



**sunshine**

# Sunshine Holdings PLC

Catering to Sri Lanka's brand conscious consumer

SAIC 2019 – Singapore – November 2019

# vision

To be the most admired  
conglomerate in Sri Lanka



**Integrity**  
Do the right thing  
**Trust**  
Walk the Talk  
**Innovation**  
Think out of the box  
**Perseverance**  
Never give up  
**Responsibility**  
Accountable  
to all stakeholders

# values

A white line-art illustration of a tree-like structure with three branches. The left branch has a heart with a plus sign, the middle branch has a shopping cart, and the right branch has a hand holding a plant. The background is blue.

Bringing good  
things to life

# purpose

# mission

Growing our enterprises  
to be industry leaders



# Group at a Glance

**LKR23bn**

Group revenue in FY19

**LKR1.1bn**

PAT in FY19

**10%**

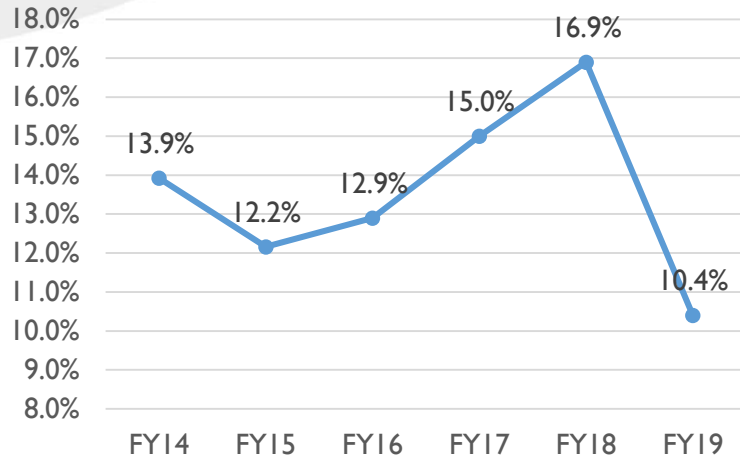
5 Yr Revenue CAGR

**14%**

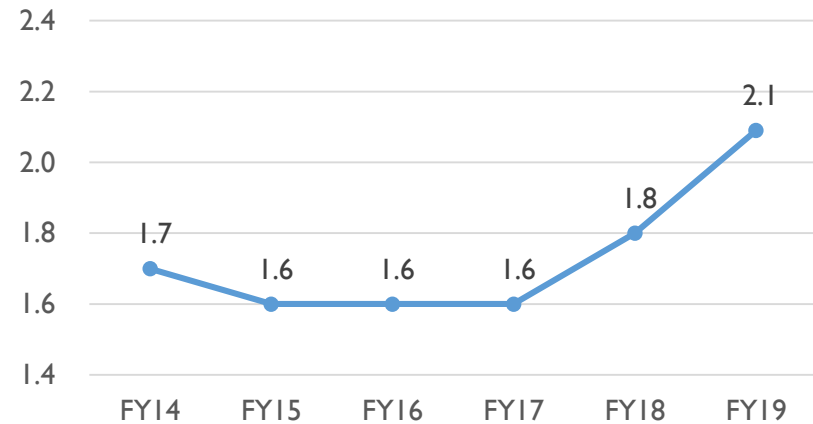
ROCE in FY19

# Group at a glance

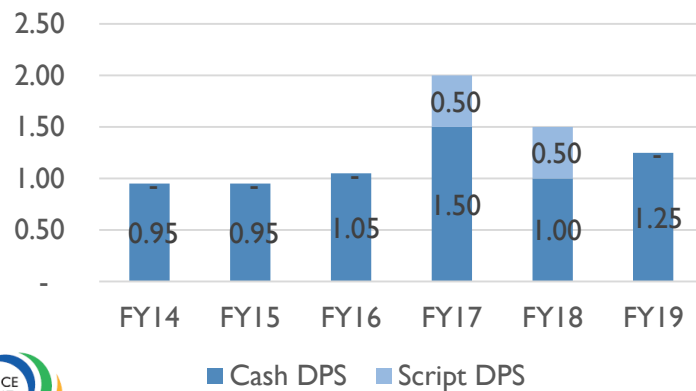
ROE



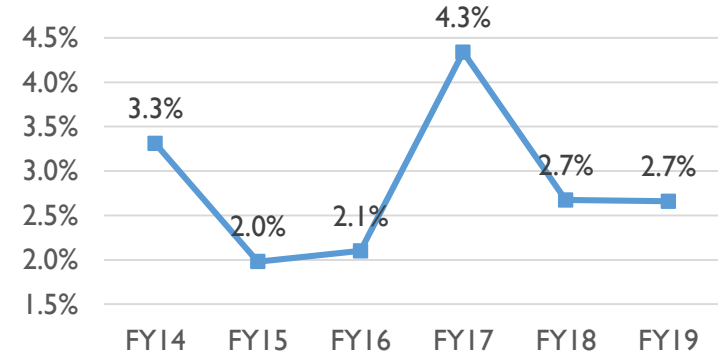
Leverage



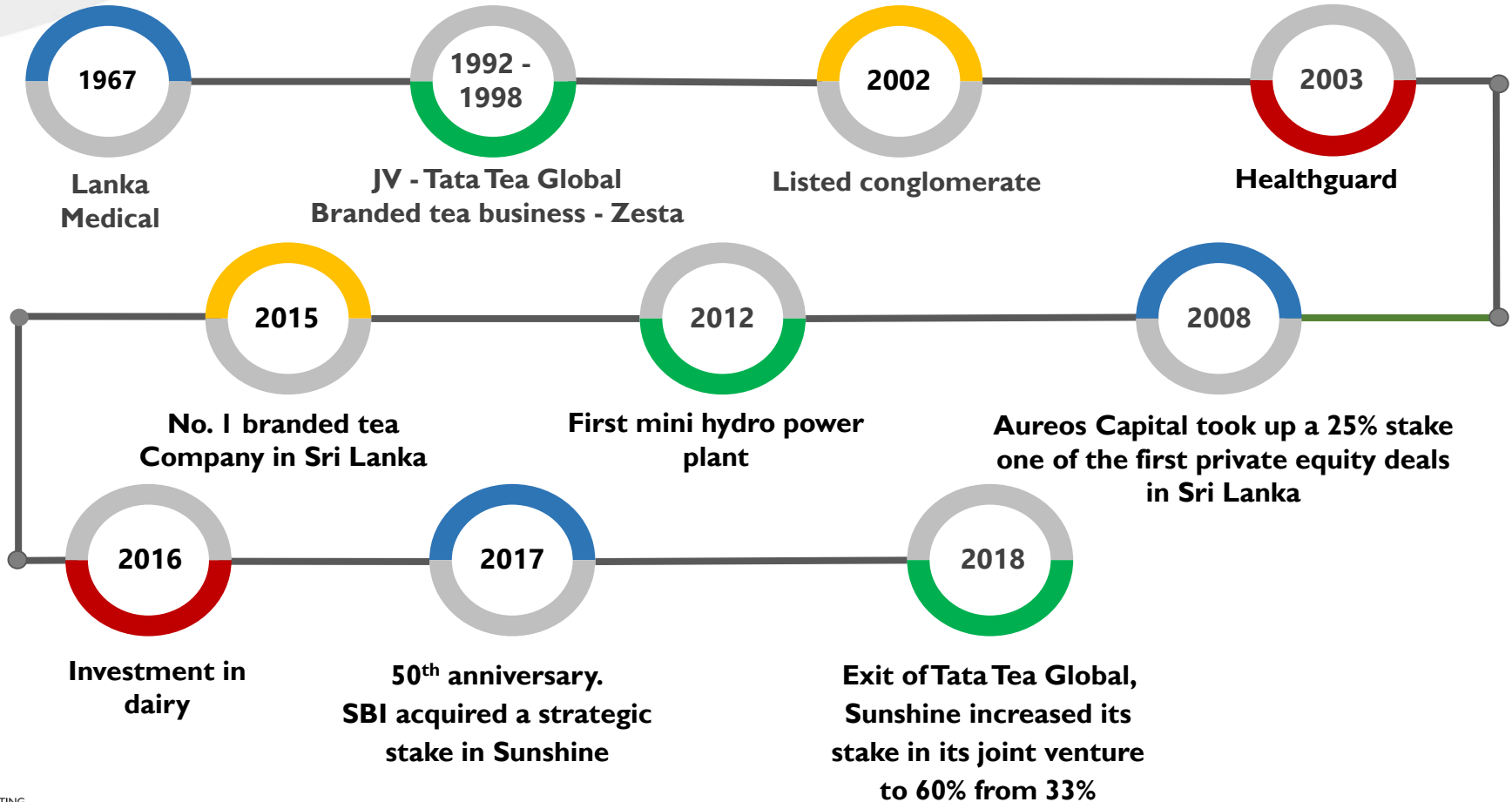
DPS



Dividend Yield %



# Milestones

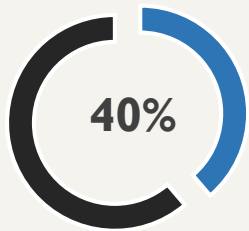


# Group Structure

## Sunshine Holdings

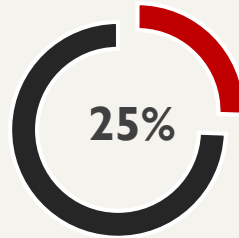
### Healthcare

LKR 9.0 bn



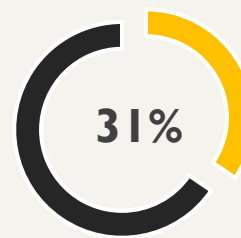
### Consumer

LKR 5.7 bn



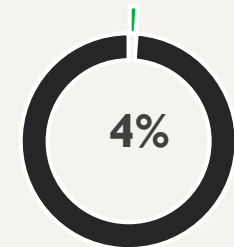
### Agri Business

LKR 7.0 bn



