of the rupee. Consumers continue to prioritise affordability and phase out buying patterns.

The Sector reported a revenue of Rs. 8.9 billion, with operating profits and earnings at Rs. 0.8 billion and Rs. 0.6 billion respectively. Despite the decline in revenue compared to the same period last year, strategic supply chain efficiencies coupled and productivity improvement initiatives resulted in margin enhancements for the businesses.

Home and Personal Care

During the quarter, the increased focus on personal care proved successful, particularly in key segments such as Baby and Feminine Hygiene, which continued to strengthen their market presence. In line with market dynamics, price revisions and promotions were implemented across the portfolio, notably in laundry and oral care. Despite

LKR Mn

Quarterly Financial Snapshot

	FY25 Q1	Vs FY24 Q1	Vs FY24 Q4
Consumer Brands	8,864.8	-19.8%	-30.4%
Healthcare	16,130.3	-8.6%	-11.6%
Mobility	475.9	14.0%	3.9%
Other	5.1	-52.0%	25.3%
Revenue	25,476.2	-12.5%	-19.0%
Gross Profit	7,610.3	-3.1%	-21.0%
Gross Profit Margin	29.9%	2.9 pt	-0.7 pt
EBITDA	2,381.6	-6.9%	-33.6%
EBITDA Margin	9.3%	0.5 pt	-2.1 pt
Operating Profit	1,930.5	-10.3%	-38.4%
Operating Profit Margin	7.6%	0.2 pt	-2.4 pt
Net Interest Cost	(214.6)	-71.1%	-50.4%
Income Tax Expenses	(713.6)	149.7%	-31.8%
Earnings	945.6	-13.5%	-40.0%

subdued consumer demand, the core portfolio maintained robust performance while new product launches also gained positive momentum. Continuing the focus on consumer-driven innovations, this quarter saw the launch of Baby CheraMy Liquid Soap and the introduction of two new variants of Goya Soap, further enhancing our product offerings while ensuring a broader range of choices for our customers.

Learning Segment

'Atlas' maintained its market leadership in the mass market segment while also expanding its market share in both the premium and value-for-money segments. Reinforcing the brand's commitment of 'making learning fun', several efforts were undertaken to establish a unique and innovative Point of Difference, positively contributing to the brand value and overall performance.

Consumer Brands International

The persistent high inflation in Bangladesh has prompted consumers to switch from Value-Added Hair Oil (VAHO) to Coconut Oil. Despite these challenging market conditions, 'Kumarika' increased its market share in the VAHO market. Recent introductions in the value-for-money and the pure coconut oil categories have also achieved significant traction in the market. 'Actisef' continues to play a crucial role in the product portfolio.

Healthcare

The Pharmaceutical industry continued to contract into the first quarter, although the rate of decline showed signs of easing. Economic pressures have led consumers to increasingly favour generics and lower-priced products. There are improvements in regulatory stability within bodies like the NMRA and MSD compared to previous quarters.

The Healthcare Sector posted a revenue of Rs. 16.0 billion, with operating profit and Earnings reaching Rs. 1.3 billion and Rs. 0.8 billion respectively. The focused effort on optimizing overheads and working capital accompanied by the decline in interest rates resulted in the increased profitability of the sector.

Pharmaceuticals

Amidst market contraction and regulatory price reductions, the Pharmaceutical Distribution Business sustained its market leading position for the quarter. Both the Distribution and Manufacturing businesses remained focused on optimising overhead costs, implementing efficiency improvement initiatives, and capitalising on synergies. These efforts, coupled with effective management of working capital, notably enhanced profitability. Additionally, the Distribution business expanded its portfolio by introducing 13 new products in the Rheumatology, Anti-Infective, and Neurology spaces.

Hospitals

With fewer communicable diseases were reported compared to the same period last year, hospital admissions have experienced a slight decline. In contrast, there has been an increase in both inpatient and outpatient volumes due to an increase in surgeries and medical screenings. Efficiency measures have successfully reduced administration costs compared to the previous year.

Mobility

Amidst global challenges in the maritime sector, intensified by tensions in the Red Sea and anticipated tariff hikes on Chinese goods, the Port of Colombo encountered congestion while the throughput growth to two percent for the quarter. The rise in freight rates along with increase in volume bolstered the Maritime segment's performance compared to the same period last year.

