

## Eels

Flowing with light and endless sources of energy and power – eels are designed to navigate the future with efficiency and adaptability.



## INDUSTRY INPUTS, POWER & ENERGY

Hayleys Aventura supplies a range of world-class industrial raw materials and engineering solutions to the industrial sector. Through the Power & Energy cluster, Aventura contributes to the country's low- carbon transition through an installed capacity of 50MW of hydro, solar and wind power.



Insights from Sector  
Managing Director  
Scan to view

# Industry Inputs, Power & Energy

## HIGHLIGHTS OF 2024/25



**Revenue**  
Rs. 11.10 bn  
(14%)



**Profit Before Tax**  
Rs. 2.16 bn  
(61%)



**Profit After Tax**  
Rs. 1.71 bn  
(63%)



**Assets**  
Rs. 17.05 bn  
(5%)



**Liabilities**  
Rs. 5.80 bn  
(-13%)



**Employees**  
374  
(+20%)



**Carbon Footprint**  
(Scope 1,2,3)\*  
1,243 tCO2e

### INTEGRATED PERFORMANCE



### STAKEHOLDER VALUE CREATION



\*The carbon footprint for 2024/25 represents an expanded coverage of Scope 3 emissions compared to the previous year

### KEY DEVELOPMENTS IN 2024/25

Expansion of Engineering Solutions services to Bangladesh

Secured a tender to construct and operate a 4 MW ground-mounted solar project in Matara.

Widened portfolio of global principals, securing the agency for Mitsubishi Marine Engines and Aquaspersions for latex dispersions.

Inspired by nature's brilliance, our company mirrors the efficiency of bioluminescence and the transformative power of biofluorescence in delivering sustainable industrial solutions.

#### SUPPORTING INDUSTRIAL GROWTH

- +4500 customers supported
- Advanced sustainable solutions

#### RENEWABLE ENERGY GENERATION

- 50MW of installed renewable energy generation capacity
- 127 GwH generation
- Supporting Sri Lanka's green energy ambitions

#### SERVICE PORTFOLIO

##### Industrial Raw Materials

Supplies key raw materials to the F&B, cosmetics & detergents, pharmaceuticals, marine & protective coatings, rubber and Plastics industries

##### Lifesciences

Provision of medical and analytical healthcare solutions

##### Engineering Solutions

Provision of total engineering solutions including lifts and car parking, motors and control solutions, power generators, storage and material handling solutions, testing and measuring equipment among others

# Industry Inputs, Power & Energy



## SECTOR OVERVIEW

Hayleys Aventura is one of Sri Lanka's leading suppliers of industrial raw materials to domestic and export-oriented industries as well as medical and analytical equipment and engineering solutions. In Power & Energy, the Sector is a leading producer of renewable energy, with a collective installed capacity of 50MW in mini hydro, wind and solar power plants, contributing to the total renewable energy installed capacity in the renewable energy sector of Sri Lanka.

## SECTOR OPERATIONS

Sub-Sector	Contribution to Sector (%)	
	Revenue	PBT
<b>Industrial Raw Materials</b> Supplier of a range of input materials to manufacturing industries	31	31
<b>Lifesciences</b> Supplier of medical and analytical equipment	30	24
<b>Engineering</b> Supplier of engineering solutions to industries	25	9
<b>Renewable Energy</b> Renewable energy generation through hydro, wind and solar sources	14	37

## RELEVANCE TO GROUP



Wide-ranging portfolio	Market presence	Principal relationships	Renewable energy
<p>Array of solutions in <b>industrial raw materials, medical and analytical equipment and engineering solutions</b> including generators, lifts and car parking testing and measuring, material handling equipment and energy savings solutions</p>	<p><b>Key player in industries</b> in polymer, F&amp;B cosmetics, detergents and healthcare among others. Presence in regional markets including Maldives, Bangladesh, and Seychelles</p>	<p>Long-standing partnerships <b>with 182 principals</b>, including globally reputed suppliers</p>	<p>3 Wind power plants 3 Hydro power plants 1 Solar power plant</p>

