

# INVESTOR RELATIONS

## GROUP HIGHLIGHTS

The ensuing section details the key highlights of the year under review, followed by an overview of the key verticals, its industry potential, outlook and the initiatives that are undertaken to drive growth.



The JKH Investor Presentations are available on the Corporate Website to provide easier access and in-depth details of the operational performance of the Group.

<https://www.keells.com/investor-relations>



## FINANCIAL AND MANUFACTURED CAPITAL

### Recurring EBITDA Analysis - Fourth Quarter

Rs.million	Q4 2024/25	Q4 2023/24	Variance	%
Transportation	2,139	2,328	(189)	(8)
Consumer Foods	2,293	2,140	154	7
Retail	3,415	2,402	1,013	42
Leisure	4,382	5,150	(768)	(15)
City of Dreams Sri Lanka (CODSL)	(1,219)	(364)	(855)	(235)
Leisure excl. CODSL	5,601	5,514	87	2
Property	559	(634)	1,194	188
Financial Services	2,144	1,861	284	15
Other, incl. IT and PS	981	725	256	35
<b>Group</b>	<b>15,914</b>	<b>13,971</b>	<b>1,943</b>	<b>14</b>
<b>Group excl. CODSL</b>	<b>17,133</b>	<b>14,335</b>	<b>2,798</b>	<b>20</b>

Refer Financial and Manufactured Capital Review for recurring adjustments - Page 55.

- The Group reported a strong performance for Q4, driven by the strength of our consumer-focused businesses which gained momentum quarter after quarter. Overall Group EBITDA was mainly impacted by the substantial pre-opening, ramp-up, and operating expenses at the CODSL.
- WCT-1, the Port of Colombo's first automated deep-water terminal, and a milestone project for the Group, commenced its first phase of commercial operations in Q4 2024/25. The throughput to date has been encouraging and this momentum is expected to accelerate over the coming quarters.
- Group PBT, excluding CODSL, is Rs.10.85 billion, a 71% increase against Q4 2023/24. CODSL includes the depreciation charge and interest expense in the income statement pertaining to the Cinnamon Life hotel, amounting to Rs.1.14 billion and Rs.1.09 billion.
- The Transportation industry group recorded a decline in EBITDA mainly due to the Bunkering business, Lanka Marine Services (LMS). LMS recorded an improvement in margins, although the decline in volumes by 17% impacted earnings growth. It is noted that Q4 of 2023/24 was an exceptionally strong quarter on account of a significant growth in volumes over 50% due to the Red Sea crisis. The Group's Ports and Shipping business, South Asia Gateway Terminal (SAGT) recorded volume growth and an improvement in volume mix although profitability was flat due to the appreciation of the Rupee.
- The Consumer Foods industry group recorded a strong growth in profitability driven by double-digit volume growth across all businesses, driven by seasonal sales and a continued recovery in consumer activity. Margins of the Beverages and Confectionery businesses marginally declined due to the increase in excise duties on carbonated soft drinks, effective from 1 January 2025 for the

Beverages business, a relatively lower growth in Impulse volumes which comprise of higher margin products and an increase in advertising and promotion expenses in the Confectionery business.

- The significant increase in profitability in the Supermarket business is attributable to the strong same store sales growth of 16.2% on the back of an increase in footfall of 19.1%, which more than offset the negative average basket value (ABV) growth of 2.4%.
- The profitability of the Leisure industry group was impacted by substantial costs pertaining to the opening and operating of the Cinnamon Life hotel. Excluding the City of Dreams of Sri Lanka, Leisure EBITDA was flat at Rs.5.60 billion.
- Excluding the impact of CODSL, the profitability of the Leisure industry group was driven by a strong recovery in arrivals which resulted in higher occupancy and an improvement in average room rates (ARRs) across the Group's hotel portfolio. Margins of the businesses were mainly supported by the improvement in rates and occupancies, and lower operating costs, despite the translation impact due to the appreciation of the Rupee.
- The Property industry group recorded an increase in profitability driven by sales at Cinnamon Life and the VIMAN development project, and profit recognition from real estate sales in Digana, through Rajawella Holdings (Private) Limited. It should be noted that EBITDA in Q4 2023/24 included an asset write-off amounting to Rs.639 million relating to the closure and demolishing of the K-Zone mall in Ja-Ela for the development of the VIMAN residential project.
- Nations Trust Bank PLC recorded a growth in profitability driven by robust loan growth. Union Assurance PLC recorded encouraging double-digit growth in gross written premiums, driven by renewal premiums and regular new business premiums.
- The Other, including Information Technology and Plantation Services sector recorded an increase in EBITDA mainly due to exchange gains recorded at the Holding company compared to exchange losses in Q4 2023/24 due to the appreciation of the Rupee. Despite the increase in borrowings at the Holding Company, PBT recorded an improvement on account of a decrease in finance expenses at the Holding Company as a result of the lower interest cost on the convertible debentures issued to HWIC Asia Fund compared to Q4 2023/24, as the debentures were fully converted in January 2025.

#### Recurring EBITDA

Rs. **45,689** million  
2023/24: Rs.43,796 million



4%

#### Recurring EBITDA excl. CODSL

Rs. **50,432** million  
2023/24: Rs.44,859 million



12%

#### Recurring PBT

Rs. **14,720** million  
2023/24: Rs.16,593 million



(11%)

#### Recurring PBT excl. CODSL

Rs. **22,926** million  
2023/24: Rs.14,362 million



60%

# INVESTOR RELATIONS

## GROUP HIGHLIGHTS

### Annual Recurring EBITDA and PBT

Rs.million	2024/25	2023/24	2022/23
<b>Recurring EBITDA</b>			
Transportation	7,318	7,570	11,963
Consumer Foods	6,684	4,993	3,184
Retail	10,944	8,762	8,779
Leisure	4,527	9,059	8,604
CODSL	(4,743)	(1,063)	(523)
Leisure excl. CODSL	9,271	10,122	9,127
Property	1,441	(822)	(265)
Financial Services	10,909	9,296	6,451
Other, incl. IT & PS	3,866	4,938	7,024
<b>Group</b>	<b>45,689</b>	<b>43,796</b>	<b>45,740</b>
<b>Group excl. CODSL</b>	<b>50,432</b>	<b>44,859</b>	<b>46,263</b>
<b>Recurring PBT</b>			
Transportation	6,364	6,401	10,903
Consumer Foods	4,932	2,957	1,052
Retail	5,197	2,933	504
Leisure	(7,129)	3,313	(386)
CODSL	(8,207)	2,231	(507)
Leisure excl. CODSL	1,078	1,081	122
Property	1,184	(857)	(2,186)
Financial Services	10,878	9,293	6,400
Other, incl. IT & PS	(6,706)	(7,446)	7,483
<b>Group</b>	<b>14,720</b>	<b>16,593</b>	<b>23,771</b>
<b>Group excl. CODSL</b>	<b>22,926</b>	<b>14,362</b>	<b>24,279</b>

### Group Debt Currency Mix

Currently, ~Rs.115.51 billion of overall Group debt (excluding leases) is denominated in foreign currency, which translates to ~55% of total debt [2023/24: ~64%].

The foreign currency debt of the Group mainly comprises:

- USD 207 million term loan obtained for the City of Dreams Sri Lanka integrated resort.
- USD 167 million term loan from the International Finance Corporation (IFC).

### Conversion of Balance Convertible Debentures Issued to HWIC

As announced to the Colombo Stock Exchange on 24 January 2025, HWIC Asia Fund (HWIC) exercised its option to convert the remaining balance of 98,125,000 debentures, with a face value of Rs.12.76 billion. As previously announced on 29 February 2024, HWIC had already converted 110,000,000 debentures.

JKH issued and listed 1,079,375,000 new ordinary voting shares of the Company, as adjusted for the Rights Issue and Sub-division of shares, as approved by the Shareholders at the outset on 4 August 2022. The dilution from this conversion is 6.13%, based on the number of ordinary voting shares outstanding as of 22 January 2025. There are no outstanding convertible debentures as all debentures originally issued have now been fully converted.

### Group Debt (incl. lease liabilities)

Rs. **240,443** million  
2023/24: Rs.246,065 million



(2%)

### Group Debt (excl. lease liabilities)

Rs. **210,411** million  
2023/24: Rs.214,101 million



(2%)

### Net Debt/(Cash)\*

Rs. **116,242** million  
2023/24: Rs.117,071 million



(1%)

### Group Assets

Rs. **845,918** million  
2023/24: Rs.771,192 million



10%

\*Excluding lease liabilities and convertible debenture liabilities.

### Insights - Capital Expenditure

The Group has carried out significant investments maintaining the momentum of the Group's long term investment strategy, which is now coming to fruition.