Conversely, the Aviation sector saw a positive impact on cargo volumes, as increased tonnage was diverted to mitigate port congestion. In the passenger segment, high competition among industry players affected overall volumes. Nonetheless, the Aviation vertical overall benefited from improved yield and higher cargo volumes.

During the quarter, the Sector posted a revenue of Rs. 475.9 million, an increase of 14 percent mainly due to volume-led growth in the maritime sector. Consequently, the operating profit and earning posted over 100 percent growth to reach Rs. 455.3 million and Rs. 269.7 million respectively.

Continuing focus on ESG

During the quarter, the Group continued its work on the Environmental Agenda, focusing on offsetting plastic waste, reducing water usage in operations, and increasing the use of renewable energy in its operations. The Group water intensity per rupee million revenue per m³ remained at 1.6. At present Hemas House, Learning Segment Manufacturing Facility, and Pharmaceutical Manufacturing Facility have shifted to utilising renewable energy through rooftop solar which resulted the Group's use of renewable energy increasing by 404.1 percent to 12.1 percent, compared to Q1 of FY24. Home and Personal Care Manufacturing Plant in Dankotuwa will be commencing the use of renewable energy during the fourth quarter of FY 25. These efforts are part of the Group's commitment to ensuring that 25 percent of its energy consumption comes from renewable sources by 2030. Addressing plastic pollution remains a critical focus for the Group; the Learning Segment's partnership with Eco Spindles is a significant milestone in the Group's efforts to collect and responsibly dispose of plastic waste. As the Group continues to work towards its goal of offsetting its plastic waste by 100 percent in 2030, to date, over 720,000 kg of plastic has been collected through initiatives conducted by the Group businesses.

The Group's commitment to empowering families continued through its social initiatives, positively impacting over 56,800 families during the quarter. The Learning Segment collaborated with the Ministry of Education to enhance the Sri Lankan education system by providing professional training for educators specializing in early childhood development, preparing the youth of Sri Lanka for the future. The Group's dedication to ensuring no child is left behind resulted in the opening of the 66th Piyawara preschool, benefiting 40 children from the underserved community in Akurana Dunuwila.

Outlook

While the broader economy of Sri Lanka has shown signs of recovery, consumer disposable income remains constrained by inflationary pressures and recent tax reforms. Anchored by its purpose, Hemas remains mindful of the changing dynamics of the external environment and is confident in its ability to navigate these headwinds. Looking ahead, the Group remains committed to its growth trajectory that focuses on expanding its footprint in the domestic and global arena. Hemas will continue to execute its strategic priorities outlined in its Long-Range plan while maintaining a strong focus on liquidity, efficient resource allocation and driving operational transformation across all business segments.



Ravi Jayasekera
Acting Chief Executive Officer

July 30, 2024

Colombo

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Three Months Ended 30 June		
	2024	2023	Change %
Revenue from Contracts with Customers	25,476,163	29,121,435	-12.5%
Cost of Sales	(17,865,903)	(21,266,056)	-16.0%
Gross Profit	7,610,260	7,855,379	-3.1%
Other Operating Income	199,010	116,405	71.0%
Selling and Distribution Expenses	(2,252,457)	(2,173,969)	3.6%
Administrative Expenses	(3,636,154)	(3,617,738)	0.5%
Share of Results of Equity Accounted Investees (Net of Tax)	9,822	(26,918)	136.5%
Operating Profit	1,930,481	2,153,159	-10.3%
Finance Cost	(373,994)	(970,529)	-61.5%
Finance Income	159,402	229,189	-30.4%
Profit Before Tax	1,715,889	1,411,819	21.5%
Income Tax Expense	(713,593)	(285,834)	149.7%
Profit for the Period	1,002,296	1,125,985	-11.0%
Attributable to:			
Equity Holders of the Parent	945,559	1,093,645	-13.5%
Non-Controlling Interests	56,737	32,340	75.4%
	1,002,296	1,125,985	-11.0%
	LKR	LKR	
Earnings Per Share			
Basic	1.58	1.83	
Diluted	1.58	1.83	
Dividend Per Share	3.00	1.95	

