



OTHERS

The Others Sector comprises Hayleys Business International Solutions and Group Services of Hayleys PLC. HBSI engages in BPO operations and Shared Services specialising in providing a range of back-end services including accounting, payroll, digital marketing, data management and IT solutions among others. Hayleys Fentons, which was previously classified under the Others Sector is now presented separately as the 'Projects and Engineering' Sector given its increased contribution to the Group and wider socio-economic impacts. Sector financial and non-financial indicators have been adjusted to reflect this reclassification.

HBSI

Provider of BPO services and shared services within the Group

Contribution to Sector

Revenue: 27%

PBT: 13%

Performance 2023/24

Revenue: 13% growth

PBT: 4% decline

**HAYLEYS PLC**

Holding company

Contribution to Sector

Revenue: 24%

PBT: 68%

Performance 2023/24

Revenue: 2% growth

PBT: 23% decline

**SECTOR PERFORMANCE OVERVIEW**

The Others Sector's Revenue declined by 38% to Rs. 1.44 bn during the year, reflecting a reduction in dividends upstreaming to Hayleys PLC in line with the decreased profitability in certain key sectors. The decline in Profit Before Interest and Tax was, however contained at 8% while Net Finance Cost decreased marginally to Rs.4.39 bn due to the lower interest rate scenario that prevailed during the year. Total tax expenses increased by 49% due to upward revision in tax rates resulting in the Sector's Profit After Tax declining by 25% to Rs.1.94 bn during the year under review.

Rs.mn	2024	2023	% y-o-y	2022
Revenue	1,439	1,534	(6)	1,753
Earnings before interest and tax	6,728	7,198	(7)	5,830
Net finance income/(cost)	(4,389)	(4,418)		(1,854)
Profit before tax	2,380	2,824	(16)	4,043
Profit after tax	1,940	2,581	(25)	3,975
Assets	73,736	72,750	1	69,977
Liabilities	33,082	31,795	4	31,218
Operating cash flow	5,831	6,655	(12)	5,254
OPERATIONAL HIGHLIGHTS	2024	2023	% y-o-y	2022
ESG HIGHLIGHTS				
No. of employees	387	356	9	333
Energy consumption (GJ)	3,087	11,445	(73)	7,254
Energy intensity (GJ)	2.2	7.5	(71)	4.1
Carbon footprint (tCO ₂ e)	592	1,479	(60)	1,193
Carbon intensity (tCO ₂ e/Rs.mn)	0.4	1.0	(57)	0.7
Water consumption (m ³)	16,636	12,772	30	13,188
Water intensity (Litres/Rs.mn)	11,564	8,326	39	7,523

HAYLEYS PLC

With the reclassification of Hayleys Fentons, Hayleys PLC emerged as the most significant contributor to the Others Sector. Overall performance of Hayleys PLC eased in comparison to the previous year, reflecting a decline in dividends received as well as a considerable increase in tax payments. Dividend received during the year amounted to Rs.5.35 bn a decline of 8% compared to the previous year reflecting lower profitability in several key verticals, while administrative expenses increased by 7% led by higher staff costs. Resultantly the Company's Earnings Before Interest and Tax reduced by 8% to Rs.6.23 bn during the year. A near

42% increase in tax expenses, stemming from the upward revision in the tax rate as well as the claiming of brought forward tax losses in 2022/23, resulted in the Company's Profit After Tax declining by 30% to Rs.1.33 bn.

HAYLEYS BUSINESS SOLUTIONS INTERNATIONAL LTD

HBSI recorded strong top line growth of 13% during the year supported by broad-based expansion across all business verticals. Profitability, however, was adversely affected by the appreciation of the Sri Lankan Rupee, resulting in Profit-Before-Tax declining by 4% to Rs. 301.18 mn during the year. The BPO operations delivered strong growth

during the year, upheld by increased penetration in the Australian market and a wider service proposition with the addition of pharmacy accounting to the retinue of services offered. The Company also strengthened its position in web services and digital media solutions with a surge in demand from new and existing customers. The Company's unique operating model, which offers flexible and hybrid work arrangements continues to empower new mothers returning to work and this coupled with increased focus on training opportunities across both technical and soft skills has aided in the retention of employees amidst an industry-wide exodus of skilled migration.

CAPITAL MANAGEMENT

The Group's six capital resources (as defined in the IR Framework) interact and are transformed through the Group's strategy and processes to drive value creation, preservation and/or erosion. The interplay between these capitals typically necessitate trade-offs, which require decision-makers to give due consideration of quantity and time frame of impacts when allocating resources. The subsequent changes of this Report demonstrate how the Group relied on these resources and relationships during the year to generate outputs and long-term outcomes for stakeholders.