### Group Capital Expenditure excl. CODSL

Rs. **16,307** million  
2023/24: Rs.7,460 million



119%

The total Group capital expenditure amounted to Rs.49.89 billion during 2024/25, of which Rs.33.61 billion was for CODSL, funded by both operational cash flows and infusions by the Holding Company. During 2023/24, the total Group capital expenditure stood at Rs.28.97 billion, with Rs.21.51 billion relating to CODSL.

In addition to the routine maintenance capital expenditure, the Group will focus on the following key investments in the near term:

- Retail mall and final aspects of the 113-key Nuwa hotel at CODSL, which are near complete.
- Final equity tranche in WCT-1 at the Port of Colombo.
- Rollout of Supermarket outlets.
- Strategic investments to expand impulse production of the Confectionery business to enable the development of new product innovations, to cater to the growing demand for impulse offerings.
- Possible extensions into adjacent confectionery categories that align with evolving consumer preferences which aims to broaden market reach while capitalising on existing manufacturing and distribution capabilities.

### Rights Issue followed by a Sub-division of Ordinary Shares

The Company carried out a Rights Issue of Ordinary Shares, followed by a Sub-division of Ordinary Shares. The Company raised Rs.24.04 billion through the Rights Issue of 150,263,595 new ordinary shares at an issue price of Rs.160 per share. The Rights Issue was oversubscribed, and the new Ordinary Shares allotted from the Rights Issue were listed on 22 October 2024.

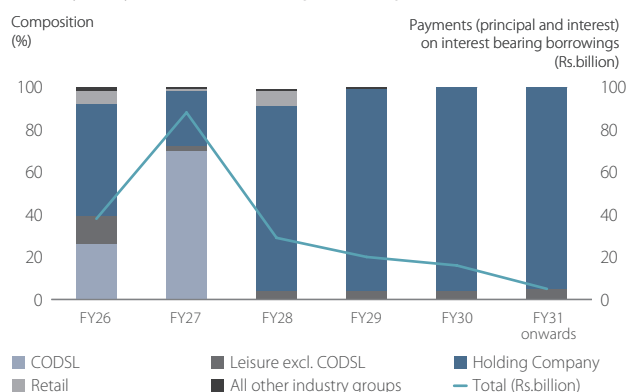
Subsequent to the completion of the Rights Issue, the Company carried out a Sub-division of its ordinary shares in the proportion of one (1) existing ordinary share being subdivided into ten (10) ordinary shares. Accordingly, 1,652,899,552 shares in issue as of 28 October 2024, were subdivided into 16,528,995,520 ordinary shares.

Group Revenue*	Rs.million				YoY %				Total (Rs.million)		YoY %
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY25	FY24	
Transportation	12,579	15,707	12,060	14,207	11	77	(4)	(23)	54,554	51,165	7
Consumer Foods	9,244	9,359	8,799	11,267	16	16	27	14	38,669	32,897	18
Retail	32,986	33,416	36,013	35,922	10	11	11	20	138,337	122,502	13
Leisure	8,400	10,526	12,890	18,035	(3)	(2)	1	15	49,851	47,885	4
Property	401	1,219	3,732	3,194	13	268	732	586	8,546	1,602	434
Financial Services	4,613	5,140	6,153	5,386	13	13	13	17	21,291	18,665	14
Other, incl. IT and PS	1,434	1,589	1,608	1,499	6	6	9	(13)	6,129	6,057	1
<b>Group</b>	<b>69,657</b>	<b>76,957</b>	<b>81,254</b>	<b>89,509</b>	<b>9</b>	<b>20</b>	<b>12</b>	<b>11</b>	<b>317,378</b>	<b>280,773</b>	<b>13</b>

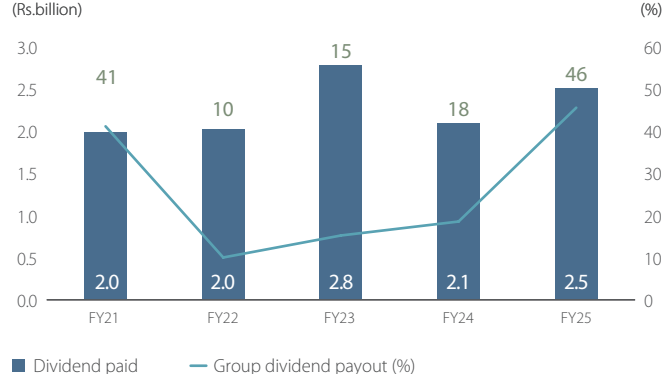
\*Excluding associates.

Group Recurring EBITDA	Rs.million				YoY %				Total (Rs.million)		YoY %
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY25	FY24	
Transportation	1,555	1,982	1,642	2,139	(4)	17	(15)	(8)	7,318	7,570	(3)
Consumer Foods	1,493	1,611	1,287	2,293	107	30	43	7	6,684	4,993	34
Retail	2,246	2,390	2,894	3,415	13	21	21	42	10,944	8,762	25
Leisure	(794)	(136)	1,076	4,382	(380)	(113)	(58)	(15)	4,527	9,059	(50)
Property	(67)	111	838	559	(136)	126	1,296	188	1,441	(822)	275
Financial Services	1,920	1,809	5,035	2,144	13	6	25	15	10,909	9,296	17
Other, incl. IT and PS	1,344	327	1,214	981	(31)	(60)	(17)	35	3,866	4,938	(22)
<b>Group</b>	<b>7,696</b>	<b>8,095</b>	<b>13,985</b>	<b>15,914</b>	<b>(9)</b>	<b>0</b>	<b>5</b>	<b>14</b>	<b>45,689</b>	<b>43,796</b>	<b>4</b>
<b>Group excl. CODSL</b>	<b>8,472</b>	<b>9,276</b>	<b>15,552</b>	<b>17,133</b>	<b>(2)</b>	<b>12</b>	<b>14</b>	<b>20</b>	<b>50,432</b>	<b>44,859</b>	<b>12</b>

#### Maturity Analysis of Interest Bearing Borrowings



#### Distributions to Shareholders and Payout Ratio



The following should be noted with regard to the illustration above:

- The USD 207 million term loan at WPL, captured under Leisure, falls due for repayment in December 2026. Based on the structuring of the loan, ~ 75% of the loan is due for repayment in the final tranche, where the strategy would be to refinance a component at that juncture depending on the levels of operational cash flows.
- The USD 167 million outstanding on the term loan from the IFC, for which repayments commenced in December 2024, is structured with equally amortising capital repayments till June 2030.

#### Market Information of the Ordinary Shares of the Company

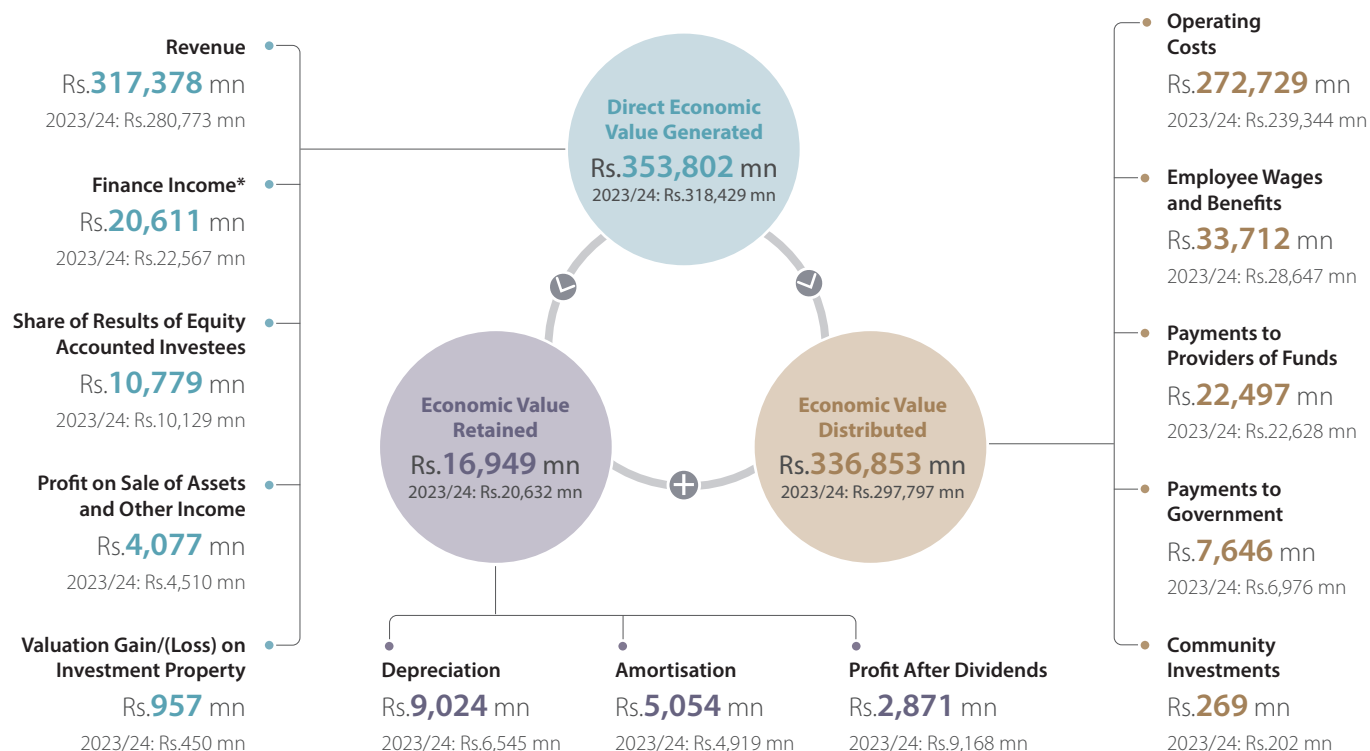
	2024/25	2023/24
Average daily turnover (Rs.million)	261	196
Percentage of total market turnover (%)	8.8	12.4
Market capitalisation (Rs.million)	356,018	290,771
Percentage of total market capitalisation (%)	6.1	6.4

