



sunshine

Sunshine Holdings PLC

“A growth story in Healthcare and Consumer”

Invest Sri Lanka 2021 – [7th-9th June 2021]



VISION

To be the most admired conglomerate in Sri Lanka

MISSION

Growing our enterprises to be industry leaders

VALUES

- Innovation
- Perseverance
- Trust
- Responsibility
- Integrity

FY21 Highlights



LKR **10.3** bn

Market Capitalization



LKR **24.3** bn

Group Revenue FY21



10.4%

PAT Margin FY21



LKR **3.39**

Basic EPS FY21



0.37

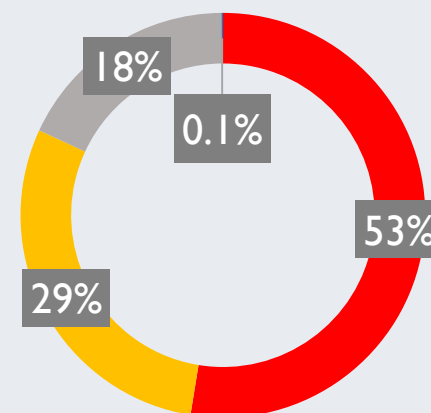
Debt to Equity Ratio
FY21



16.5%

ROE FY21

Sector Contribution to Group Revenue [FY21]

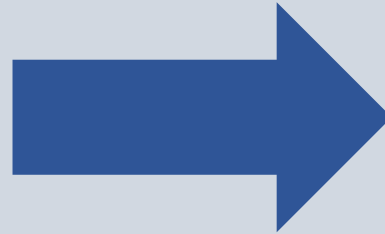


- Healthcare
- Consumer
- Strategic Investments
- Other

Our Legacy



1967



2021

Acquisition
of WATA

1996

Healthguard
Pharmacy

1998

2003

2008

Sunshine
Energy

2010

Watawala
Dairy

2016

Divestment
of tea
plantation

2019

Daintee
Acquisition

2020

Divestment of
hydro power

2021

Consumer
Brands
business

USD 4.75m
investment
for 25% stake
in SUN

USD 2m
investment
in Energy

Acquisition of
Akbar
Pharmaceuticals

USD 2m
investment in
Dairy

Group Restructure

AGRICULTURE

Lotus Renewables buys Sri Lanka's Hatton Plantations

Tuesday May 28, 2019 7:05 pm

Sunshine Consumer extends portfolio beyond tea with Rs. 1.7 b acquisition of Daintee

Monday, 10 August 2020 03:35 - 379

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- Says move timely in its bid to strategically expand presence in fast-growing FMCG segment
- Acquisition as part of Group strategy to nurture and build local brands

Sunshine Holdings and Akbar Brothers merge healthcare biz

Friday, 18 December 2020 00:27 - 1618

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Sri Lanka's Sunshine Holdings boosts stake in tea marketing firm