### Energy & Other

LKR 0.9 bn



# Group Business Overview

## Sunshine Healthcare



Pharma  
Distribution



Medical Devices



Wellness



Retail

## Consumer Brands



Zesta



Watawala



Ran  
Kahata



"Zest" Bottled Water

Zest Bottled  
Water

## Agriculture

14mn Kg —  **PALM OIL** —  
3,500 Ha cultivated

7mn Liters —  **Dairy** —  
1,400 milking cows

## Energy



6.65 MW in Hydro Power



0.5 MW in Solar Power

Target to increase  
capacity through  
solar and wind by  
2025

**7.2 MW** >>> **15.0 MW**

# Pharmaceutical

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- Second largest Pharma importer in Sri Lanka
- Represents **30+** Major Healthcare companies
- Covering **2,300+** pharmacies
- Controls full distribution chain (including cold chain) up to the last mile
- **350+** Medical Marketing and Sales Team
- **#1** in Pharma/Chronic care



# Medical Devices

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- Serves to both Private and Public hospitals
- Represents **9+** Major Healthcare companies
- Covering **150+** Hospitals
- **50+** Medical Marketing and Sales Team

Johnson & Johnson

SIEMENS

3M

  
CardinalHealth



# Healthcare Retail



- Currently operates 23 stores
- Focus on capital city due to higher disposable income
- Catering for the high-end market focusing on Beauty and wellness range
- 50 stores by FY25
- Operational breakeven in 4 months
- Payback under 2 years

