

Boundless Impact

Intellectual Capital





Intellectual Capital



Our Intellectual Capital forms the foundation of value creation, developing new product pipelines for emerging needs and a sustainable future. Strategic innovation and a strong brand known for technical excellence have enhanced the Group's competitiveness and ensured sustainable growth. **Whales possess extraordinary cognitive abilities, including long-term memory and problem-solving skills-reflecting the kind of intelligence we cultivate within our teams to drive sustained innovation, value creation, and boundless impact.**

PRASANNA UDAYA KUMARA

Director – Research & Development and Technical

MANAGEMENT APPROACH

Sustainable innovation underpins our Intellectual Capital management approach and involves utilising innovation to expand and refine our product range to deliver value to customers while promoting a more sustainable world. We also continuously innovating our processes to enhance productivity and efficiency while minimising the environmental impacts of our operations. The Innovation Policy guides innovation at Haycarb, aligning research and development efforts with emerging market trends, strategic objectives and sustainability aspirations

The Brand



32

Certifications

>1,500

Activated Carbon products

>100

Environmental Engineering products & Solutions

OUR STRATEGIC PRIORITIES IN 2024/25



Future-focused sustainable innovation



Process excellence through compliance with a range of certifications



Strengthened global brand visibility



Promoted an innovation culture



Building strategic alliances with partners, suppliers and customers

PROGRESS MADE IN 2024/25 TOWARDS SUSTAINABLE INNOVATION

New products Launched

16

Rs. 209 Mn

Investment in R&D

Products in Pipeline

4

Rs. 460 Mn




Savings from Process Improvements

WAY FORWARD

Short Term and going forward

- Consistently align R&D efforts with emerging opportunities and market trends.
- Continuously invest in innovating our processes to deliver products that fulfill customer specifications.
- Deliver process excellence in compliance with numerous external accreditations.
- Strengthen innovation capabilities within the Group by fostering an innovation culture.
- Secure patents for new products developed in the energy storage carbon range



Capital trade-offs			Link with material topics	Link with key risks and opportunities / SRROs / CRROs	Alignment with strategic priorities	Contribution to SDGs
	Short-term	Long term	M3, M6	R7, R8, O1, O3, O4, O5	<ul style="list-style-type: none"> Market growth Innovation led growth ESG mindset 	  
FC	↓	↑				
S&RC	↑	↑				
NC		↑				

VALUE CREATED IN 2024/25

- Maintained a strong product pipeline for emerging applications through strategic R&D initiatives.
- Enhanced proprietary processes to deliver high quality products for emerging applications.
- Strengthened the global visibility of the Haycarb brand through strategic marketing initiatives that included a focused digital marketing strategy.
- Ongoing emphasis on strengthening our innovation capabilities through learning and development.

DIGITALISATION

Haycarb's digitalisation efforts enhanced intellectual capital by embedding knowledge, systems, and brand value. A data-driven marketing strategy-using analytics, SEO, and targeted advertising-boosted brand visibility and customer insights. Optimised platforms and scalable tools continue to drive innovation, improve responsiveness, and strengthen our position in evolving global markets.