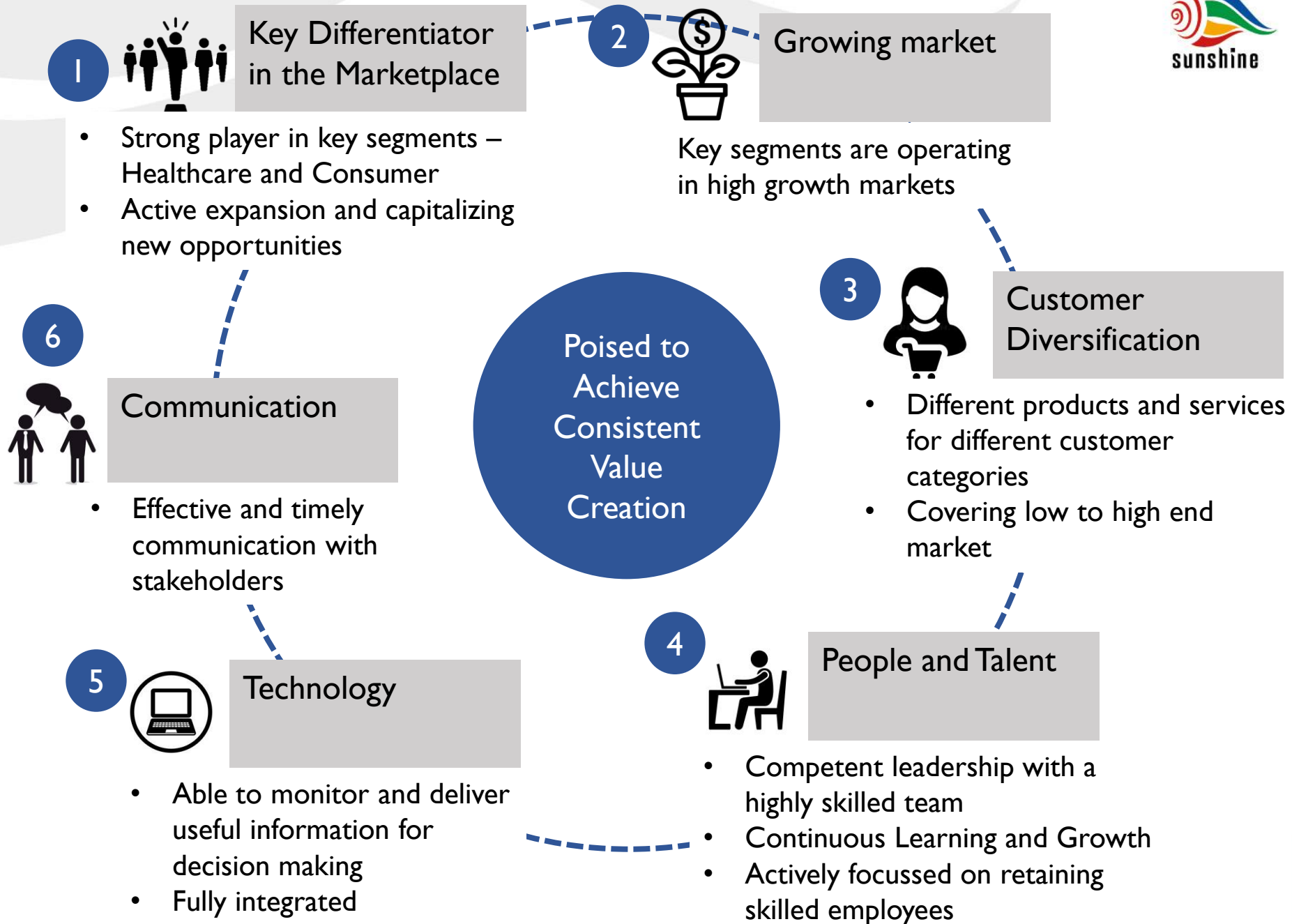
Tuesday May 12, 2020 2:44 pm



Aitken Spence buys mini-hydro firm for Rs. 900 m

Thursday, 8 April 2021 03:28 - 1216

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Business Portfolio

Healthcare

Operates in all five segments of the healthcare supply chain –

- R&D
- Manufacturing
- Importation
 - Pharma
 - Devices
- Distribution
- Retail

Consumer

Operates in key Food & Beverages segments of tea and confectionery

Key Brands:

- Zesta
- Watawala The^
- Ran Kahata
- Daintee

Primary Focus of
the Group

Strategic Investments

Agriculture: primarily cultivate **Oil Palm** - managing 12,500 hectares of land

Dairy sector consists of 800 milking cows producing 18,000 litres of fresh milk per day

Energy: Rooftop Solar

Healthcare

- Sri Lanka's first fully integrated healthcare company
- Pharmaceutical – 2nd Player in the Market with 12.5% market share

Group Effective Holding: 72%

Agency

Distribution

Manufacturing

Retail



- Pharmaceuticals and Medical Devices
- 2nd largest pharma importer
- Over 75 principals
- Coverage of over 2,500 pharmacies
- End to end distribution – 2 Warehouses and 5 Distribution Centres
- **Positioning – Importer of pharmaceuticals and medical devices with a strong distribution function**

Healthcare

Group Effective Holding: 72%

Agency

Distribution

Manufacturing

Retail

Lina
Manufacturing



- R&D activities
- Lina Manufacturing – respiratory pharmaceuticals and devices
- Lina Spiro – metered-dose inhalers
- Annual capacity:
 - ✓ Lina manufacturing – 1.6bn units
 - ✓ Lina Spiro – 2m units
- **Positioning – Leading local pharma manufacturer of respiratory products**

Healthcare

Group Effective Holding: 72%

Agency

Distribution

Manufacturing

Retail



- Healthcare and wellness products
- 22 pharmacy outlets
- Coverage is Colombo-centric due to high purchasing power
- **Positioning – targets Colombo district urban affluents**