# INVESTOR RELATIONS

## GROUP HIGHLIGHTS



### ECONOMIC VALUE ADDED STATEMENT

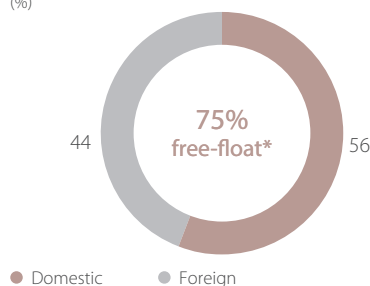


\*Includes interest income from life insurance policyholder funds at Union Assurance PLC.



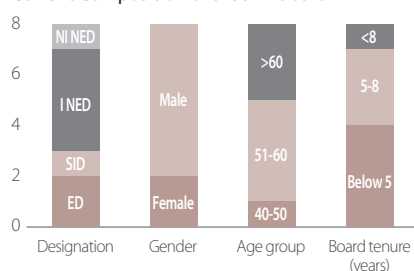
### GOVERNANCE

#### Shareholding Structure (%)



\*Reduction due to HWIC Asia Fund being classified as a related party under the Sri Lanka Accounting Standards.

#### Current Composition of the JKH Board



ED – Executive Director  
SID – Senior Independent Director  
INED – Independent Non-Executive Director  
NI NED – Non-Independent Non-Executive Director

#### Key Governance Highlights

- Policies were re-assessed to align with updated Listing Rules, and a Board Charter was introduced for enhanced oversight.
- Effective October 2024, each listed subsidiary will have separate Board Committees, ensuring governance at the entity level while maintaining group-wide alignment.
- An initiative is underway to optimise processes and enhance decision-making through technology, including a migration to S/4 HANA for improved efficiency.
- A Forensic Data Analytics platform was deployed for financial governance to detect transaction anomalies automatically.
- Measures were taken to comply with the Personal Data Protection Act, with designated Data Protection Officers and a Steering Committee in place.
- The Group's ESG ambitions were formally approved, backed by a structured governance framework for effective implementation.

➕ Refer the Corporate Governance Commentary for further details – Page 223.

#### Board Appointments and Retirements in 2024/25

- Having completed over nine consecutive years on the Board, Mr. N. Fonseka (Senior Independent Director) retired from the Board of Directors with effect from 1 July 2024.
- Dr. H. Wijayasuriya was appointed as the Senior Independent Director with effect from 1 July 2024.
- Mr. M. Jayasinghe was appointed to the Board as an Independent, Non-Executive Director with effect from 1 July 2024.
- Ms. R. Shukla was appointed to the Board as an Independent, Non-Executive Director with effect from 1 July 2024.



## GOVERNANCE

### Awards



Silver award for 'Best Investor Relations' at the Capital Market Awards 2024 organised by the CFA Society Sri Lanka.

### INTERNAL GOVERNANCE STRUCTURE

Board of Directors and Senior Management Committees



Chairperson-CEO

Group Executive Committee (GEC)

Group Operating Committee (GOC)

Group Management Committee (GMC)

Sector Committee

Management Committee

Employee Empowerment

Refer the Corporate Governance Commentary for further details – Page 230

### Transparency in Corporate Reporting (TRAC) Assessment

JKH was ranked first in the Transparency in Corporate Reporting (TRAC) Assessment by Transparency International Sri Lanka (TISL) for the past four consecutive years, with a 100% score for transparency in disclosure practices. For the period under review, an assessment was not conducted by TISL, and the most recent ranking remains in effect until a new assessment is carried out.



## INTELLECTUAL CAPITAL

### OCTAVE

- Following the success of the use cases that were deployed, particularly in the Supermarkets, Confectionery and Beverages businesses, a roadmap for advanced analytics use cases were developed for the Transportation industry group.
- OCTAVE initiated commercial engagements to provide advanced analytics services to external customers, which includes clients in the United Kingdom.



### John Keells Research (JKR)

- John Keells Research (JKR) licensed a sustainable technology to regenerate industrial chemicals used in the quality assurance process of rubber products, enabling waste reduction and effective resource repurposing.
- JKR entered into two separate technology licensing agreements for its proprietary Silmetic® for manufacturing and sale as an antibacterial additive, and for integration into disposable foot insoles.



### Key Accolades Received by JKH

- Ranked first as the 'Most Respected Entity' in Sri Lanka for the 19<sup>th</sup> year at the 20<sup>th</sup> annual edition of LMD's Most Respected Entities rankings.
- Ranked first in LMD Readers' Choice as Sri Lanka's 'Most Loved Corporate Brand' for 2024.



# INVESTOR RELATIONS

## GROUP HIGHLIGHTS



### NATURAL CAPITAL



Total water consumed across all business units

**1,168,836 m<sup>3</sup>**



Percentage of treated water out of total water consumption

**28%**



Percentage of recycled water out of treated water

**48%**



Total carbon footprint across all business units

**162,927 MT**



Total units of energy consumed across all business units

**1,060,480 GJ**



Total units of renewable energy consumed across all business units

**122,191 GJ**



Total waste generated across all business units

**10,479 MT**



Percentage of treated non-hazardous waste recycled

**57%**



Total plastic waste collected

**260 MT**

	2024/25	2023/24*	2022/23*
Energy consumption: non-renewable sources (GJ)	378,365	360,851	390,434
Energy consumption: non-renewable sources (GJ) per Rs.million of revenue	1.14	1.23	1.41
Energy consumption: renewable sources (GJ)	122,191	124,455	122,568
Energy consumption: renewable sources (GJ) per Rs.million of revenue	0.37	0.42	0.44
Purchased energy: national grid (GJ)	559,924	484,952	399,355
Purchased energy: national grid (GJ) per Rs.million of revenue	1.69	1.65	1.44
Total energy consumption	1,060,480	970,257	912,358
Direct greenhouse gas emissions – Scope 1 (MT)	62,110	47,804	41,887
Indirect greenhouse gas emissions – Scope 2 (MT)	100,817	87,318	71,906
Total carbon footprint (MT)	162,927	135,122	113,793
Total carbon footprint (MT) per Rs.million of revenue	0.49	0.46	0.41
Greenhouse gas emissions from combustion of biomass (MT)	6,150	7,153	8,050
Water withdrawal (m <sup>3</sup> )	2,317,699	2,243,872	2,032,035
Water withdrawal (m <sup>3</sup> ) per Rs.million of revenue	7.00	7.62	7.35
Water discharge (m <sup>3</sup> )	1,146,624	1,131,712	1,297,369
Volume of hazardous waste generated (MT)	517	367	314
Volume of non-hazardous waste generated (MT)	9,963	9,314	7,993
Non-hazardous waste recycled/reused by Group companies and through third party contractors (%)	57	57	46
Significant environmental fines **	-	-	-

\*2022/23 and 2023/24 restated. To align with best practice and enhance the quality of the Group's disclosures, some figures reported in 2023/24 have been restated based on audit insights, providing a more comprehensive reflection of the Group's performance.

\*\*Significant fines are defined as fines over Rs.1 million.