Rs.466.9Mn

Revenue generated from new products during 2024/25



Organisational Tacit Knowledge



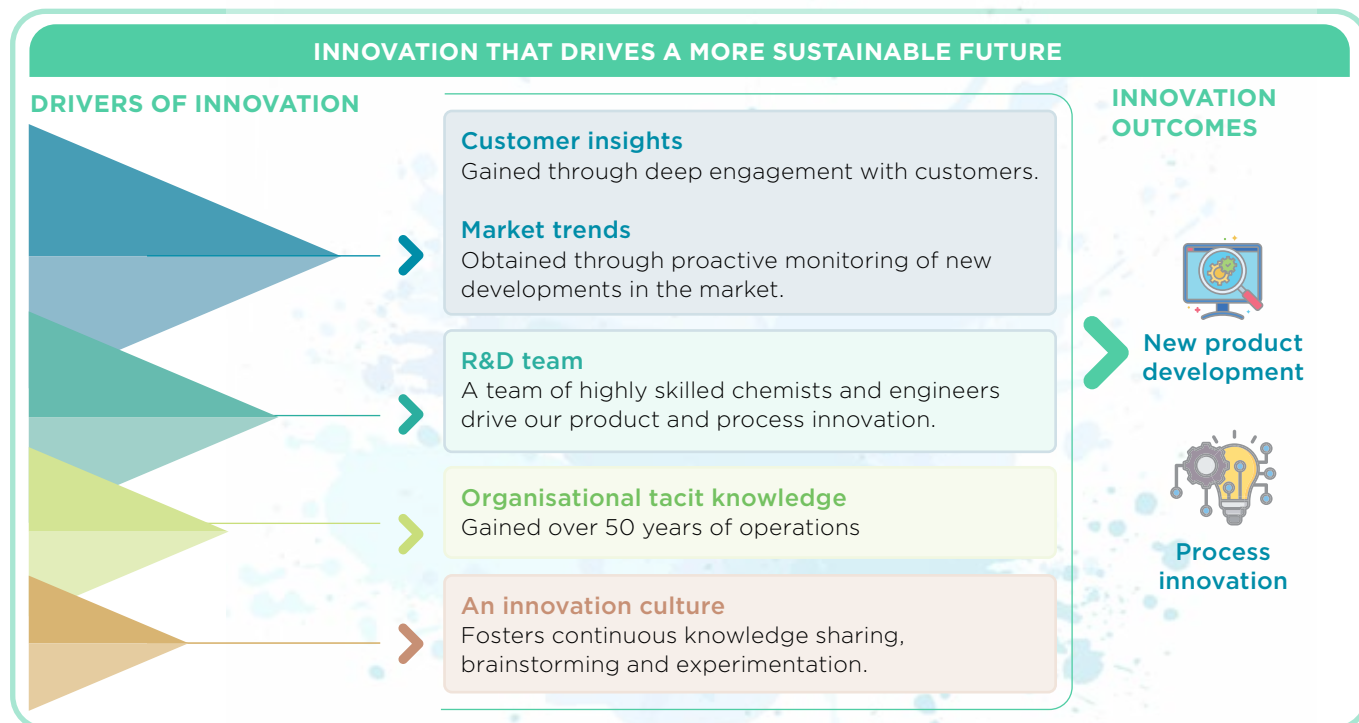
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New Certifications



1

Re-certification



16

New Products

INNOVATION THAT DRIVES A MORE SUSTAINABLE FUTURE

Strategic innovation has enabled us to continuously evolve our product range to fulfill customers' current and future needs while contributing to broader global sustainability

priorities. Innovation in 2024/25 aimed primarily to enhance value for customers in emerging applications and resulted in the introduction of 16 new products.

Our innovation focus areas in 2024/25 are summarised below.

Energy Storage Carbons

Innovative energy carbon materials that focus on applications in supercapacitors, Li-ion batteries and Sodium-ion batteries.

8 New Products

PFAS Carbons

Advanced activated carbon media for the removal of PFAS from water to enhance the safety and quality of drinking water.

3 New Products

ABEK/ABE Respirator Carbon for Personal Protection

Advanced carbon materials for protective filters and masks to safeguard against chemical agents in various high-risk environments.