Consumer

- Market leader in branded tea and sugar confectionery



Group Effective Holding: 100%

Tea

Confectionery



- Largest branded tea company in Sri Lanka – 36% market share
- Brands catering to different consumer segments
 - ✓ Zesta – premium – local and export market
 - ✓ Watawala – middle income
 - ✓ Ran Kahata – low income
- Functional teas – Haritha te[^] / Ayur te[^]
- Positioning – targets a wide range of consumer segments with differentiated brands**

Consumer

Group Effective Holding: 100%

Tea

Confectionery



- Daintee Ltd acquired in August 2020
- Market leader in the hard boiled candies category: ~43% market share
- Distribution network: ~90,000 outlets
- 2 manufacturing sites
- **Positioning – Rural economy segment**

Agribusiness

- Agribusiness segment is engaged in Oil Palm plantations and Dairy in partnership with Wilmar International

Group Effective Holding: 37%

Palm Oil

- 3,000 Ha
- 96% has been cultivated
- RSPO certified
- **Positioning – largest palm oil producer in Sri Lanka**

Group Effective Holding: 33%

Dairy

- 800 milking cows / 1400 herd
- Aug 2017 – commercial operations
- May 2021 - SBI invested USD 2m
- **Positioning – premium quality fresh milk**

Renewable Energy

Group Effective Holding: 70%

Solar Energy “Sky Solar”

- Current Capacity = 1.7MW
- Divestment proceeds of Waltrim Energy to be invested in solar projects
- Target → 15MW capacity in the next 3 years