## HUMAN CAPITAL



Total staff members of the group

**18,342**



Average employee attrition rate

**27%**



Gender ratio (Male: Female)

**66:34**



Total number of injuries

**344**



Total training hours

**591,497 h**



Total investment on training and development

**Rs.357 million**

	2024/25	2023/24	2022/23
Total of employees and non-employee workers*	28,042	20,614	22,250
Employees	18,342	15,314	15,415
Non-employee workers	9,700	5,300	6,835
New hires (%)	80	68	64
Employees receiving performance reviews (%)	100	100	100
Average hours of training per employee	32	15**	26
Employee benefit liability as of 31 March (Rs.million)	3,463	3,590	2,559
Total attrition (%)	27	28	31
Incidences of child labour (below age 16)	-	-	-
Incidences of forced labour during the year	-	-	-

\*Of the Group's total employees, 654 are placed in the Maldives, with the remainder domiciled in Sri Lanka.

\*\* Restated



## SOCIAL AND RELATIONSHIP CAPITAL



Total CSR spend

**Rs.230 million**



Spend on local suppliers

**85%**



People benefited from Community & Livelihoods-related projects

**813,917**



Businesses analysed for risk of corruption\*

**45**



Total people impacted

**1,837,676**



People benefited from Social Health & Cohesion-related projects

**1,015,658**



Number of suppliers engaged

**116**



People benefited from Education-related projects

**5,977**



People benefited from Biodiversity-related projects

**1,120**

\*Operational business entities where the Group exercises significant management control.

	2024/25	2023/24	2022/23
Community services and infrastructure projects (Rs.million)	230	187	397
Proportion of spend on purchase from suppliers within Sri Lanka %	85	86	81
Community engagement (no. of persons impacted)	1,837,676	1,952,511	1,553,971
Sustainability integration awareness (no. of business partners)	130	200	201
Business partners screened for labour, environment and human rights (no. of business partners)	116	83	63
Proportion of labels carrying ingredients used (%)	82	77	76
Proportion of labels carrying information on disposal (%)	96	96	95
Proportion of labels carrying sourcing of components (%)	6	3	3
Monetary value of significant fines* (Rs.)	-	-	-
Proportion of businesses analysed for risk of corruption (%)	100	100	100

\* Significant fines are defined as fines over Rs.1 million.

# INVESTOR RELATIONS

## INDUSTRY GROUP HIGHLIGHTS



### TRANSPORTATION

#### Industry Potential

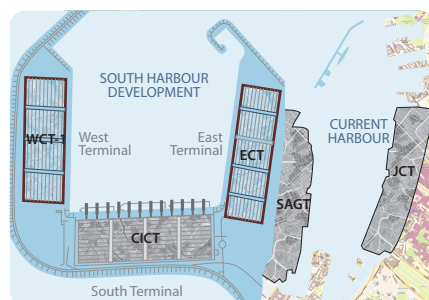
- Ongoing capacity enhancements at the Port of Colombo (POC) and shipping lines opting for 'hub and spoke' services will spearhead the thrust to reinforce Colombo as a leading transshipment hub in the region.
- Envisaged increase in bunkering market share driven by higher vessel movement.
- Growing demand for logistics services through growth in inbound project cargo and other major industries.

#### Our Business

- 42% stake in SAGT – container terminal (capacity of ~2 million TEUs).
- 34% stake in WCT-1 – container terminal (capacity of ~3.2 million TEUs).
- Leading bunkering services provider both in the West Coast and the Sri Lankan market.
- One of the largest cargo and logistics service providers in the country.
- Joint ventures with Deutsche post for DHL air express, AP Moller for Maersk Lanka and Inchcape Shipping Services for IMMS.
- GSA for KLM Royal Dutch Airlines, Gulf Air and Thai AirAsia.
- Warehousing and supply chain management.
- Domestic scheduled and charter air flight operations.



The POC is strategically positioned on the main East-West shipping routes.



Capacity enhancements in the POC - WCT-1 and ECT.

#### West Container Terminal (WCT-1)

- First phase of operations commenced in Q4 2024/25, with a capacity of ~1.6 million TEUs.
- WCT-1 is POC's first automated deep-water terminal. The full completion of the terminal is scheduled for 2H 2026/27.
- WCT-1 is expected to be cash-positive within its first year of operations, driven by growing container volumes and demand.

#### Key Performance Indicators

		2024/25	2023/24	%	2022/23
SAGT volumes	(TEU '000)	2,068	1,818	14	1,704
Domestic : Transshipment mix		12:88	10:90		13:87
Port of Colombo volumes	(TEU '000)	7,719	7,339	5	6,632
LMS volume growth	(%)	15	2*		8*
Warehouse space under management	(sq. ft. '000)	240	370	(35)	317**

\*Excluding local sales, YoY volume increase for 2023/24 and 2022/23 is 10% and (1)% respectively.

\*\*Discontinuation of the Kotikawatta and Ekala warehouses in 2022/23.

#### Quarterly Performance

2024/25		Q1	Q2	Q3	Q4	Full Year
SAGT volumes	(TEU '000)	516	512	535	505	2,068
POC volumes	(TEU '000)	1,882	1,899	2,003	1,936	7,719
LMS volume growth	(%)	13*	78	20	(17)	15

\*Excluding local sales, YoY volume increase for Q1 2024/25 is 22%.

#### Strategy and Outlook

##### Immediate to Short Term

##### Ports, Shipping and Bunkering

- Regional trade volumes are expected to remain strong, supported by India's economic growth.
- The expansion in the overall port capacity at the POC is expected to lead to an increase in the number of vessel calls, positively impacting bunker fuel demand.

##### Logistics and Transportation

- The Logistics business will continue to prioritise new customer acquisition and drive improved utilisation across all its facilities.
- Increase in export volumes are anticipated to result in higher volumes.
- The increase in airline frequencies is expected to boost passenger numbers.

##### Medium to Long Term

##### Ports, Shipping and Bunkering

- WCT-1 is expected to strengthen the POC's long term competitiveness by enhancing operational efficiency and handling capacity to accommodate larger vessels.
- Anticipated growth in regional and global economies is expected to facilitate growth in the overall volumes in the POC.
- Sustained growth of the Indian economy will, in addition to the current volumes, be a long term driver of volumes to the POC.
- Continue to explore opportunities arising from the POC, Hambantota and Trincomalee, particularly in relation to bunkering and storage.

##### Logistics and Transportation

- Explore opportunities arising from the anticipated growth in regional and domestic trading.
- Increase in tourist arrivals and investments in the tourism industry is expected to benefit the Airline segment.





## CONSUMER FOODS

### Industry Potential

- Per capita consumption of carbonated soft drinks at 12 litres, is below peer markets.
- Per capita consumption of ice creams at ~4 litres, is far below developed markets.
- Bulk:Impulse ice cream mix in regional markets is highly skewed towards the Impulse segment, demonstrating significant potential within the Impulse category.
- Emerging 'health conscious' consumers and growing need for convenient and affordable main meal options.
- New niche segments for unique flavours.

### Our Business

- Strong market presence in beverages, confectionery and processed meats through Elephant House and Keells-Krest brands.
- Confectionery products including the premium ice cream range Imorich and the Feelgood guilt-free frozen yoghurt range for customers seeking wellness and balanced lifestyles.
- A portfolio of carbonated soft drink (CSD) and non-CSD Beverages catering to a wide array of customers and island-wide distribution network.

### Insight into Quarterly Performance

Volume Growth 2024/25 (%)	Q1	Q2	Q3	Q4	Full Year
Beverages (CSD)	8	13	28	16	16
Confectionery	27	17	34	12	22
Convenience Foods	31	21	24	24	25

- The strong growth in volumes was due to an increase in consumer activity, improved seasonal sales and favourable weather conditions.
- Volumes in the Confectionery business were driven by higher sales in the Bulk segment followed by the Impulse segment which comprises of higher margin products.
- Both the Beverages and Confectionery businesses recorded a sustained improvement in margins on account of lower raw material prices, electricity costs and the increased operating leverage due to higher volumes enabling absorption of fixed costs.
- The increase in demand for Convenience Foods is due to a rise in consumer activity on the back of a stable economy, which also resulted in consumers shifting their spend towards more discretionary items.