2 New Products

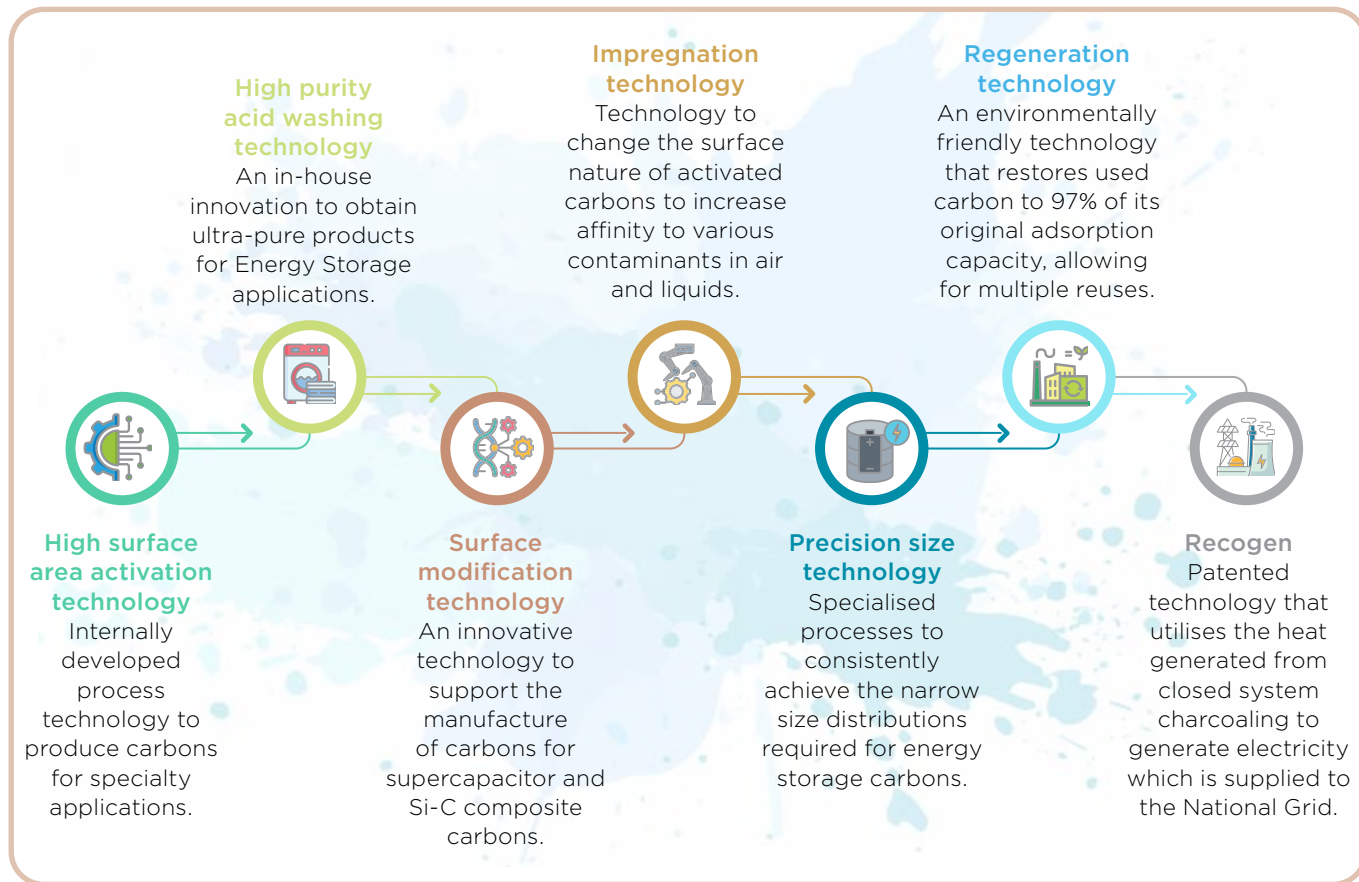
High-capacity Chloramine Removal Carbon

A premium coconut based and wood based, catalytic activated carbon range produced using proprietary technology to remove chloramine, hydrogen sulfide, heavy metals, disinfection by-products and other emerging contaminants in water purification applications.

Pelleted Carbon for H2S Removal

High-capacity coconut shell-based pelletised activated carbons specifically designed for acid gas removal in industrial waste gas treatment, sewage treatment

We also hold a portfolio of proprietary technologies that support the sustainable manufacture of activated carbon products. These include



INNOVATION THROUGH RESEARCH EXCELLENCE

Our newly established electrochemical laboratory hosts a comprehensive range of advanced equipment to drive innovation and new product development for energy storage applications. Advanced capabilities have enabled the development of small-scale batteries and capacitors within our laboratory, facilitating insights into its performance under various real-world conditions. These insights have enabled us to refine our product propositions to cater to the specific needs of customers.

The laboratory supports electrode fabrication for various electrochemical energy storage

systems including Lithium-ion batteries, Sodium-ion batteries and supercapacitors. This is facilitated by key processes such as slurry

preparation, electrode coating, drying, precision cutting Vacuum drying and cell assembly for both coin and pouch cells.



Key equipment that supports our innovation in energy storage carbon applications include,

MBRAUN Glovebox



This instrument utilises an inert argon atmosphere to create an ultra-low oxygen and water environment to support precision and reliability when assembling Lithium ion and Sodium ion batteries and super-capacitors.

Arbin Battery Tester

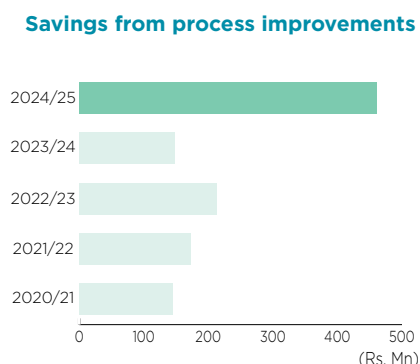
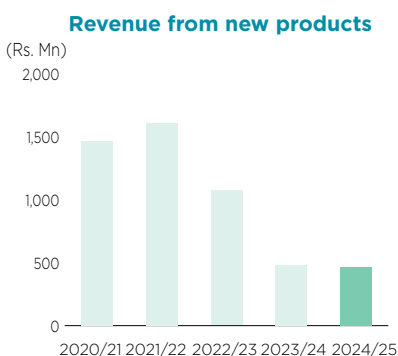
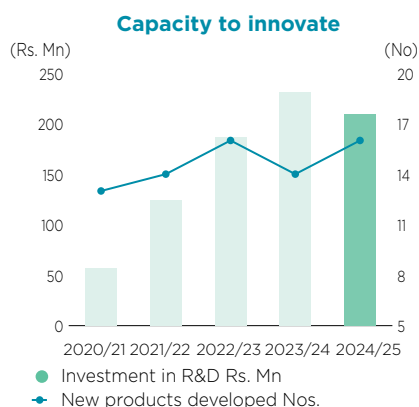


The integration of an Arbin Battery Tester with a Gamry Electrochemical Workstation has enabled advanced battery testing capabilities such as capacity grading, aging analysis, and impedance measurements within our laboratory facilities. This has strengthened the accuracy and reliability of data related to battery performance, providing richer technical insights to support innovation.