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Three Months Ended 30 June	
	2024	2023
Profit for the Period	1,002,296	1,125,985
Other Comprehensive Income		
Other Comprehensive Income to be Reclassified to Profit or Loss in Subsequent Periods		
Exchange Differences on Translation of Foreign Operations	(53,004)	(104,276)
	(53,004)	(104,276)
Other Comprehensive Income not to be Reclassified to Profit or Loss in Subsequent Periods		
Net Profit /(Loss) on Financial Assets at FVOCI (Equity)	4,720	(7,795)
	4,720	(7,795)
Other Comprehensive Income for the Period, Net of Tax	(48,284)	(112,071)
Total Comprehensive Income for the Period, Net of Tax	954,012	1,013,914
Attributable to:		
Equity Holders of the Parent	897,275	981,574
Non-Controlling Interests	56,737	32,340
	954,012	1,013,914

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30 June		As at 31 March
	2024	2023	2024
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	20,127,094	18,319,546	20,052,363
Investment Properties	4,013,285	3,739,720	4,008,116
Right-of-Use Assets	1,271,944	1,319,263	1,314,167
Intangible Assets	3,263,279	3,305,104	3,282,996
Investment in Equity Accounted Investees	1,482,449	674,814	1,473,663
Lease Receivables	38,475	118,600	42,186
Other Non-Current Financial Assets	198,954	178,467	209,633
Deferred Tax Asset	486,416	113,455	496,400
	30,881,896	27,768,969	30,879,524
Current Assets			
Inventories	24,520,090	27,988,085	22,775,145
Trade and Other Receivables	25,152,559	24,138,457	26,298,715
Tax Recoverables	404,448	286,579	347,038
Lease Receivables	25,145	9,193	30,639
Other Current Financial Assets	162,082	160,014	168,880
Cash and Short-Term Deposits	13,777,546	14,843,722	13,222,991
	64,041,870	67,426,050	62,843,408
Total Assets	94,923,766	95,195,019	93,722,932
EQUITY AND LIABILITIES			
Equity			
Stated Capital	7,797,979	7,776,461	7,783,875
Other Capital and Revenue Reserves	104,911	125,022	103,084
Other Components of Equity	7,452,959	6,429,564	7,501,243
Retained Earnings	27,198,407	23,433,120	28,043,567
Equity Attributable to Equity Holders of the Parent	42,554,256	37,764,167	43,431,769
Non-Controlling Interests	744,566	752,478	687,829
Total Equity	43,298,822	38,516,645	44,119,598
Non-Current Liabilities			
Interest-Bearing Loans and Borrowings	5,044,745	7,169,099	5,407,779
Other Non-Current Financial Liabilities	279,505	275,505	279,505
Deferred Tax Liability	2,963,010	2,670,366	2,898,818
Employee Benefit Liability	1,407,394	1,225,776	1,383,856
	9,694,654	11,340,746	9,969,958
Current Liabilities			
Trade and Other Payables	30,301,485	28,987,918	30,847,653
Dividend Payable	1,790,719	1,163,265	-
Income Tax Liabilities	1,553,559	838,317	1,488,137
Interest-Bearing Loans and Borrowings	6,058,993	12,769,340	5,887,178
Bank Overdraft	2,225,534	1,578,788	1,410,408
	41,930,290	45,337,628	39,633,376
Total Equity and Liabilities	94,923,766	95,195,019	93,722,932
Net Assets per share - (LKR)	71.29	63.30	72.79

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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
July 30, 2024