**100,000+**

Outlet reach

**15**

CSD flavours

**43:57**

Revenue mix:  
Beverages (CSD):FC  
[FY24: 42:58]

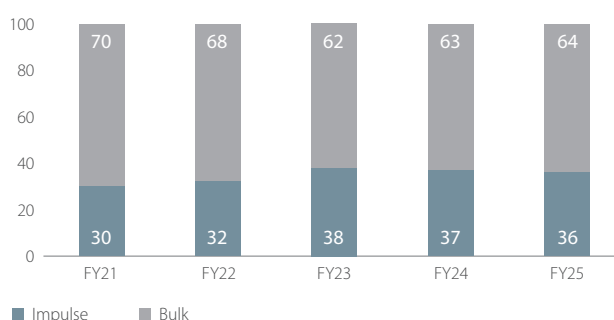
**76**

Ice Cream flavours

**2**

Frozen yoghurt flavours

**Bulk:Impulse Volume Mix of the Confectionery Business (%)**

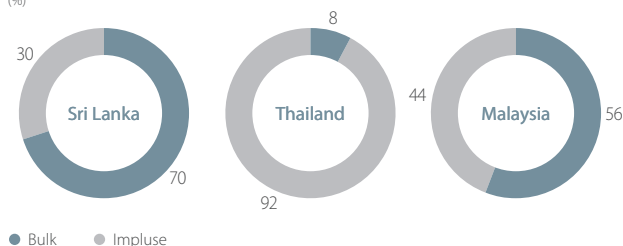


### Key Performance Indicators

%	2024/25	2023/24	2022/23
<b>Volume Growth</b>			
Beverages (CSD)	16	10	(7)
Confectionery*	22	4	(7)
Convenience Foods	25	(9)	(22)
<b>EBITDA Margins</b>			
Beverages and Confectionery	18.7	17.1	10.8
Convenience Foods	8.8	2.7	9.0
<b>PBT Margins</b>			
Beverages and Confectionery	14.3	11.4	4.2
Convenience Foods	3.0	(6.3)	1.1

\*Including freezer pop.

**Bulk:Impulse Mix of Regional Markets (%)**



# INVESTOR RELATIONS

## INDUSTRY GROUP HIGHLIGHTS

### Strategy and Outlook

#### Immediate to Short Term

- Volumes expected to maintain its growth momentum, supported by the low market penetration and higher consumer activity.
- An upward increase in electricity may impact margins, though tariffs remain lower than in the previous year due to multiple downward tariff revisions.
- The Confectionery business will explore opportunities to expand its portfolio beyond ice cream, capitalising on its existing manufacturing and distribution network.

#### Medium to Long Term

- Significant growth potential exists in the consumer food products industry in Sri Lanka given the relatively low penetration compared to global and regional peers.
- Given the higher penetration within urban areas, the Group expects growth from the outskirts of the country to be a driver of medium to long term growth, despite the lower base.
- Digitisation strategy will continue focusing on advanced analytics for data-driven decision-making to deliver sustained productivity gains, cost savings, and support the identification of new growth opportunities.
- Evolving consumer tastes and preferences, which create niche, yet substantial, market segments that would aid the businesses to innovate and explore more personalised offerings.



## RETAIL

### Industry Potential

#### Supermarket Business

- Modern trade penetration at 17%, is one of the lowest in the region.
- Growing popularity of modern trade as a result of:
  - Convenient and modern shopping experience.
  - Access to diverse categories and brands at affordable prices.
  - Rising per capita income, rapid urbanisation and changing consumption patterns.
- Demand for omnichannel retailing.

#### Office Automation Business

- Increased smartphone penetration in the country.
- Increased digital adoption within the country driven by smart mobile devices.

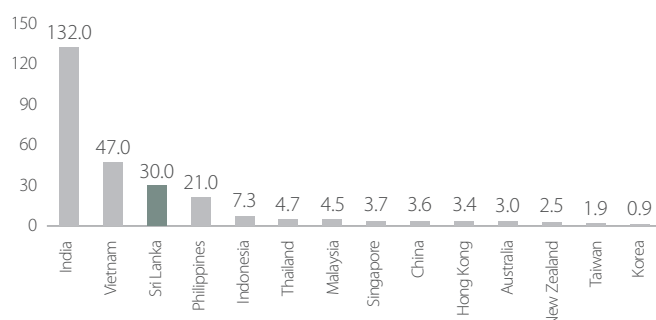
#### New Energy Vehicles

- Shift in consumer behaviour towards more energy efficient vehicles.
- Global EV sales and global market share of total new vehicle sales.

	Global EV sales	Global market share
CY2024	~17 million units	~20%
CY2025 (projected)	~20 million units	~25%
CY2030 (projected)	~45 million units	~40%

#### Modern Trade Density

Population ('000) per store



### Our Business

#### Supermarket Business

- 138 outlets uniquely branded to cater to evolving consumer lifestyles.
- The state-of-the-art distribution centre (DC) centralising offerings across the dry, fresh, and chilled categories with a capacity for ~250 outlets.
- Own label consisting of over 350 SKUs.
- Nexus, a loyalty programme with ~2.6 million active members.

#### Office Automation Business

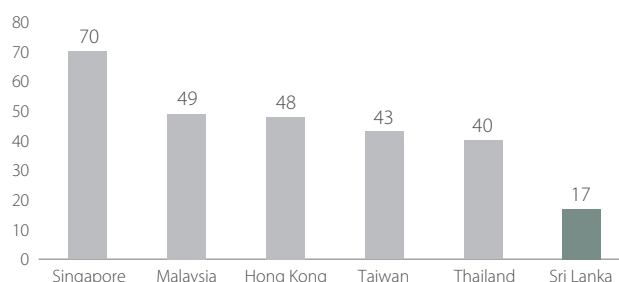
- John Keells Office Automation (JKOA) is the authorised distributor for Office Automation and world-renowned IT enabled brands and a market leader in providing print solutions for corporates. Brands offered include Samsung, Toshiba and Asus.

#### New Energy Vehicles

- JKCG, a 50% owned joint venture of JKH, partnered with BYD Company Limited, the world's leading manufacturer of new energy vehicles (NEVs).

#### Modern Retail Penetration

(%)



## Key Performance Indicators

Supermarkets (%)	2024/25	2023/24	2022/23*
Same store sales growth	14.2	12.3	47.6
Same store footfall growth	14.5	12.3	28.3
Average basket value (ABV) growth	(0.3)	(0.1)	15.1
EBITDA margin	7.9	6.9	7.5
PBT margin	3.4	1.5	1.1

\*Given the pandemic-related disruptions, unprecedented inflation and changes in shopping patterns resulting in shifts in frequency, basket values, and purchase patterns of customers, the KPIs were distorted in 2022/23.

2024/25 (%)	Q1	Q2	Q3	Q4
Same store sales growth	12.0	13.8	14.2	16.2
Same store footfall growth	11.9	12.3	14.2	19.1
ABV growth	0.1	1.4	0.04	(2.4)

- The Supermarket business witnessed a strong growth in performance, driven by growth in same store sales on the back of an increase in footfall.
- Margin improvement in comparison to competitors was supported through various advance analytics initiatives in key operational areas including supply chain, marketing and daily operating functions.
- Growth in same store footfall was driven by both existing and new customers through initiatives undertaken to attract customers, especially through the conversion from general trade to modern trade.
- ABV growth was marginally lower as the growth in weight of purchase (WOP) was offset by a relatively higher decrease in retail selling price (RSP) due to the deflation witnessed from the second quarter of 2024/25 onwards.
- The second half of 2024/25 was relatively more impacted by the decrease in RSP, although WOP continued to record an increase, demonstrating the continued improvement in consumer sentiment and demand.

Office Automation (%)	2024/25	2023/24	2022/23
EBITDA margin	9.7	10.0	18.8
PBT margin	8.3	11.1*	(8.2)**

\*Impacted by exchange gains due to the appreciation of the Rupee.

\*\*Impacted by exchange losses due to the steep depreciation of the Rupee.

## New Energy Vehicles (NEV)

- John Keells CG Auto (Private) Limited launched BYD NEVs during the year.
- The total orders received to date have exceeded expectations with BYD capturing a fair share of the market.
- Based on the current order book, the market potential for NEVs and expectations of deliveries in the ensuing quarters, the earnings are expected to be material in the context of the Group's performance.

## Strategy and Outlook

### Immediate to Short Term

#### Supermarket Business

- Growth in footfall through modern trade participation, promotions and enhanced customer offerings.
- Emphasis on cost optimisation, productivity and working capital management.
- Expansion in the own label range and direct import portfolios to offer customers greater choice and value for money.
- Streamlined operations via distribution centres scaling business volumes.
- Advanced analytics to optimise pricing, promotions, and store operations to optimise margins and customer engagement.
- Omnichannel growth integrating food and grocery delivery platforms.
- Accelerated outlet openings given the positive outlook for the industry.

#### Office Automation Business

- Sustained performance in line with the stabilising macroeconomic conditions and improving consumer discretionary spending.
- Competition in the entry-level and mass market segments is expected to be driven by aggressive pricing strategies and frequent new product launches.

#### New Energy Vehicles Business

- NEV adoption in Sri Lanka is expected to gain momentum supported by the growing consumer interest in energy-efficient, sustainable mobility solutions.
- Business expansion through a broader product portfolio, enhanced sales and service networks.
- Charging infrastructure growth to support increasing demand.