## OPERATING ENVIRONMENT

Sri Lanka's industrial sector saw a gradual recovery during the year, supported by an uptick in consumer demand, improving macro-economic fundamentals and conducive interest rates. Demand from export industries strengthened during the year, reflected in the near 7% increase in Sri Lanka's industrial goods exports. Despite strong growth in the residential construction sector, demand in the Engineering Solutions sub-sector remained relatively subdued, with major projects anticipated to commence in the next financial year. Liquidity injections to the healthcare value chain by the Government resulted in payments being streamlined in the Lifesciences sub-sector and provides significant opportunities for growth given the increase in budgetary allocations for government healthcare. Meanwhile, in line with the global energy transition and Sri Lanka's 2050 net zero aspirations, the Government is driving the widespread adoption of renewable energy sources, with a target of achieving 70% reliance on renewable electricity by 2030.

	<b>INDUSTRIAL SECTOR</b>	<b>EXPORT-ORIENTED BUSINESS GROWTH</b>	<b>APPRECIATION OF EXCHANGE RATE</b>	<b>POWER AND ENERGY</b>
	<b>+11%</b> Growth in 2024 (compared to contraction of 9% in 2023)	<b>+7%</b> Industrial exports	<b>+6%</b> Y-o-y appreciation of the Sri Lankan Rupee (Monthly average rate)	<b>51%</b> Reliance on NCRE and hydro)
<b>Description</b>	Robust growth in manufacturing activities including F&B, apparel and textiles contributed to the Industrial sector growth	Industrial export demand was driven by petroleum products, textiles and apparels, F&B and value-added coconut products.	Given its exposure to both dollar receivables and payables, the appreciation of the exchange rate had mixed effects on the Sector	Demand for renewable energy in Sri Lanka is expected to be strong given the government's target of achieving 70% reliance on renewable electricity by 2030
<b>Impact</b>	<b>M</b>	<b>M</b>	<b>M</b>	<b>H</b>
<b>Implications</b>	- Improved demand dynamics in the Industrial Raw Materials sub-sector	+ Improved demand dynamics in the Industrial Raw Materials sub-sector  + Opportunities for sustainable and advanced raw materials	+ Leads to lower import costs and increased attractiveness to local customers  - Negative impact on export earnings	+ Increased opportunities for renewable energy projects

H-High, M-Medium, L-Low / Blue circle represents adverse effect while green circle represents positive effect

### Market risks

Increased competition from China, particularly on the Industrial Raw Materials cluster could impact growth and profitability margins

Ⓞ **Strategic response**

→ Focus on driving increased contributions from value-added products

### RISK LANDSCAPE

#### Market risks

Emerging geopolitical trade dynamics and the potential impact on Sri Lanka's export sector remain a key risk in the short-term

Ⓞ **Strategic response**

→ Increased focus on geographical diversification and strengthening regional presence



# Industry Inputs, Power & Energy



## OPPORTUNITIES

### Market opportunities

The gradual recovery of industrial activity in line with more favourable macro-economic fundamentals is expected to augur well for the Sector in both domestic and export-oriented businesses

#### © Strategic response

- Aggressive market activations and customer engagement across industries

### Market opportunities

Significant opportunities in leveraging partnerships with global principals to drive increased regional penetration, particularly in Maldives and Bangladesh

#### © Strategic response

- Customer acquisition and widening product/service portfolio in regional markets

### Sustainability-related opportunities

#### CRRO 3

As the world shifts to a low-carbon economy and environmental regulations become increasingly stringent, demand for sustainable materials are expected to increase

#### © Strategic response

- Exploring opportunities to partner with our global principals on innovative, sustainable material

### Operational opportunities

In line with Sri Lanka's Net Zero Roadmap the country is gearing up renewable energy projects as it aims to tackle emissions and transition to a low-carbon economy

#### © Strategic response

- Pursue opportunities in renewable energy generation

## STRATEGY AND RESOURCE ALLOCATION

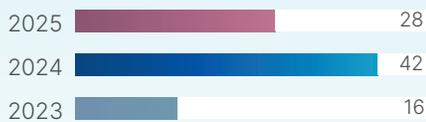
While adopting sub sector-specific suited to the dynamics of each industry, broadly the Sector continued to focus on strengthening its international presence, leveraging relationships with leading global principals to offer world-class materials and services and increasing penetration in export-oriented industries. During the year, strategic emphasis was also placed on building a more resilient portfolio of offerings with higher contributions from value-added products, particularly in the Industrial Raw Materials and Healthcare sub-sectors.