Imtiaz Esufally
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent							Total	Non - Controlling Interest	Total Equity
	Stated Capital	Other Capital & Revenue Reserves	Revaluation Reserve	Foreign Currency Translation Reserve	Fair Value Reserve of Financial Assets at FVOCI	Cash Flow Hedge Reserve	Retained Earnings			
As at 1 April 2023	7,776,111	119,164	6,845,833	522,611	(51,775)	(775,034)	23,967,649	38,404,559	715,842	39,120,401
Profit for the Period	-	-	-	-	-	-	1,093,645	1,093,645	32,340	1,125,985
Other Comprehensive Income	-	-	-	(104,276)	(7,795)	-	-	(112,071)	-	(112,071)
Total Comprehensive Income	-	-	-	(104,276)	(7,795)	-	1,093,645	981,574	32,340	1,013,914
Final Dividend - 2022/23	-	-	-	-	-	-	(1,163,265)	(1,163,265)	-	(1,163,265)
Exercise of ESOS	350	-	-	-	-	-	-	350	-	350
Share Based Payments	-	5,858	-	-	-	-	-	5,858	-	5,858
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)
As at 30 June 2023	7,776,461	125,022	6,845,833	418,335	(59,570)	(775,034)	23,433,120	37,764,167	752,478	38,516,645
As at 1 April 2024	7,783,875	103,084	7,721,486	409,292	(44,052)	(585,483)	28,043,567	43,431,769	687,829	44,119,598
Profit for the Period	-	-	-	-	-	-	945,559	945,559	56,737	1,002,296
Other Comprehensive Income	-	-	-	(53,004)	4,720	-	-	(48,284)	-	(48,284)
Total Comprehensive Income	-	-	-	(53,004)	4,720	-	945,559	897,275	56,737	954,012
Final Dividend - 2023/24	-	-	-	-	-	-	(1,790,719)	(1,790,719)	-	(1,790,719)
Exercise of ESOS	14,104	-	-	-	-	-	-	14,104	-	14,104
Share Based Payments	-	1,827	-	-	-	-	-	1,827	-	1,827
As at 30 June 2024	7,797,979	104,911	7,721,486	356,288	(39,332)	(585,483)	27,198,407	42,554,255	744,566	43,298,821

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COMPANY STATEMENT OF PROFIT OR LOSS

	Three Months Ended 30 June		
	2024	2023	Change %
Revenue from Contracts with Customers	401,644	266,295	50.8%
Cost of Sales	-	-	-
Gross Profit	401,644	266,295	50.8%
Other Operating Income	1,338	1,477	-9.4%
Administrative Expenses	(448,924)	(383,458)	17.1%
Operating Loss	(45,942)	(115,686)	60.3%
Finance Cost	(62,634)	(101,095)	-38.0%
Finance Income	598	49,750	-98.8%
Profit Before Loss	(107,978)	(167,031)	35.4%
Income Tax Expense	(45,073)	(8,345)	440.1%
Loss for the Period	(153,051)	(175,376)	12.7%

COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Three Months Ended 30 June	
	2024	2023
Loss for the Period	(153,051)	(175,376)
Other Comprehensive Income		
Net Gain/ (Loss) on Financial Assets at FVOCI	850	(1,449)
Other Comprehensive Income for the Period, Net of Tax	850	(1,449)
Total Comprehensive Income for the Period, Net of Tax	(152,201)	(176,825)


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COMPANY STATEMENT OF FINANCIAL POSITION

	As at 30 June		As at 31 March
	2024	2023	2024
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	87,688	59,515	94,525
Investment Properties	1,143,000	1,065,305	1,143,000
Right-of-Use Assets	48,200	90,974	64,267
Intangible Assets	17,933	41,924	21,083
Investment in Subsidiaries	18,347,946	18,039,897	18,271,547
Other Non-Current Financial Assets	21,530	11,639	15,143
	19,666,297	19,309,254	19,609,565
Current Assets			
Trade and Other Receivables	643,837	555,157	440,943
Tax Recoverable	23,199	15,813	29,473
Other Current Financial Assets	19,208	1,043,063	316,878
Cash and Short-Term Deposits	17,122	58,650	24,589
	703,366	1,672,683	811,883
Total Assets	20,369,663	20,981,937	20,421,448
EQUITY AND LIABILITIES			
Equity			
Stated Capital	7,797,979	7,776,461	7,783,875
Other Capital and Revenue Reserves	326,263	346,373	324,435
Other Components of Equity	3,695	115	2,845
Retained Earnings	6,885,198	8,256,990	8,828,968
Total Equity	15,013,135	16,379,939	16,940,123
Non-Current Liabilities			
Interest-Bearing Loans and Borrowings	475,750	648,750	519,000
Deferred Tax Liability	265,683	233,372	257,166
Employee Benefit Liability	40,997	81,439	38,746
	782,430	963,561	814,912
Current Liabilities			
Trade and Other Payables	769,547	850,504	769,189
Dividend Payable	1,790,719	1,163,265	-
Interest-Bearing Loans and Borrowings	1,793,619	987,341	1,706,753
Bank Overdraft	220,213	637,327	190,471
	4,574,098	3,638,437	2,666,413
Total Equity and Liabilities	20,369,663	20,981,937	20,421,448
Net Assets per share - (LKR)	25.15	27.46	28.39