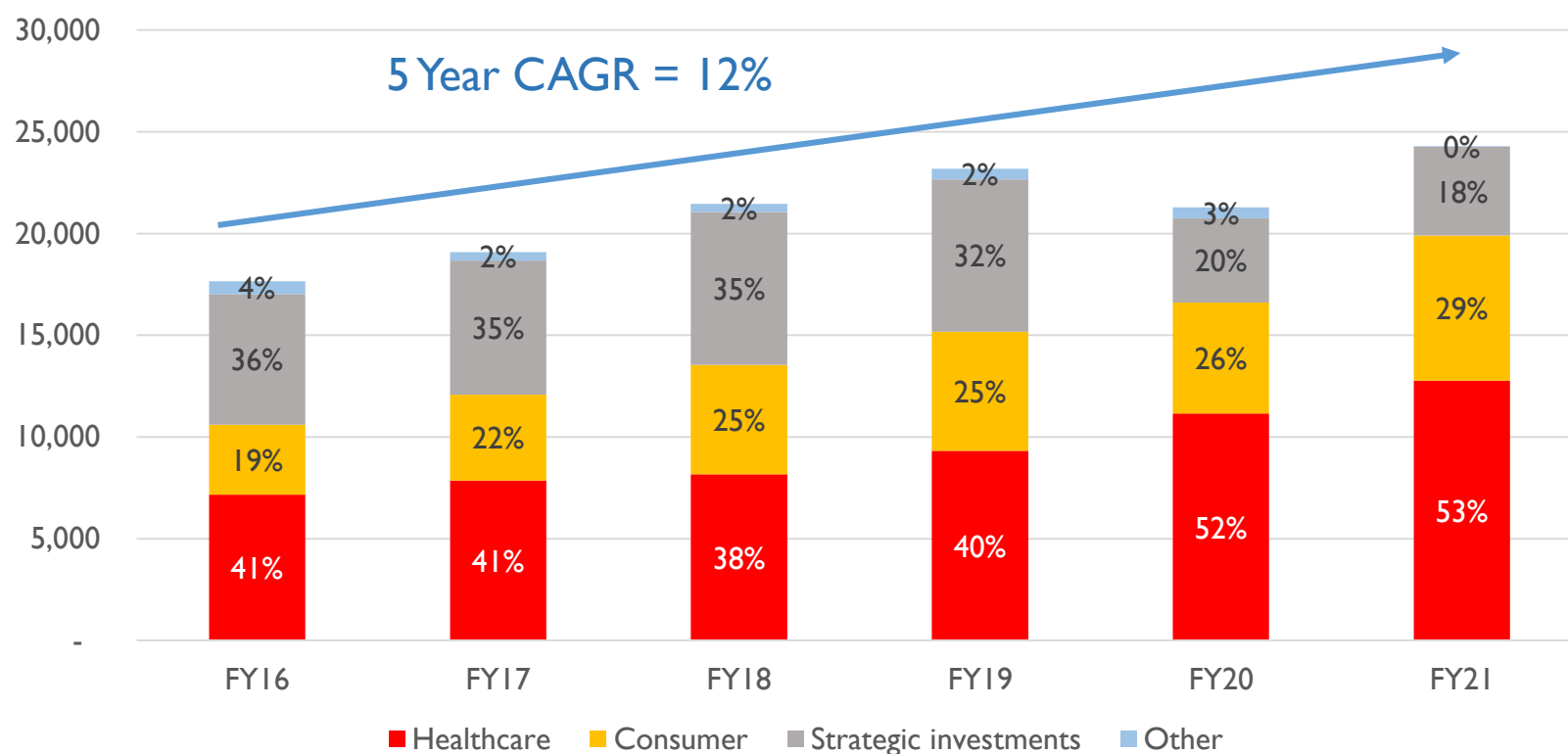
Land bank

- Other segment represents the income earned from properties owned by the Group

Location	Land Area [Perches]	Property Value [LKR Million]	Purpose
Ratmalana [Daintee Ltd]	429.18	815	Production and logistics of confectionery
Kurunegala	1,672.00	31	Bare Land
Bandaragama	160.00	40	Bare Land
Ratmalana	195.50	366	Warehouse
Colombo 15	142.60	161	Pharma logistics
Colombo 15	246.29	117	Bare Land
Colombo 10	28.50	226	Bare Land
Total	2,874.07	1,756	

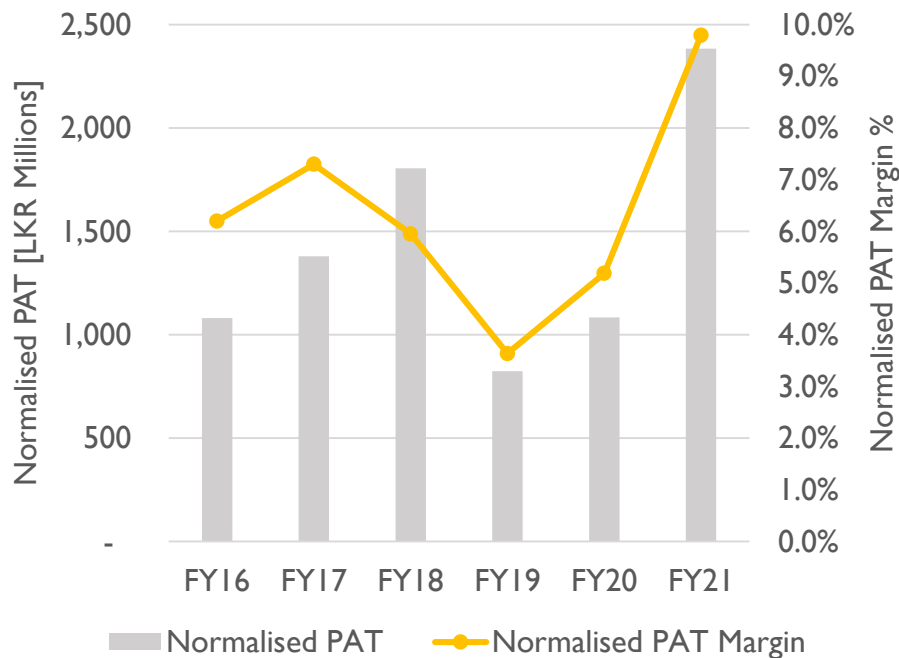
Key Financials at a Glance

Revenue Growth and Composition [2016-2021]