### Medium to Long Term

#### Supermarket Business

- Capitalise on the relatively low penetration of modern trade in the country.
- Expand in urban and suburban areas with cost-efficient formats.
- Enhanced shopping experience through focus on freshness, service excellence, and quality.
- Personalisation and insights through use of real-time data to deepen customer engagement and efficiency.

#### Office Automation Business

- Improve market share by leveraging world-class brands and distribution networks.
- Capitalise on emerging trends, growing demand for smart devices, and increased adoption of digital lifestyles, by curating a relevant and evolving product portfolio.

#### New Energy Vehicles Business

- NEVs are expected to emerge as a key growth segment, driven by global low-emission mobility trends and rising consumer preference for sustainability.
- Portfolio and ecosystem expansion through investments in product range and infrastructure to enhance business value.

## INDUSTRY GROUP HIGHLIGHTS



## LEISURE

## Industry Potential

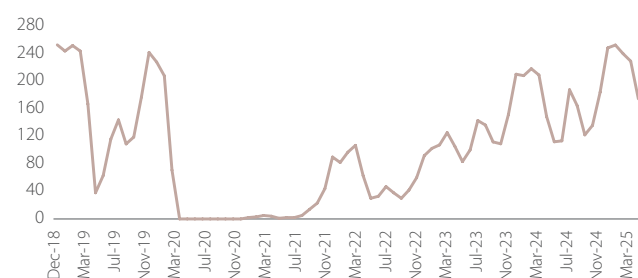
- Proximity to India and increased flight connectivity.
- Infrastructure led growth driving MICE and corporate tourists.
- Sought after tourist destination in the region, with increased popularity and recognition – centred around its natural diversity and cultural heritage.

## Our Business

- Cinnamon, a well-established hospitality brand in Sri Lanka and the Maldives:
  - 3 Colombo Hotels
  - CODSL
  - 9 Sri Lankan Resorts
  - 4 Maldivian Resorts
- CODSL, an iconic integrated resort, is envisaged to transform Colombo's tourism offering a 800-key hotel, banqueting and conferencing spaces, mall and a casino.
- Combined room inventory of 3,468 rooms under management in both Sri Lanka and the Maldives.
- Land bank of 128 acres of freehold and 140 acres of leasehold land in key tourism locations.
- Leading inbound tour operator.



**Tourist Arrivals to Sri Lanka**  
(’000)



### Key Performance Indicators

		2024/25	2023/24	2022/23
Colombo Hotels*				
Occupancy	(%)	62	60	42
ARR	(USD)	81	78	64
EBITDA margin	(%)	11.3	11.8	7.0
Sri Lankan Resorts				
Occupancy	(%)	65	68	41
ARR	(USD)	97	79	65
EBITDA margin	(%)	20.4	14.7	1.2
Maldivian Resorts				
Occupancy	(%)	84	86	88
ARR**	(USD)	271	275	255
EBITDA margin	(%)	28.8	30.5	32.5

*\*Both Occupancy and ARR's exclude Cinnamon Red Colombo and Cinnamon Life.*

**\*\*Net of green tax and allocation (F&B charge).**

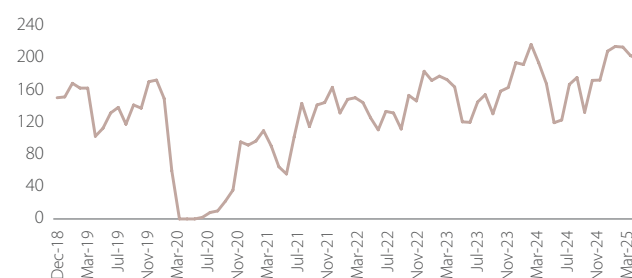
## Quarterly Performance

2024/25		Q1	Q2	Q3	Q4
Colombo Hotels*					
Occupancy	(%)	40	66	66	77
ARR	(USD)	98	83	78	75
EBITDA margin	(%)	(2)	11	13	22
Sri Lankan Resorts					
Occupancy	(%)	49	64	68	82
ARR	(USD)	81	78	96	123
EBITDA margin	(%)	(5)	6	23	40
Maldivian Resorts					
Occupancy	(%)	71	89	86	91
ARR**	(USD)	235	194	285	364
EBITDA margin	(%)	10	16	34	43

\*Both Occupancy and ARR's exclude Cinnamon Red Colombo and Cinnamon Life.

**\*\*Net of green tax and allocation (F&B charge).**

### Tourist Arrivals to the Maldives ('000)

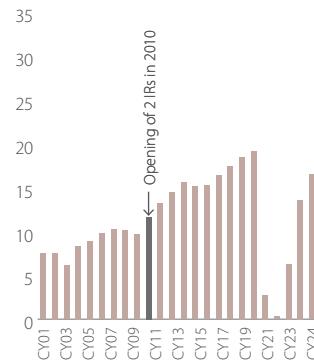


### City of Dreams Sri Lanka

- The 687-key Cinnamon Life hotel, including restaurants, bars and banquet facilities commenced operations on 15 October 2024.
- As expected, the occupancy for the hotel will have a slow ramp up till demand for conferences and foreign events gather momentum, particularly given the lag effect for such bookings to materialise post the opening of a new hotel.
- The remaining elements of CODSL is progressing well, with the fit-out and finishing works relating to the 113-key Nuwa hotel and the casino near complete for its planned opening in August 2025.
- Following the commencement of operations at Cinnamon Life Hotel in October 2024, initial depreciation and interest expenses impact profitability. However, the expected revenue growth from the CODSL is anticipated to offset these costs in the coming quarters.
- The impact of the integrated resort on tourism and the economy are expected to be significant, mirroring the success of integrated resorts in the region - even in more advanced markets like Singapore.

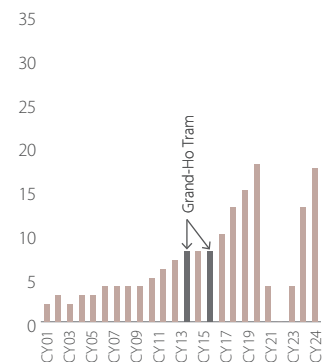
### Opening of IRs have been a key driver of tourism

**Tourist Arrivals - Singapore**  
(Millions)



Source: Department of Statistics Singapore.

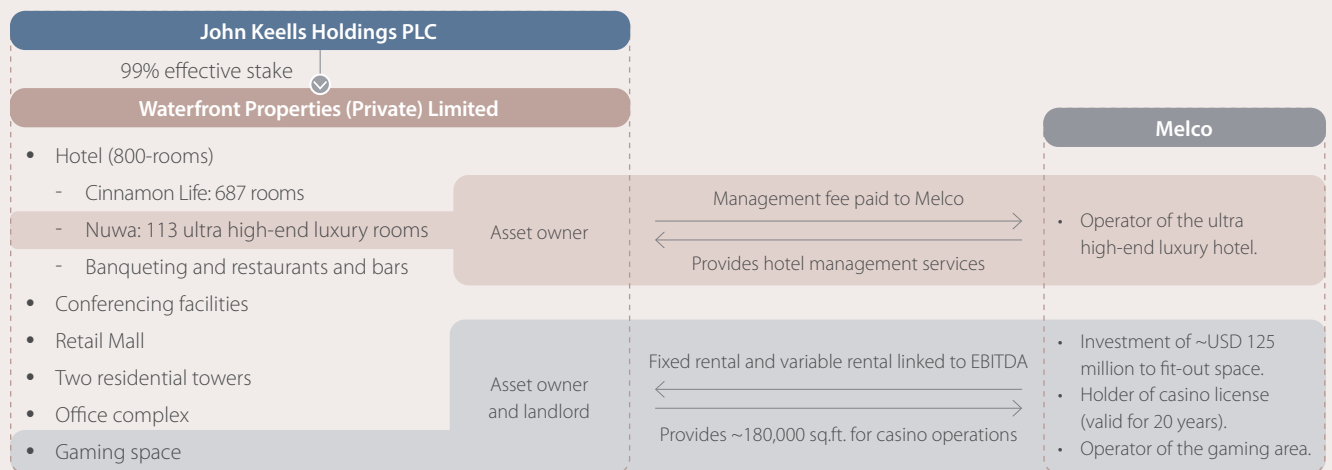
**Tourist Arrivals - Vietnam**  
(Millions)



