

Boundless Impact

Future Outlook



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GLOBAL OUTLOOK

The IMF projects global economic output to moderate in 2025 given escalating trade tensions and uncertainty. The near universal tariff measures issued by the USA in April 2025 and subsequent

countermeasures implemented by trading partners have pushed global effective tax rates to levels not seen in over a century. While the complexities of global trade and

the prevailing uncertainty present significant challenges to arriving at reliable forecasts, the IMF projects the following in its reference forecast for global economic output in 2025 and 2026.

	2024	2025	2026
Global economic growth	3.3%	2.8%	3.0%
Emerging market and developing economies	4.3%	3.7%	3.9%
China	5.0%	4.0%	4.0%
India	6.5%	6.2%	6.3%
Advanced economies	1.8%	1.4%	1.5%
USA	2.8%	1.8%	1.7%
Europe	0.9%	0.8%	1.2%

Source: IMF, World Economic Outlook April 2025

World Bank economic forecast	2024	2025	2026
Sri Lanka	5%	3.5%	3.1%
Thailand	2.5%	1.8%	1.6%
Indonesia	5.0%	4.7%	4.8%

Source: IMF, World Economic Outlook April

COUNTRY OUTLOOK

Sri Lanka

While the positive growth momentum witnessed in 2024 is expected to continue going forward, the World Bank projects economic expansion to moderate over the medium term underpinned by the lasting impacts of the economic crisis, structural impediments to growth and the prevailing global uncertainties.

Thailand

The World Bank expects Thailand's economic growth to moderate in 2025 given the slowdown in global economic expansion, rising global trade policy uncertainties and a likely increase in tariffs on exports to the USA.

Indonesia

Growth forecast for Indonesia has also been revised downward, given the implications of a potential slowdown in global economic growth.

INDUSTRY OUTLOOK

DEMAND DYNAMICS

- The global activated carbon industry is expected to expand at a 4% to 9% CAGR to 2032.
- Increasingly stringent regulations on air and water pollution alongside global decarbonisation efforts are expected to drive growth.
- The Asia Pacific region dominates global consumption of activated charcoal given strong demand from China and India for water treatment applications.
- The USA and Europe also projected to show strong growth going forward, given regulations limiting the presence of PFAS in potable water and other regulatory developments related to gas emissions and industrial wastewater disposal.

SUPPLY CHAIN CONSTRAINTS

- Supply chain constraints are expected to persist into 2025/26 before a potential recovery in mid-2026.
- Adverse weather conditions are expected to continue to affect coconut yields in major producing countries such as Sri Lanka, Philippines, Thailand and Indonesia for 2025.
- Supply shortages and intensifying competition is likely to maintain upward pressure on prices.
- While demand from China is expected to remain strong, potential export restrictions by major producing countries to stabilise local prices and manage supplies, could improve availability of raw materials to some extent.

Through these strategies we expect to deliver the following results in 2025/26.

Targets	2025/26
Revenue growth	5%
ROE	>10%
Gearing	<50%

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HAYCARB FUTURE OUTLOOK

MARKET GROWTH

- Market expansion and diversification with specific focus on increasing penetration in Asia, North, East and West Africa, South America, USA and the Middle East.
- Strategic emphasis on expanding the contribution from the value-added carbon range which includes energy storage carbons, water purification carbons for PFAS removal and air purification carbon products.
- Initiate construction of our new manufacturing facility in the Philippines.
- Innovation to drive new product development in line with emerging needs.

INNOVATION LED GROWTH

- Increase in proportion of revenue and profit from innovative and value added carbon ranges including energy storage carbon ranges.
- Innovative processes that enhance productivity and maximise our environmental footprint.
- Digital tool that inspire operational efficiency and data driven decision making.

STRENGTHEN THE GLOBAL SUPPLY CHAIN

- Strategic interventions to strengthen supplier networks across all major source markets to ensure an uninterrupted supply of raw materials.
- Expand and diversify our supplier networks in Vietnam, India and Philippines.
- Backward integration where and propagating green charcoaling technologies

PURPOSE DRIVEN AND COMMITTED TEAMS

- Deliver value to employees through a strong people proposition that prioritises fair remuneration, well-being, and growth and development.

ESG MINDSET

- Maintain our commitment to achieving our 2030 ESG goals.

ENVIRONMENTAL ENGINEERING

- Given the positive economic outlook for Sri Lanka and the region and the increasing concern for the safety of drinking water, growth of water and waste water purification solution segment supported by a suite of related accessories, chemicals and ORM support is expected to grow.