CAPACITY TO INNOVATE

Customer-centric innovation has enabled us to consistently fulfill and exceed customer expectations while responding to emerging market opportunities. Our commitment to broaden our product portfolio through continuous research and development has led to a strong pipeline of new products, strengthening our competitive edge in an intensely competitive industry while positioning us for future growth.





THE HAYCARB BRAND

Haycarb is a leader in the coconut shell activated carbon industry holding a strong 16% share of the global market. Our market strength is underpinned by manufacturing excellence, technical expertise, advanced R&D capabilities and a culture of knowledge sharing demonstrated over 5 decades of operations. A purpose-led approach to achieving our strategic ambitions has positioned us as a trusted partner, customers can rely on to realise their own sustainability aspirations. During the year under review, the Group continued to strengthen the visibility of the Haycarb brand in global markets by leveraging strategic marketing initiatives by overseas subsidiaries, a strong digital marketing strategy and participation at global trade shows.

PROCESS EXCELLENCE CERTIFICATIONS

We comply with numerous local and international certifications in quality, food safety environmental



management and occupational health and safety. This has supported the benchmarking of our processes to international best practices while providing assurance to third parties about the integrity of our business processes. Below are a list of key certifications and affiliations we have obtained for our processes.

Certifications				
Haycarb Group	Quality Management	Food Safety Management	Environmental Management	Occupational health and safety
Haycarb - Sri Lanka	<ul style="list-style-type: none"> ISO 9001:2015 Recertification by SLSI - Sri Lanka Certificate of Conformity, Covid-19 Management System SLS 1672: 2020 from SLSI - Sri Lanka 	<ul style="list-style-type: none"> ISO 22000:2018 Certification from SGS - Sri Lanka HACCP Certification from SGS - Sri Lanka GMP Certification from SGS - Sri Lanka Halal Certification from the Halal Accreditation Council KOSHER Certification Orthodox Union - USA NSF Product Certification by NSF International USA 	<ul style="list-style-type: none"> ISO 14001:2015 Recertification by SGS - Sri Lanka WQA Sustainability Certification WQA - USA ECO Label Sri Lanka - National Cleaning Production Centre 	<ul style="list-style-type: none"> ISO 45001:2018 Occupational health and safety
PT Mapalus Makawanua Industry - Indonesia	<ul style="list-style-type: none"> ISO 9001: 2015 Recertification by SLSI - Sri Lanka 	<ul style="list-style-type: none"> Halal Certification from the Halal Accreditation Council KOSHER Certification Orthodox Union - USA NSF Product Certification by NSF International USA 	<ul style="list-style-type: none"> ISO 14001:2015 	
Haycarb Palu Mitra - Indonesia	<ul style="list-style-type: none"> ISO 9001: 2015 Recertification by SLSI - Sri Lanka 	<ul style="list-style-type: none"> Halal Certification from the Halal Accreditation Council NSF Product Certification by NSF International USA 	<ul style="list-style-type: none"> ISO 14001:2015 	
Carbokarn - Thailand	<ul style="list-style-type: none"> ISO 9001: 2015 Recertification by SGS - Thailand 	<ul style="list-style-type: none"> NSF Product Certification by NSF International USA 	<ul style="list-style-type: none"> ISO 14001: 2015 Recertification by SLSI - Sri Lanka 	
CK Regen Systems - Thailand	<ul style="list-style-type: none"> ISO 9001:2015 Recertification by SGS - Thailand 		<ul style="list-style-type: none"> ISO 14001:2015 Recertification by SLSI - Sri Lanka 	
Shizuka - Thailand	<ul style="list-style-type: none"> ISO 9001: 2015 Recertification by SGS - Thailand 		<ul style="list-style-type: none"> ISO 14001:2015 	
Eurocarb Products - UK	<ul style="list-style-type: none"> ISO 9001: 2015 Certification REACH registration 		<ul style="list-style-type: none"> ISO 14001:2015 	

Certifications				
Haycarb Group	Quality Management	Food Safety Management	Environmental Management	Occupational health and safety
Puritas Sri Lanka	<ul style="list-style-type: none"> • ISO 9001: 2015 Recertification by SLSI - Sri Lanka • C1 Grade on Main Construction Contractor's Registration - CIDA Sri Lanka • EM1 Grade on Specialist Construction Contractor's Registration - CIDA Sri Lanka 			