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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
July 30, 2024


Imtiaz Esufally
Director

COMPANY STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Other Capital Reserves	Other Components Of Equity	Retained Earnings	Total Equity
			Fair Value Reserve of Financial Assets at FVOCI		
As at 1 April 2023	7,776,111	340,515	1,564	9,595,631	17,713,821
Loss for the Period	-	-	-	(175,376)	(175,376)
Other Comprehensive Income	-	-	(1,449)	-	(1,449)
Total Comprehensive Income	-	-	(1,449)	(175,376)	(176,825)
Share Based Payments	-	5,858	-	-	5,858
Exercise of Share Options	350	-	-	-	350
Final Dividend 2022/23	-	-	-	(1,163,265)	(1,163,265)
As at 30 June 2023	7,776,461	346,373	115	8,256,990	16,379,939
As at 1 April 2024	7,783,875	324,435	2,845	8,828,968	16,940,123
Loss for the Period	-	-	-	(153,051)	(153,051)
Other Comprehensive Income	-	-	850	-	850
Total Comprehensive Income	-	-	850	(153,051)	(152,201)
Share Based Payments	-	1,827	-	-	1,827
Exercise of Share Options	14,104	-	-	-	14,104
Final Dividend 2023/24	-	-	-	(1,790,719)	(1,790,719)
As at 30 June 2024	7,797,979	326,262	3,695	6,885,198	15,013,134

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STATEMENT OF CASH FLOWS

Three Months Ended 30 June	Group		Company	
	2024	2023	2024	2023
Operating Activities				
Profit/(Loss) Before Taxation from Continuing Operations	1,715,889	1,411,819	(107,978)	(167,031)
Adjustments for,				
Depreciation	365,621	316,292	7,232	6,001
Amortisation of Right-of-Use Assets	68,429	56,963	16,067	12,996
Gain on Disposal of Property, Plant and Equipment, Investment Properties	(3,996)	(5,367)	-	(8)
Provision for Share Based Payment Expense	3,485	5,858	1,102	918
Provision for Impairment of Trade and Other Receivables	27,017	48,082	2,566	(26,113)
(Reversal)/Provision for Obsolete Stocks	(55,562)	41,484	-	-
Amortisation of Intangible Assets	17,033	30,528	3,149	7,560
Finance Cost	373,994	970,529	62,634	101,095
Finance Income	(159,402)	(229,185)	(598)	(49,750)
Share of Results of Equity Accounted Investees (Net of Tax)	(9,822)	26,918	-	-
Investment Income	-	-	(1)	(1)
Movement in Employee Benefit Liability	71,456	58,667	2,875	5,475
Operating Cash Flows before Working Capital Changes	2,414,142	2,732,588	(12,952)	(108,858)
Working Capital Adjustments				
(Increase)/Decrease in Inventories	(1,689,730)	572,792	-	-
(Increase)/Decrease in Trade and Other Receivables	1,123,769	1,296,271	(209,431)	503,826
Increase/(Decrease) in Trade and Other Payables	(546,167)	(776,393)	359	73,226
Increase/(Decrease) in Other Non-Current Financial Liabilities	-	(10,096)	-	-
Cash Generated from Operations	1,302,014	3,815,162	(222,024)	468,194
Finance Cost Paid	(324,558)	(929,586)	(59,333)	(98,950)
Finance Income Received	156,396	225,895	565	49,750
Income Tax Paid	(631,552)	(636,056)	(30,277)	1,697
Employee Retirement Benefit Paid	(47,930)	(31,934)	(624)	(3,730)
Net Cash Flows From/(Used in) Operating Activities	454,370	2,443,481	(311,693)	416,961
Investing Activities				
Purchase of Property, Plant and Equipment	(508,561)	(230,846)	(395)	(4,985)
Investment in Intangible Assets	2,527	(6,042)	-	-
Net Movement in Financial Assets	31,400	(8,157)	300,000	(507,000)
Acquisition of /Investment in Subsidiaries	-	(3,261,421)	(76,400)	(40,000)
Investment Income Received	-	-	1	1
Proceeds on Disposal of Property, Plant and Equipment/ Intangible Assets	43,936	6,325	-	21
Net Cash Flows From/(Used in) Investing Activities	(430,698)	(3,500,141)	223,206	(551,963)
Financing Activities				
Interest-Bearing Loans and Borrowings (Net)	(265,315)	2,329,200	40,313	267,736
Exercise of ESOS	10,964	300	10,964	300
Net Cash Flows From/(Used in) Financing Activities	(254,351)	2,329,500	51,277	268,036
Net Increase/(Decrease) in Cash and Cash Equivalents	(230,679)	1,272,840	(37,210)	133,034
Net Foreign Exchange Difference	(29,892)	(70,045)	-	-
Cash and Cash Equivalents at the Beginning of the Period	11,812,583	12,062,139	(165,882)	(711,711)
Cash and Cash Equivalents at the End of the Period	11,552,012	13,264,934	(203,092)	(578,677)

