

GROUP
LEADERSHIP
TOWNHALL | 20
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You asked many thoughtful, important questions at our last Group Townhall.

Flip through to read our leadership responses to your [unanswered questions](#).



Growth Direction – Sri Lanka vs. Global Expansion

Are we deprioritising growth in Sri Lanka in favour of India and other overseas markets?

We are not deprioritising Sri Lanka but evolving its role within a more global operating model. Sri Lanka remains our core for innovation, talent, and high-value manufacturing premium. However, incremental capacity growth is increasingly happening closer to key markets such as India and other overseas locations to enhance speed, cost competitiveness, duty advantages and resilience. We also have no immediate plans to expand our footprint in Sri Lanka for new manufacturing expansion in Sri Lanka but focus on driving productivity within the same footprint.

What is the long-term strategic balance between local vs. international expansion?

Our growth strategy reflects a deliberate balance from a Sri Lanka-centric model to a globally distributed manufacturing footprint. Sri Lanka continues to serve as our headquarters and a hub for innovation and high-value manufacturing. Customer proximity, and cost competitiveness. Recent expansion efforts have predominantly been outside Sri Lanka, reinforcing this direction.

Over the long term, this positions MAS as a resilient, multi-market player balancing a strong Sri Lankan core with an increasingly diversified global footprint.

Performance of Overseas & India Operations

Are our India and overseas expansions delivering expected returns?

Overseas and India expansions are strategically important for MAS as they help improve agility, diversify risk, and position the business to capture emerging opportunities across markets. The direction of the strategy remains positive and aligns with long-term growth ambitions.

At the same time, like any large-scale expansion, different locations are progressing at different levels of operational maturity. Internal discussions have highlighted the importance of maintaining strong performance and ensuring capacity is fully optimised across all operations. This suggests that while the strategic rationale is clear, some of our newer operations in India are still stabilising and ramping up. Particularly in India, we have yet to crack the economic equation of achieving profitability at the price point the consumer is willing to pay.

Overall, the expansion journey should be viewed as a long-term investment rather than a short-term outcome. The broader objective is to build a more resilient, diversified, and globally agile organisation that can better serve customers, manage risk, and create sustainable growth opportunities for the future.

Customer & Market Growth Strategy

What is the plan to secure and grow key global customers (e.g., Uniqlo, new brands)?

We are focused on securing and growing key global customers by becoming more customer-centric, integrated, and responsive as one MAS. A key priority is strengthening customer trust and intimacy by consistently delivering on our commitments with regards quality and delivery staying close to evolving customer needs and anticipating shifts early to provide tailored solutions.

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We are also enhancing our competitiveness by offering global sourcing options and leveraging our international manufacturing footprint, enabling us to better support customers across markets and respond to factors such as tariffs and speed-to-market requirements.

In parallel, we continue to strengthen our product and technology capabilities, including areas like digital product creation and innovation, to differentiate our offering and attract new brands.

Overall, our focus is on delivering greater value, building deeper partnerships, and creating a more balanced and resilient customer portfolio for sustained growth.

While we have been highly successful in developing innovative concepts and solutions, our challenge has often been translating those ideas into consistent and effective execution. Strengthening this execution capability is a key area we are focused on addressing.

Customer & Market Growth Strategy

How are we responding to increasing competition and changing customer demands?

We are responding to increasing competition and rapidly changing customer expectations by becoming a more agile, integrated, and customer-centric organisation. At the heart of this shift is building a stronger Product & Tech Centric organisation—one that not only understands our customers but also anticipates what their end consumers will want next. This deeper customer intimacy allows us to create more relevant, innovative, and scalable solutions while strengthening trust through consistent delivery, quality, and reliability.

At the same time, we are evolving from a fragmented operating model to a unified “One MAS” and the 7 COES approach. By bringing together our strengths across product, technology, manufacturing, and supply chain into a single integrated offering, we can respond faster, collaborate better, and compete more effectively with digitally enabled global players.

We are also investing heavily in product innovation, digital capabilities, and data-driven insights to improve speed, decision-making, and market responsiveness. Alongside this, operational excellence and productivity improvements remain critical to ensuring cost competitiveness while maintaining the high standards of quality and delivery our customers expect.

Overall, we are moving from a reactive, capacity-driven model to a proactive, market-driven partnership approach helping our customers navigate complexity and succeed in a fast-changing market.

Cost Optimisation & Resource Decisions

What is driving current cost-cutting/resource optimisation decisions?

The current cost cutting decisions and resource optimisation decisions are being driven by challenging market conditions as well as the need to remain cost competitive. Many of our key customers are facing challenges that have in turn impacted our volumes. Margin pressure has also increased as vendors compete for remaining volumes. Resource optimisation has also to do with improving focus by simplifying our business.