# Consumer Goods



Premium brand



No. 1 brand



Budget brand



- 36% market share in branded tea market
- 3 brands catering to the Premium, middle income and emerging consumer segments
- Watawala Tea won the Best Hot Beverage Brand for 2019 at the SLIM Nielsen People’s Choice Awards for the third consecutive year
- Export of the ‘Zesta Connoisseur’ brand to high growth international markets

# Palm Oil

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- Sri Lanka's largest palm oil plantation with 2,692 Ha
- Largest Palm oil mill ( only 2 in Sri Lanka)
- Over 12m Kg output per annum
- RSPO certificate by end 2019
- Listed in CSE:WATA with mkt cap of LKR4.6bn

# Dairy



- 1,000 milking cow project with a 30,000 liters per day
- Current total herd 1,400 hybrid Jersey cows from Australia and New Zealand
- Supply to five milk processors at a primum price



# Energy



- 3 hydro power plants with a combined output of 6.6MW
- Three rooftop solar plants amounting to 0.9MW
- Solar plants expected to expand to 3<sup>rd</sup> party roof tops on a revenue share model
- \$2m equity infusion by SBI Japan amounting to 30% of the share capital

# Land Bank

Location	Perches	Market Value (LKRm)	Current use
Norris Cannel	28.30	268.85	Bare Land
Mattakkuliya WH	117.00	87.75	Medical Wearhouse
Mattakkuliya 1	25.60	19.20	Bare Land
Mattakkuliya 2	140.70	105.53	Bare Land
Rathmalana	195.50	201.37	General Warehouse
<b>Total Land</b>	<b>507.10</b>	<b>682.69</b>	