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SEGMENTAL INFORMATION

Three Months Ended 30 June	Consumer Brands		Healthcare		Mobility		Others		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Revenue from Contract with Customers										
Segmental Revenue - Gross	8,923,490	11,113,898	17,400,491	19,234,561	475,914	417,544	530,075	369,866	27,329,970	31,135,869
Intra Segmental Revenue	(58,715)	(59,344)	(1,270,162)	(1,593,863)	-	-	(63,539)	(42,692)	(1,392,416)	(1,695,899)
Segment Revenue	8,864,775	11,054,554	16,130,329	17,640,698	475,914	417,544	466,536	327,174	25,937,554	29,439,970
Inter Segmental Revenue	-	-	-	(2,079)	-	-	(461,391)	(316,456)	(461,391)	(318,535)
Total Revenue from Contract with Customers	8,864,775	11,054,554	16,130,329	17,638,619	475,914	417,544	5,145	10,718	25,476,163	29,121,435
Results										
Segmental Results	815,826	1,146,604	1,287,117	1,090,022	304,752	219,841	(487,036)	(276,390)	1,920,659	2,180,077
Finance Cost	(39,689)	(176,823)	(281,554)	(693,309)	(1,191)	(22,549)	(51,560)	(77,848)	(373,994)	(970,529)
Finance Income	59,229	93,854	85,525	99,237	13,725	37,916	923	(1,818)	159,402	229,189
Share of Results of Equity Accounted Investees (Net of Tax)	-	-	-	-	150,568	4,690	(140,746)	(31,608)	9,822	(26,918)
Profit/(Loss) before Tax	835,366	1,063,635	1,091,088	495,950	467,854	239,898	(678,419)	(387,664)	1,715,889	1,411,819
Income Tax	(248,123)	(148,551)	(252,342)	(823)	(153,388)	(101,601)	(59,740)	(34,859)	(713,593)	(285,834)
Profit/(Loss) for the Period	587,243	915,084	838,746	495,127	314,467	138,297	(738,159)	(422,523)	1,002,296	1,125,985
Attributable to:										
Equity Holders of the Parent	586,124	919,221	827,923	475,271	269,671	121,676	(738,159)	(422,523)	945,559	1,093,645
Non-Controlling Interests	1,119	(4,137)	10,823	19,856	44,796	16,621	-	-	56,737	32,340
	587,243	915,084	838,746	495,127	314,467	138,297	(738,159)	(422,523)	1,002,296	1,125,985