### Strategic KPIs/ Pre-financials

#### INTERNATIONAL EXPANSION

**How we performed:** The Engineering Solutions sub-sector established service operations in Bangladesh, with the aim of replicating the operating model followed in Sri Lanka

#### Overseas customer acquired



#### About this KPI and why we use it:

Demonstrates the effectiveness of the Sector's overseas expansion strategy and growth potential

#### Resource allocation

Investments in new business development: **Rs. 211 mn**

#### ADVANCED AND SUSTAINABLE SOLUTIONS

**How we performed:** The Sector continued to leverage its portfolio of sustainability-linked products to effectively cater to customers' growing consciousness of environmental considerations

#### Revenue generated from sustainable products (Rs. mn)



#### About this KPI and why we use it:

Demonstrates how well the Sector is responding to customers' increasing eco-consciousness

#### Resource allocation

No. of products featuring sustainable propositions: **8**

#### VALUE-ADDED PRODUCT MIX

**How we performed:** In Industrial Raw Materials and Lifesciences the Sector sought to build a richer product mix, increasing contributions from high-margin products

#### EBIT margin- Industrial Inputs (15%)



#### About this KPI and why we use it:

Demonstrates the effectiveness of the Sector's product portfolio strategy and shifts in contribution between products

#### Resource allocation

Investment in R&D capabilities: **Rs.6.9 mn**

**INTEGRATED PERFORMANCE REVIEW**

**Commendable performance:** The Sector delivered a commendable performance during the year, reflecting improved profitability in both the Industry Inputs and Power & Energy clusters. Revenue growth of 13% in the Industry Inputs cluster and 19% in Power & Energy, resulted in a 14% growth in Sector Revenue to Rs. 11.10 bn during the year. Meanwhile, the Sector's Operating Profit Margin widened to 19% from -14% as it pursued increased contributions from value-added products and leveraged existing relationships to drive increased profitability during the year. Overall the Sector's Profit Before Tax and Profit After Tax increased by a respective 61% and 63% to Rs. 2.16 bn and Rs. 1.71 bn during the year.

**Industrial raw materials:** Despite a 6% decline in Revenue, the sub-sector's Profit Before Tax grew by 35% upheld by wider profitability margins reflecting increased contributions from value-added products. During the year, the Sector sought backward integration through establishing a latex chemical dispersion plant catering to the glove industry in collaboration with Aquaspersions (UK). The Sector continued to focus on widening its sustainability-linked product portfolio given increasing consciousness of environmental factors.

**Lifesciences:** In this sub-sector, Aventura commands market leadership in the general x-ray segment and also has a presence in high-end segments such as radiology, oncology and cardiology. Lifesciences generated a respective Revenue and Profit Before Tax growth of 31% and 32% during the year through securing several high-value tenders. With the government injecting liquidity to the healthcare value chain, collections improved during the year and the Sector is poised for growth given higher budgetary allocations for the healthcare

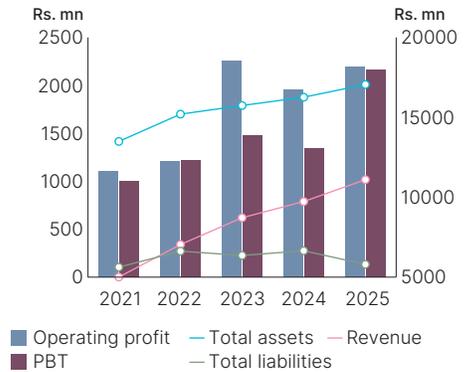
sector. Opportunities in the private healthcare sector is however expected to be impacted by the imposition of VAT on medical equipment. In this sub-sector, Aventura is also pursuing increased penetration in selected high-end segments. While the long-term outlook in regional markets such as Maldives remain promising, political turbulence during the year under review resulted in subdued activity.