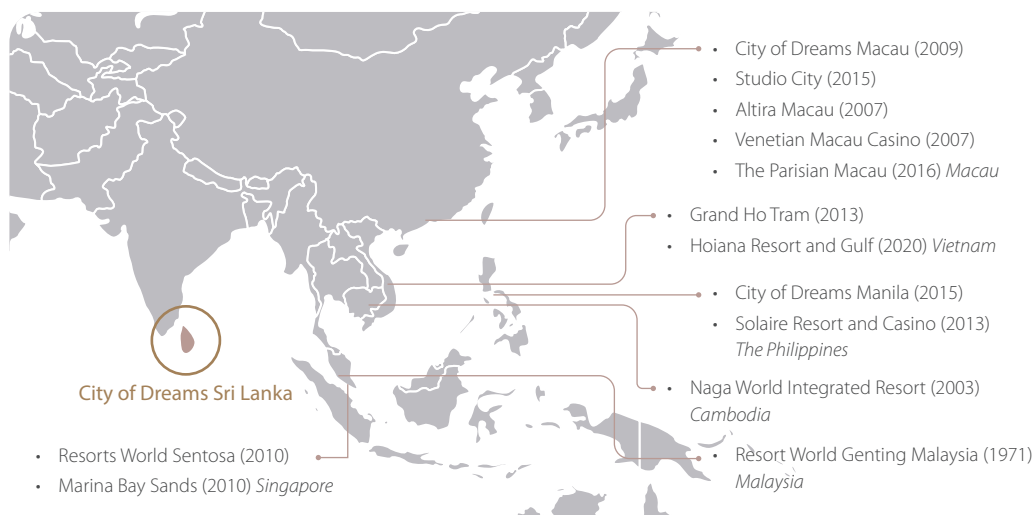
Source: World Bank.

\* The graphs illustrated show some of the key IRs in these jurisdictions and is not an exhaustive list.

### Partnership Structure of City of Dreams Sri Lanka:



### First fully fledged Integrated Resort (IR) in South Asia:



Note: List of IRs captured in the above is not exhaustive.

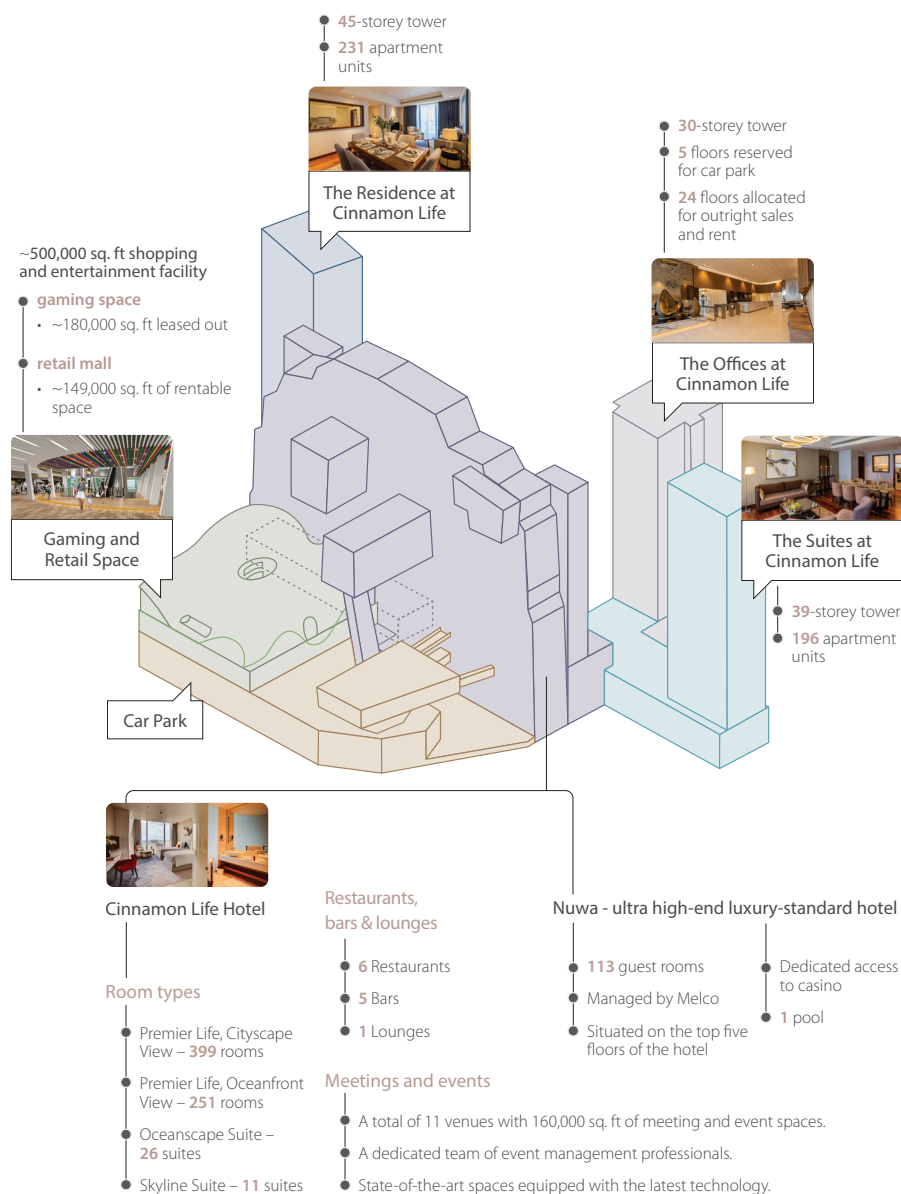
- No new developments planned within the region in the medium-term.
- City of Dreams Sri Lanka will primarily focus on international revenue from feeder markets in the region.

# INVESTOR RELATIONS

## INDUSTRY GROUP HIGHLIGHTS



### LEISURE



### Kandy Myst by Cinnamon

In February 2025, the Group commenced operations of Kandy Myst by Cinnamon, located in the heart of Kandy.

- Partnership – John Keells Hotels PLC (KHL) and Indra Traders (Private) Limited, and managed by Cinnamon Hotels & Resorts.
- Ownership - KHL has a 40% equity stake.
- Total investment – USD 40 million funded through a combination of borrowings and equity.
- Room inventory - 215 keys.

### Strategy and Outlook

#### Immediate to Short Term

- The current recovery trend in arrivals is expected to continue with growth across all key source markets and the increase in flight capacity.
- The opening of CODSL expands Colombo's premium room inventory and presents strong potential to reinforce the city's positioning as a high-end urban tourism and MICE destination.
- The anticipated commencement of casino operations is expected to attract high-net-worth travellers and drive a premium tourism segment.
- Comprehensive yield management strategy to ensure optimum returns.

#### Medium to Long Term

- The prospects for tourism remain extremely positive considering the diversity of the offering and the potential for higher regional tourism, particularly out of India considering the growing middle class driven by the strong growth of its economy.
- CODSL to be a key catalyst for tourism given its unique offering as a one-of-a-kind destination in South Asia. The collaboration with Melco, including access to the technical, marketing, branding and loyalty programmes, expertise and governance structures, will further drive synergies and demand.
- Continued focus on asset-light investment models as a part of the strategy to enhance the Cinnamon footprint.





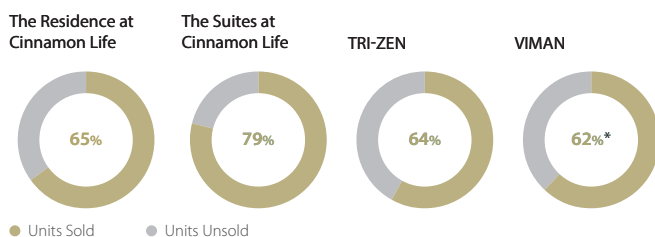
## PROPERTY

### Industry Potential

- An urban population of 17%, far below regional peers.
- Emerging suburban multi-family housing market.
- Increasing demand for mid-tier housing units within the city.
- Port City Colombo project, positioning Sri Lanka as a regional financial and trade hub.
- Increased demand for commercial space.
- Increase in demand for short term rentals and hospitality-linked real estate.

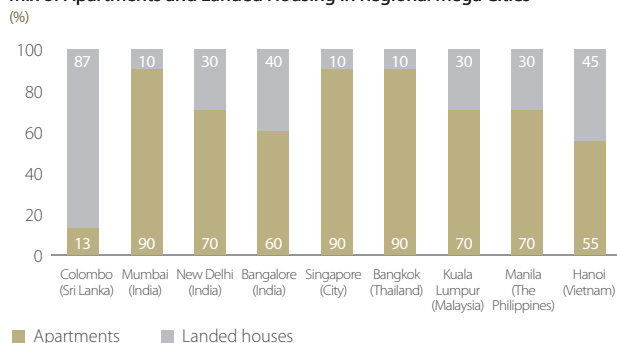
### Our Business

- Projects developed under the Luxe Spaces, Metropolitan Spaces, Suburban Spaces and Leisure linked developments verticals which cater to the luxury, mid-tier and suburban multi-family housing segments.
- The sale/rental of units of the office tower at the Offices at Cinnamon Life.
- VIMAN, a suburban residential apartment development located in the heart of Ja-Ela.
- Ownership and operation of the Crescat Boulevard mall and management of the K-Zone mall in Moratuwa.
- Land bank:
  - Prime land bank of over 27 acres in central Colombo.
  - Developable freehold land of ~18 acres in close proximity to Colombo city.
  - Over 500-acres of scenic leased land with an 18-hole golf course and a developable land extent of ~80 acres.