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

SEGMENTAL INFORMATION

As at	Consumer Brands		Healthcare		Mobility		Others		Group	
	30.06.2024	31.03.2024	30.06.2024	31.03.2024	30.06.2024	31.03.2024	30.06.2024	31.03.2024	30.06.2024	31.03.2024
ASSETS										
Non-Current Assets										
Property, Plant and Equipment	5,933,480	5,809,925	10,305,676	10,376,065	63,668	32,350	882,630	880,601	17,185,454	17,098,941
Right of Use Assets	555,717	594,278	757,964	782,117	56,159	64,667	60,353	80,511	1,430,193	1,521,573
Investment Property	2,200	2,200	-	-	1,339,500	1,334,331	5,724,800	5,724,800	7,066,500	7,061,331
Other Non Current Financial Assets	591,982	55,718	107,604	118,669	-	-	87,725	77,312	787,311	251,699
Other Non Current Assets	6,220,285	6,233,794	1,501,850	1,504,978	1,435,621	1,284,833	26,474,840	26,542,345	35,632,596	35,565,950
Segmental Non Current Assets	13,303,664	12,695,915	12,673,094	12,781,829	2,894,948	2,716,181	33,230,348	33,305,569	62,102,054	61,499,494
Deferred Tax Assets									486,416	496,400
Eliminations/Adjustments									(31,706,574)	(31,116,370)
Total Non Current Assets	13,303,664	12,695,915	12,673,094	12,781,829	2,894,948	2,716,181	33,230,348	33,305,569	30,881,896	30,879,524
Current Assets										
Other Current Financial Assets	65,438	65,720	807,279	821,802	107,174	134,887	678,013	1,012,287	1,657,904	2,034,696
Segmental Current Assets	18,059,926	18,601,479	41,270,132	39,941,520	4,982,807	4,428,512	982,695	795,877	65,295,560	63,767,388
Tax Refunds									404,448	347,038
Eliminations/Adjustments									(3,316,042)	(3,305,714)
Total Current Assets	18,125,364	18,667,199	42,077,411	40,763,322	5,089,981	4,563,399	1,660,708	1,808,164	64,041,870	62,843,408
Total Assets	31,429,028	31,363,114	54,750,505	53,545,151	7,984,929	7,279,580	34,891,056	35,113,733	94,923,766	93,722,932
Non Current Liabilities										
Segmental Non Current Liabilities	1,108,327	1,065,034	5,021,618	5,357,511	55,592	64,049	561,276	600,963	6,746,813	7,087,557
Other Non-current Financial Liabilities	-	-	40	40	4,465	4,465	275,000	275,000	279,505	279,505
Deferred Tax Liability									2,963,010	2,898,818
Eliminations/Adjustments									(294,674)	(295,922)
Total Non Current Liabilities	1,108,327	1,065,034	5,021,658	5,357,551	60,057	68,514	836,276	875,963	9,694,654	9,969,958
Current Liabilities										
Segmental Current Liabilities	7,687,402	7,907,403	28,390,514	27,660,626	3,467,835	3,093,251	4,727,340	2,865,536	44,273,091	41,526,816
Income Tax Liability									1,553,559	1,488,137
Eliminations/Adjustments									(3,896,360)	(3,381,577)
Total Current Liabilities	7,687,402	7,907,403	28,390,514	27,660,626	3,467,835	3,093,251	4,727,340	2,865,536	41,930,290	39,633,376
Total Liabilities	8,795,729	8,972,437	33,412,172	33,018,177	3,527,892	3,161,765	5,563,616	3,741,499	51,624,944	49,603,334
Total Segment Assets	31,429,028	31,363,114	54,750,505	53,545,151	7,984,929	7,279,580	34,891,056	35,113,733	129,055,518	127,301,578
Total Segment Liabilities	8,795,729	8,972,437	33,412,172	33,018,177	3,527,892	3,161,765	5,563,616	3,741,499	51,299,409	48,893,878
Other Segmental Information										
Acquisition Cost of Property Plant and Equipment	280,955	772,872	155,175	758,620	36,721	25,497	35,710	822,145	508,561	2,379,134
Depreciation of Segmental Assets	133,994	490,716	193,544	721,959	5,403	18,867	32,680	93,978	365,621	1,325,520
Provision for Employee Benefit Liability	23,861	125,230	38,546	166,819	3,126	9,487	5,923	29,263	71,456	330,799
Impairment/Amortisation of Intangible Assets	4,034	12,967	9,748	37,654	92	41	3,159	28,493	17,033	79,155
Amortisation of Right-of-Use Assets	17,318	76,461	40,294	168,704	8,884	32,349	1,933	765	68,429	278,279

All values are in LKR'000s, 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 2024. 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

(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	-	5 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.

There are no cash settlement alternatives. The Group does not have a past practice of cash settlement for these share options.

3 Events After The Reporting Date

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

4 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 2024.