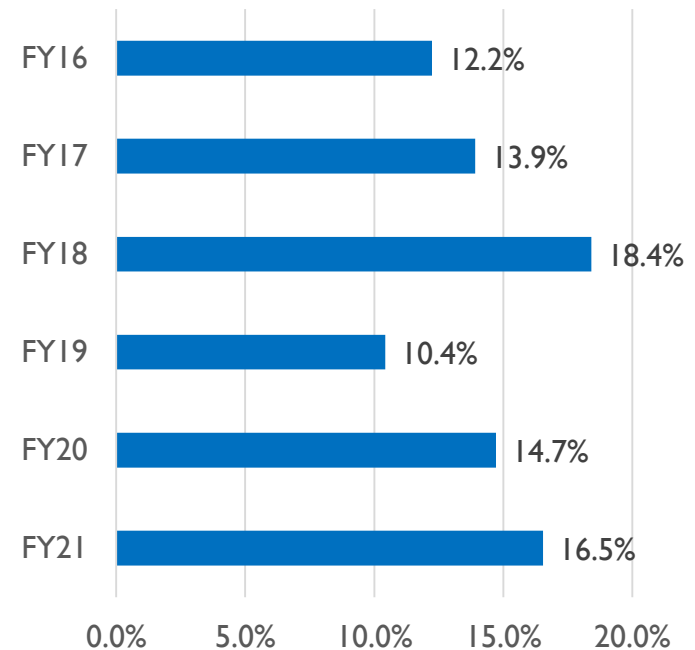


Key Financials at a Glance

Normalised Profit After Tax [FY16 – FY21]



ROE [FY16 – FY21]



Note: ROE is calculated as PAT over Total Equity

Why Invest

Strong Portfolio

- Strong portfolio mainly focused on Healthcare and Consumer verticals
- Fully integrated healthcare segment
- 2nd player in the pharma market
- Strong brands under consumer vertical
- Market leader in branded tea and sugar confectionery

Strong Performance

- Solid revenue growth track record
- Strong cashflow position and balance sheet
- Active capital management – strategic acquisitions, expansions, dividend distribution
- Capitalizing on opportunities

Growth Drivers

Healthcare – high growth market with

- Ageing population
- Increasing health and wellness consciousness
- Government support in manufacturing
- Available capacity for manufacturing

Consumer –

- High growth market with brand loyalty achieved in tea segment
- New opportunities and wider customer base with the acquisition of Daintee

Future Prospects

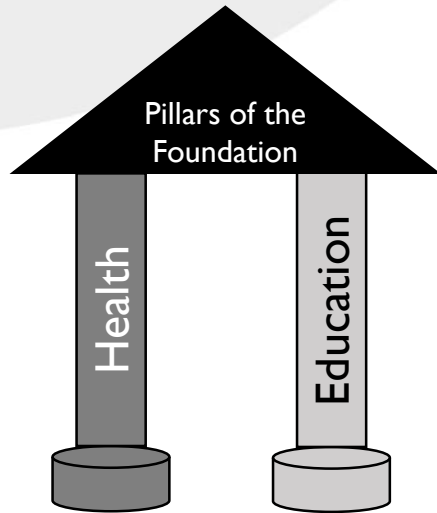
Healthcare

- Continue to grow as a fully integrated Healthcare business
- Industry consolidation in import and distribution
- New products under the acquired manufacturing arm – optimum utilization of existing capacity

Consumer

- Group expects to widen its presence in the Consumer segment
- Maintain leadership in branded tea segment by conversion of unbranded tea consumers
- Maintain leadership in sugar confectionery
- New product development in existing categories

Sustainability – FY21 Highlights



2 Reverse Osmosis plant openings



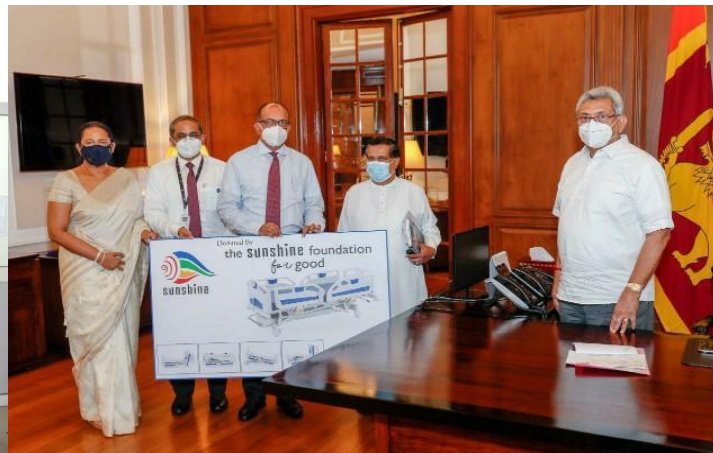
Donated tablets, together with Zydus Cadila, to help fighting Covid-19



Donated over LKR 4.7m to IDH



Donated 12 ICU beds worth LKR 7m



More information



- Corporate Website (<http://www.sunshineholdings.lk>)
 - Annual Reports
 - Quarterly Financials
 - Results Release
 - Investor Presentations
- Follow us on [LinkedIn](#) for industry and company news

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