**Engineering Solutions:** The Sector delivered a year of strong growth and profitability, driven by contributions from its international operations. In line with its long-term strategy of increasing its international footprint, the sub-sector established operations in Bangladesh and Seychelles in order to pursue service operations. Continued focus was also placed on expanding the portfolio of products and services offered and during the year Aventura obtained the agency for Mitsubishi Marine Engines.

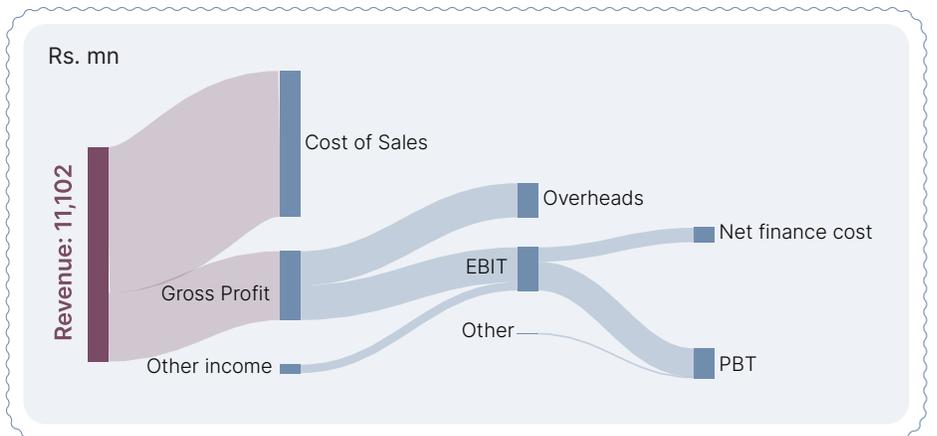
**Power & Energy:** The cluster's Profit Before Tax increased 58% during the year. During the year, major overhauls in both Nirmalapura, Joule and Beta led to a subdued performance. Despite short-term challenges in the country's renewable energy sector, Aventura sees tremendous potential for growth in the medium-to-long term, given the

government's thrust towards reducing dependence on fossil fuels and achieving net zero aspirations by 2050. During the year, the cluster successfully secured a tender to construct and operate a 4 MW ground-mounted solar project.

**SECTOR FINANCIAL PERFORMANCE**



	Revenue (y-o-y) %	PBT (y-o-y) %
Industrial Raw Materials	(6)	35
Engineering	84	25
Lifesciences	31	32
Power & Energy	19	78



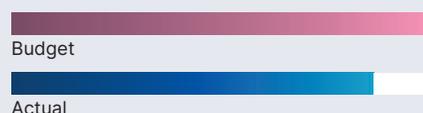
# Industry Inputs, Power & Energy

## PERFORMANCE HIGHLIGHTS

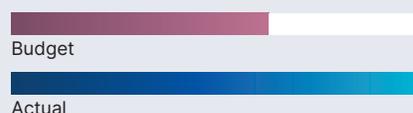
FINANCIAL METRICS	2025	2024	%	2023
Revenue	11,102	9,732	14	8,718
Earnings before interest and tax	2,198	1,953	12	2,255
Net finance income/(cost)	(175)	(655)	(73)	(917)
Profit before tax	2,160	1,339	61	1,481
Profit after tax	1,714	1,050	63	1,207
Assets	17,053	16,262	5	15,741
Liabilities	5,800	6,652	(13)	6,356
Operating cash flow	64	1,375	(95)	368

### PERFORMANCE AGAINST TARGETS

#### Revenue



#### Profit before tax



ENVIRONMENTAL METRICS	2025	2024	%	2023	
ESG commitment areas	Energy consumption (GJ)	1,998	6,487	(69)	1,161
	Energy intensity (GJ/Revenue USD mn)	54	211	(75)	48
	Carbon footprint (tCO <sub>2</sub> e)- Scope 1 & 2	739	636	16	133
	Emission intensity (tCO <sub>2</sub> e/Revenue USD mn)	20	21	(4)	6
	Water withdrawn (m <sup>3</sup> )	1,676	3,250	(48)	310
	Water intensity (m <sup>3</sup> /Revenue USD mn)	45	106	(57)	13