INVESTOR INFORMATION

	Three Months Ended 30 June	
	2024	2023
Market Value of Shares		
Closing Price on 30 June (LKR)	83.30	69.60
Last Traded Price on 30 June (LKR)	83.50	69.60
Highest Price During the Period (LKR)	91.00	70.20
Lowest Price During the Period (LKR)	79.00	60.00
Market Capitalisation on 30 June (LKR Mn)	49,722	41,520
Ratios		
Net Asset Per Share on 30 June (LKR)	71.29	63.30
Price Earnings Ratio on 30 June (Times)	13.15	9.49
Share Trading		
No of Transactions During the Period	5,606	2,406
No of Shares Traded During the Period	27,233,218	13,923,519
Value of Shares Traded During the Period (LKR Mn)	2,332	904
Number of Shares	596,906,402	596,551,025

SHARE INFORMATION

List of 20 Major Shareholders as at 30 June

	2024		2023	
	No. of Shares	%	No. of Shares	%
1 A Z Holdings (Pvt) Ltd.	94,092,305	15.76	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	15.00	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	16,760,127	2.81	18,829,504	3.16
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	2.05	12,263,194	2.06
8 Mrs. R.G. Abdulhussein	10,011,662	1.68	-	-
9 J.B. Cocoshell (Pvt) Ltd	10,001,673	1.68	8,996,648	1.51
10 Mr. H.H. Abdhusein	8,900,000	1.49	-	-
11 Rubber Investment Trust Ltd Account 1	8,145,002	1.36	7,339,008	1.23
12 BBH-Tundra Sustainable Frontier Fund	7,001,928	1.17	7,001,928	1.17
13 Mellon Bank N.A-United Technologies CORP	5,488,757	0.92	5,488,757	0.92
14 Mr. M.J.Fernando (Deceased)	5,448,160	0.91	5,448,160	0.91
15 Seylan Bank PLC/ARRC Capital (Pvt) Ltd	4,623,613	0.77	-	-
16 CB London s/a Verdipapirfondet Holberg Rurik	4,009,293	0.67	5,289,130	0.89
17 Akbar Brothers (Pvt) Ltd	3,968,420	0.57	3,409,468	0.57
18 Ceylon Investment PLC	3,706,719	0.62	3,706,719	0.62
19 Hatton National Bank PLC - Capital Alliance Quantitative Equity Fund	3,274,425	0.62	-	-
20 BBH-Kopernik Global All Cap Master Fund	3,252,575	0.54	3,252,575	0.55

Directors' Shareholding as at 30 June

	2024	2023
	No. of Shares	No. of Shares
DIRECTORS' INDIRECT SHAREHOLDING		
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
DIRECTORS' DIRECT SHAREHOLDING		
Mr. H.N. Esufally (Chairman)	2,291,640	2,291,640
Dr. S.A.B Ekanayake (Deputy Chairman)	-	-
Mr. A.N. Esufally	167,353	167,353
Mr. I.A.H. Esufally	2,086,284	7,086,284
Mr. M. A. H. Esufally	582,633	6,164,633
Ms. K.C. Wilson	-	-
Mr. A.S. Amaratunga	-	-
Mr.P. Subasinghe	-	-
Mr. Ranil Pathirana	-	-
Mr. Jyotindra Trivedi (Retired w.e.f 27 June 2024)	-	-
	369,140,765	379,722,765

Public Holding as at 30 June

	2024	2023
Issued Share Capital (No. of Shares)	596,906,402	596,546,025
Public Holding as a % of Issued Share Capital	36.89%	35.08%
Total Number of Shareholders	7,642	8,442
Number of Shareholders representing the Public Holding	7,626	8,426

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 30 June 2024	18,342,557,682	36.89%	7,626	1

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
Rotunda Towers, No.109, Galle Road, P.O. Box 101, Colombo 03.

Directors

Husein Esufally (Chairman)
Dr. Anura Ekanayake (Deputy Chairman)
Kasturi Chellarja Wilson
Abbas Esufally
Imtiaz Esufally
Murtaza Esufally
Amitha Saktha Amaratunga
Jyotindra Trivedi (Retired w.e.f 27 June 2024)
Prabhash Subasinghe
Ranil Pathirana
Ajith Fernando (Appointed w.e.f 01 July 2024)
Supun Weerasinghe (Appointed w.e.f 01 July 2024)

Secretaries

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Registrars

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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