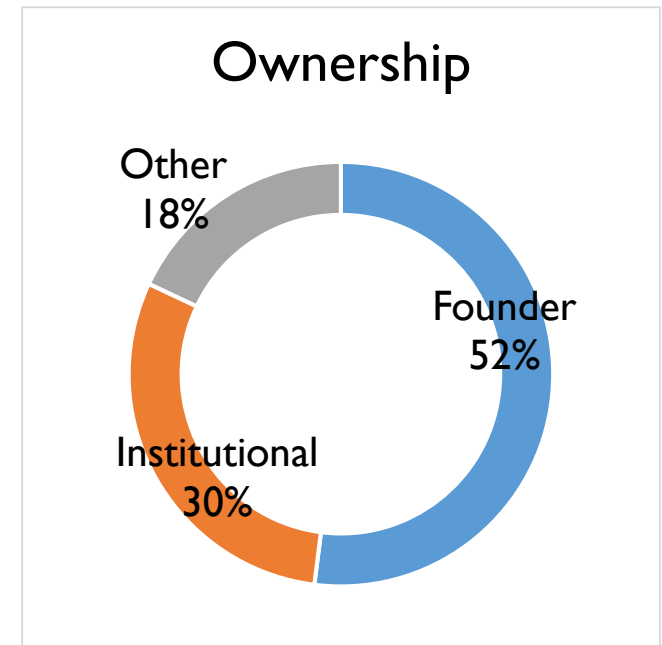
# Corporate Governance

**6** INE Directors  
including  
Chairman

**2** Non-Executive  
Directors

**2** Executive  
Directors

- Award winning integrated Annual Report
- Quarterly financials with performance analysis
- Best In Class Investor Relations function





# Sunshine Foundation for Good

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the **sunshine** foundation  
for good

- Construct 2 RO plants in Katharagama and Abanpola benefiting 1,000+ villagers
- RO plant will make the water safe for consumption specially in the areas where Chronic Kidney disease is prevalent
- Contribution towards rehabilitation of those affected in the Easter Sunday attack

The background features several thick, light gray wavy lines that originate from the left side and curve towards the right, creating a sense of movement and depth. The lines vary in thickness and curvature, with some being more pronounced than others.

**Thank you**

# 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

# Group Financial Summary

Figures in LKR	FY17	FY18	FY19
Revenue (LKRbn)	18.8	21.2	22.6
EBIT (LKRbn)	2.1	2.9	2.2
PAT (LKRm)	1,146	1,805	1,613
Earnings Per Share (LKR)	4.13	6.08	4.43
Net Assets Per Share (LKR)	46.25	46.71	50.26
Dividend – Cash (LKR)	1.50	1.00	1.25
Dividend – Script (LKR)	0.50	0.50	-

# Disclaimer

This presentation contains forward-looking statements that are based on management's current expectations and assumptions. Forward-looking statements include predictions of future results or activities and may contain the words "expects," "believes," "should," "will," "anticipates," "projects," "estimates," "implies," "can," or words or phrases of similar meaning. These forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from the potential results discussed in the forward-looking statements. Our predictions could be affected by a variety of factors, including: competitive dynamics and the markets for our products, including new product introductions, advertising activities, pricing actions and promotional activities of our competitors; economic conditions, including changes in inflation rates, interest rates, tax rates, or the availability of capital; product development and innovation; consumer acceptance of new products and product improvements; consumer reaction to pricing actions and changes in promotion levels; acquisitions or dispositions of businesses or assets; changes in capital structure; changes in laws and regulations, including labeling and advertising regulations; impairments in the carrying value of intangible assets, or other long-lived assets, or changes in the useful lives of other intangible assets; changes in accounting standards and the impact of significant accounting estimates; product quality and safety issues, including recalls and product liability; changes in consumer demand for our products; effectiveness of advertising, marketing and promotional programs; changes in consumer behavior, trends and preferences, including weight loss trends; consumer perception of health-related issues; consolidation in the retail environment; changes in purchasing and inventory levels of significant customers; fluctuations in the cost and availability of supply chain resources, including raw materials, packaging and energy; disruptions or inefficiencies in the supply chain; benefit plan expenses due to changes in plan asset values and discount rates used to determine plan liabilities; failure or breach of our information technology systems; foreign economic conditions, including currency rate fluctuations; and political unrest in foreign markets and economic uncertainty due to terrorism or war.

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