\*Out of the phases launched.

### Mix of Apartments and Landed Housing in Regional Mega Cities



Mall Occupancy (%)	2024/25	2023/24	2022/23
K-Zone Moratuwa	100	100	99
Crescat Boulevard	76	85	73

Cumulative Sales (SPAs)	2024/25	2023/24	2022/23
The Residence	167	147	151
Suites	127	109	115
Commercial complex	5	4	4
TRI-ZEN	737	700	655
VIMAN	164	100	N/A

### VIMAN, a Suburban Development Project

- Strong sales momentum since launch.
- Strategic location near Colombo Port access highway for connectivity.
- Growing buyer interest from new and non-traditional segments.
- Revenue recognition expected to ramp-up with construction progress.

### Strategy and Outlook

#### Immediate to Short Term

- Buyer sentiment and investor interest in real estate are expected to remain strong in the near term, supported by macroeconomic stability and the prevailing low-interest rate regime.
- Continued exploration of investment opportunities in the emerging suburban areas of Colombo.
- Limited pipeline of new supply in the condominium industry provides opportunities to expand further in the segment.



#### Medium to Long Term

- Prospects for the housing market in Colombo and the suburbs continue to be promising on the back of drivers such as the expanding middle-class demographic, increased commercial activity within Colombo and potential for increased GDP per capita.
- Significant growth expected in the market for vertical and middle-income housing due to high land prices and construction costs of single-family houses.
- Investments and infrastructure spending channelled towards enhancing connectivity to the commercial centres of the country, will accelerate demand in suburban regions.
- Monetisation of the existing land bank of the industry group, subject to market conditions, through systematic development strategies to rollout a robust pipeline of developments via the land parcels available.

# INVESTOR RELATIONS

## INDUSTRY GROUP HIGHLIGHTS



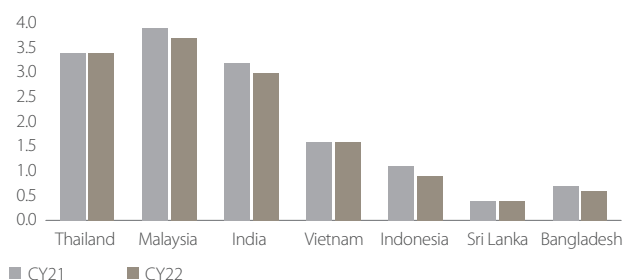
### FINANCIAL SERVICES

#### Industry Potential

##### Life Insurance Industry

- Shifting demographics creating demand for health, retirement and financial protection insurance solutions.

Life Insurance Penetration in Regional Markets (%)



Source : Swiss Re Institute, Sigma No 3/2023 report, Sigma No 4/2022 report and IRCSL Statistical Review 2022.

##### Banking Industry

- Increasing demand for digital infrastructure.
- Advances in technology around the integration of artificial intelligence (AI) and robotic process automation (RPA) in operational, customer servicing and administrative tasks in the long term.

#### Our Business

##### Life Insurance

- Operating footprint of 94 branches, excluding virtual locations.
- Agency force of over 2,814.
- Market share of ~12%.

##### Banking

- Branch network of 95 outlets, 58 ATMs and 99 CRMs.
- Strong online presence.
- Sri Lanka's first digital bank, FriMi.
- Sole acquirer of the flagship centurion product range of American Express cards in Sri Lanka.

#### Key Performance Indicators

		CY2024	CY2023	CY2022
<b>Life Insurance</b>				
Premium growth	(%)	15	13	8
Market share	(%)	12	12	12
Life fund	(Rs.billion)	78.4	65.0	55.4
Capital adequacy ratio	(%)	264	291	194
<b>Banking</b>				
Growth in loans and advances	(%)	6	(4.8)	(3)
Return on equity	(%)	24	21	17
Net interest margin	(%)	6.9	7.7	7.0
Stage 3 loan ratio	(%)	1.5	2.3	2.6
Capital adequacy ratio – total capital	(%)	22.7	19.7	16.3

#### Strategy and Outlook

##### Immediate to Short Term

###### Life Insurance

- Focus on transitioning to a value-driven, digital-first model by expanding its agency network, strengthening alternative distribution channels.
- Continue to build a customer-centric product portfolio aligned with evolving consumer preferences.
- Strengthening bancassurance partnerships while maintaining alignment with stakeholder expectations, including those of the agency force.

###### Banking

- Continue to adopt a measured, risk-conscious approach to capitalise on emerging opportunities while maintaining strong liquidity and asset quality.
- Delivering personalised, customer-centric financial solutions throughout the customer lifecycle.
- Technology will be leveraged to drive innovations, enhance customer value offerings, and improve operational efficiency.



##### Medium to Long Term

###### Life Insurance

- Transitioning into a fully digital, customer-focused insurer while strengthening long term profitability and community impact.
- Offering modular, innovative insurance solutions tailored to evolving customer needs across health, retirement, and wellness.
- Executing a digital roadmap anchored on AI, RPA, and data analytics to enhance customer engagement, streamline operations, and deliver cost efficiencies.

###### Banking

- Further strengthen digital infrastructure and processes to enhance customer experience, drive operational efficiency, and deliver innovative financial solutions.
- Integrate climate risk into core risk management frameworks, including portfolio modelling and stress testing.



## OTHER, INCLUDING INFORMATION TECHNOLOGY AND PLANTATION SERVICES

### Industry Potential

#### Information Technology

- Increased demand for emerging technologies such as artificial intelligence (AI), blockchain, and the Internet of Things (IoT) and traction for cloud computing.
- Increased digital adoption within the country and growing digital literacy.
- Investment in futuristic technology infrastructure.
- Opportunities for managed services, outsourcing and offshoring.
- Envisaged growth in the business process management (BPM) industry.

#### Plantation Services

- Emerging demand for teas infused with functional ingredients.
- Opportunities for premiumisation.
- Technological integration, including of artificial intelligence (AI) in the grading and auctioning process.
- Cultural and experiential marketing.

### Our Business

#### Information Technology

- Software solutions and consultation services based on internet of things (IOT), robotic process automation (RPA) and other digital stack solutions.
- Market leadership in Sri Lanka and the United Arab Emirates, while pursuing expansion in India, Saudi Arabia, and Southeast Asia.
- Strategic partnerships with SAP, Microsoft and Salesforce.
- BPM service provider with the mandate of driving greater efficiencies for its clientele, diversifying into the areas of human resource outsourcing and lead generation.

#### Plantation Services

- Leading tea and rubber broker.
- State-of-the-art warehousing facility for pre-auction produce.

### Strategy and Outlook

#### Immediate to Short Term

##### Information Technology

- Leverage on its strategic partnerships and capabilities to offer smart software solutions, especially in the areas of cloud computing, software as a service (SaaS) and automation.
- Digital literacy and adoption continue to rise across the country, creating ample opportunity for industry to leverage on.

##### Plantation Services

- Demand from health-conscious consumer segments remains strong, particularly in the Middle East.
- Geopolitical issues, devaluation of currency in key export markets and volatile exchange rates may impact demand as well as lead to higher insurance and freight costs for tea exporters.



#### Medium to Long Term

##### Information Technology

- Explore opportunities in cloud-based solutions and services across industries, with emphasis on cloud, SaaS, automation, advanced analytics, application modernisation, cyber resilience and platform/ecosystem thinking, among others.
- Leverage on its strategic partnerships with SAP, Microsoft, and UiPath to expand regionally, focusing on high-value consultative offerings across five key value stacks: Strategy, Core, Cloud, Platforms and Ecosystems.
- The low penetration of BPM services in Sri Lanka and the increasing demand for nearshore and offshore talent continue to present substantial growth opportunities.

##### Plantation Services

- Driving volume growth by collaborating with producers to ensure consistency in supply and reduce volatility in auction offerings.
- Adverse and increasingly unpredictable weather conditions caused by climate change pose a significant challenge.
- Optimising warehousing operations by increasing the use of solar energy, enhancing the racking systems, and improving the efficiency of loading and unloading operations.