### PERFORMANCE AGAINST TARGETS

#### Emission reduction

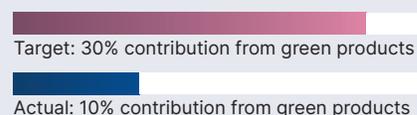


#### Renewable energy

**Target:** 90% sustainable and renewable energy applications

**2024/25:** 126,925 mw

#### Sustainable solutions



SOCIAL METRICS		2025	2024	%	2023
ESG commitment areas	No. of employees	374	311	20	296
	Revenue per employee (Rs. mn)	30	31	(4)	29
	Remuneration per employee (Rs.mn)	2	2	-	2

\*The Environmental and Social metrics disclosed above represent the Sector's most material impact areas, long-term ESG commitments and topics prescribed by the SASB Standard- Apparel, Accessories and Footwear Standard

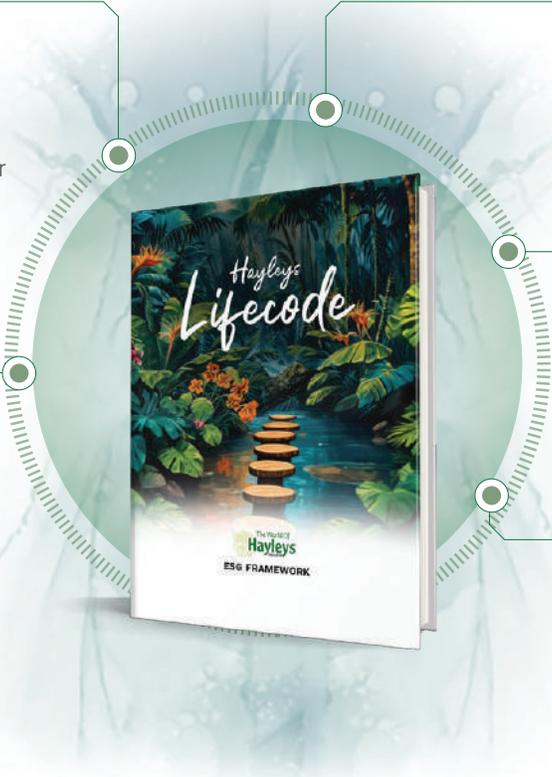
**Long-term ESG commitments**

**Accelerate climate action**

- The Sector is one of Sri Lanka's largest renewable energy operators,
  - 126.9 GWh of solar, wind and hydro energy
- Secured 4MW ground-mounted solar project

**Optimise resource footprint**

- Industrial solutions that shape a better future including
- EcoOne: Accelerate rate of degradation to 18-24 months and supports recyclability
  - Recovered carbon black: Contributes towards a circular economy by reusing carbon black from the tyre industry



**Responsible work place**

- Rs. 13.50 mn investment in training
- Breast cancer screening and awareness session

**Partner progress**

- Gold Sponsor of the 23rd Annual Academic Sessions for the College of Radiologists, strengthening commitment to healthcare innovation

**Responsible and responsive corporate citizenry**

- Strengthened ESG governance and reporting mechanisms
- Currently formulating the Sector-level ESG roadmap

# Industry Inputs, Power & Energy

## PROSPECTS AND PLANS

The Industrial sector (including large-scale construction activity) is expected to post rebound given the relatively stable political climate and macro-economic fundamentals. Against this backdrop the medium-to-long term prospects for the Industry Inputs cluster remain promising. The Sector also remains optimistic on the growth opportunities presented by the region and will strive to further penetrate these markets in the coming years. Meanwhile, in the Power & Energy cluster, the Government's aspirations of reaching 70% renewable energy generation by 2030 presents significant opportunities for growth.

### Alignment to Group strategy



Opportunities and levers	Risks to strategy
→ Recovery of the industrial sector	→ Geopolitical tensions and trade dynamics
→ Opportunities for regional expansion	→ Exchange rate volatility
→ Technology and AI Integration	