Complex structures, cumbersome processes, and misaligned priorities will hinder our ability to be competitive and meet customer expectations on cost and lead times.

How do we ensure these do not impact long-term growth?

Cost reductions & resource optimisation decisions can simplify the business and help us to focus on what matters most. This can truly drive long-term growth. We also continue to invest in focus areas such as technology, talent, and innovation to drive long-term growth.

We look at potential ways in which manufacturing capacity can be expanded when demand picks up and we have the ability to increase output without setting up new facilities.

Impact of Macro Factors (E.g., Rupee Depreciation)

To what extent are external factors (currency, global demand) helping or hurting MAS?

External developments can impact both demand and cost. Several geopolitical and economic developments such as tariffs and the middle east conflict have curtailed volumes and increased margin pressure.

More recently the depreciation of many currencies against the USD has helped ease cost pressure due to rising inflation. High inflation however, will remain a challenge.

Are we relying too heavily on these external factors vs. operational improvements?

All businesses including ours is susceptible to external factors. As a private label manufacturer, our business is linked to the brands we partner. Whilst we have taken steps to diversify our customer, geographical and product risk, we will continue to be impacted by the external environment.

Operational improvements remain an area of focus regardless of the external environment. In a time where demand is challenging, we have been able to rationalise our manufacturing footprint through the operational improvements thereby reducing costs.

ROI on Strategic Investments (Consultants, Systems, etc.)

What value have major investments (e.g., Korn Ferry, Deloitte, transformation initiatives) delivered?

Each strategic initiative is evaluated and benefits identified. Such major decisions are taken after much consideration and debate. Benefits include both measurable financial metrics, non-financial metrics and non-quantitative benefits.

For an example, the benefits of the merger of the SBUs to form the two value streams have been estimated, incorporated into the budgets, translated into measurable KPIs and are regularly tracked.

How are we measuring ROI on these?

The benefits are quantified and measurement methodology is also defined. The investment is compared against the expected financial outcome. The expected return is signed off by the Board, and a tracking mechanism is established.

Talent Retention & Critical Skills

What is MAS doing to retain and motivate high-performing, critical and technical talent, all whilst sustaining trust and staying competitive?

Our approach to retaining and motivating is grounded in balancing business sustainability with continued investment in our talent.

We look at retention from a 4-pronged lens with multiple levers, which we continue to check/adjust and augment as MAS evolves and as our talent matures.

We continue to focus on anchoring engagement, providing meaning and connection even during periods of change. We have prioritised transparent and consistent communication through town halls and multiple platforms, ensuring employees are informed and involved in both challenges and opportunities.

Employees are actively engaged in transformation and problem-solving initiatives, building capability, resilience, and ownership. Flexible ways of working remain in place to support continuity, and employee needs especially during times of disruption. We are also strengthening trust through openness and consistency in how decisions are communicated and implemented.

A key focus is on career growth and internal mobility, particularly for technical talent, with clearer progression pathways and tools like the Technical Ladder. Alongside this, organisational redesign is enabling leaner and more effective structures.

All this being said, the talent we choose to retain and call critical are not just high performers who are critical for our operations, but those whose values and behaviour are aligned to that of MAS.

Ultimately, we see retention and motivation as a shared responsibility - with MAS creating the environment, line managers having open conversations with their teams and having their best interests in mind, and most importantly, employees leaning in, staying engaged, and taking ownership of their growth.

Culture, Trust & Psychological Safety

How is leadership addressing perceptions of fear and uncertainty while strengthening transparency and building employee trust?

At MAS, we address fear and uncertainty by being deliberate, transparent, and consistent in how we communicate and act. This goes beyond responding to employee concerns - we proactively share context on business performance, organisational changes, and decisions that may impact roles, ensuring employees have clarity rather than ambiguity.

We continue to use platforms like town halls, leadership forums, and ongoing communications to openly address questions around change and the direction of the organisation.

Alongside this, the MAS DNA remains a trusted system to raise concerns related to behaviour, ethics, or policy, supported by clear, non-negotiable messaging on addressing retaliation.

Trust is built through visible follow-through. In 2025, nearly 650 DNA-related matters were reviewed and addressed, ensuring no concern was ignored. Our approach emphasises fairness and due process, with all perspectives considered carefully and confidentially.

We actively encourage dialogue - creating space for employees to question, challenge, and engage. Insights from DNA, OHI, and leadership surveys help us identify gaps and take targeted action, supported by a clear cultural agenda led from the top.

