

Hand-in-Hand
Initiative



Food and Agriculture
Organization of the
United Nations

SRI LANKA STRATEGIC INVESTMENT PLANS

HAND - IN - HAND 2026



ECONOMIC VELOCITY

Current GDP:
USD 108 Billion
(CB, 2025)

Growth Rate: **5%**

Per Capita Income:
USD 5,003
(CB, 2025)



THE DEMOGRAPHIC ENGINE

Population: **21.7M**

Labor Force:
8.5M (CB, 2025)

Population Density:
350/km² (2024 DCS-SL)

Poverty Head Count Ratio:
24.2% (2025, WB)

AGRICULTURAL SCALE

Percentage
involved in
Agriculture: **25%**
(CB, 2025)

GDP from the
Agriculture
Sector: **7.1%**
(CB, 2025)

STATE COMMITMENT

Dedicated
Agriculture
Budget (2025): **USD
840M**



SRI LANKA OVERVIEW

SRI LANKA: AN ISLAND OF INVESTMENT OPPORTUNITIES

01

Unrivalled Logistics & Location

- #1 Globally performing port by Alphaliner 2024 (Colombo Port)
- #28 Global TEU throughput (Lloyds Top 100, 2024) (Colombo Port)
- #25 container hub in 2025 (Colombo Port)
- #21 Global Liner Shipping Connectivity Index (Q3 2025)(Colombo Port)
- Deep-water scale: 4 Terminals, 15 berths (12-18m depth)
- High-volume Cargo Handling : 8.29 Million TEU in Colombo port (2025)

03

Agile, World-Class Talent

- 92% Literacy rate, Highest in South Asia
- Elite Financial Acumen: 2nd largest CIMA talent pool in the world
- Manufacturing Precision: Operates at the rigorous 1 PPM (Parts Per Million) standard
- Robust Talent Pipeline: 47,000+ state university (UGC) graduates annually

02

Frictionless Market Access

- 4+ Major Direct Free Trade Agreements
- Direct Bilateral FTAs: India, Pakistan, Singapore, and Thailand
- Regional Integration: South Asia Free Trade Agreement (SAFTA)
- Western Tariff Preferences: EU GSP+ and the UK Developing Countries Trading Scheme (DCTS)

04

Premium Quality of Life

- #1 Human Development Index in South Asia 2023
- Advanced, high-standard healthcare infrastructure and facilities
- World-class domestic and commercial real estate availability
- Access to high-end leisure and lifestyle amenities for expatriates and elite local talent



Strategic Location.
Global Reach.



Invest Today.
Thrive Tomorrow.



Stable Economy.
Sustainable Growth.



SRI LANKA – YOUR PARTNER IN
PROGRESS AND PROSPERITY.

BENEFITS TO AGRIFOOD INVESTORS

Macro Climate & Security

- Up to **100%** Foreign Ownership
- **100%** Capital Repatriation Permitted
- **26** Investment Protection Agreements
- **45** Double Taxation Relief Agreements
- Low Barrier to Entry: Agriculture incentive approval threshold begins at just **USD 150,000**



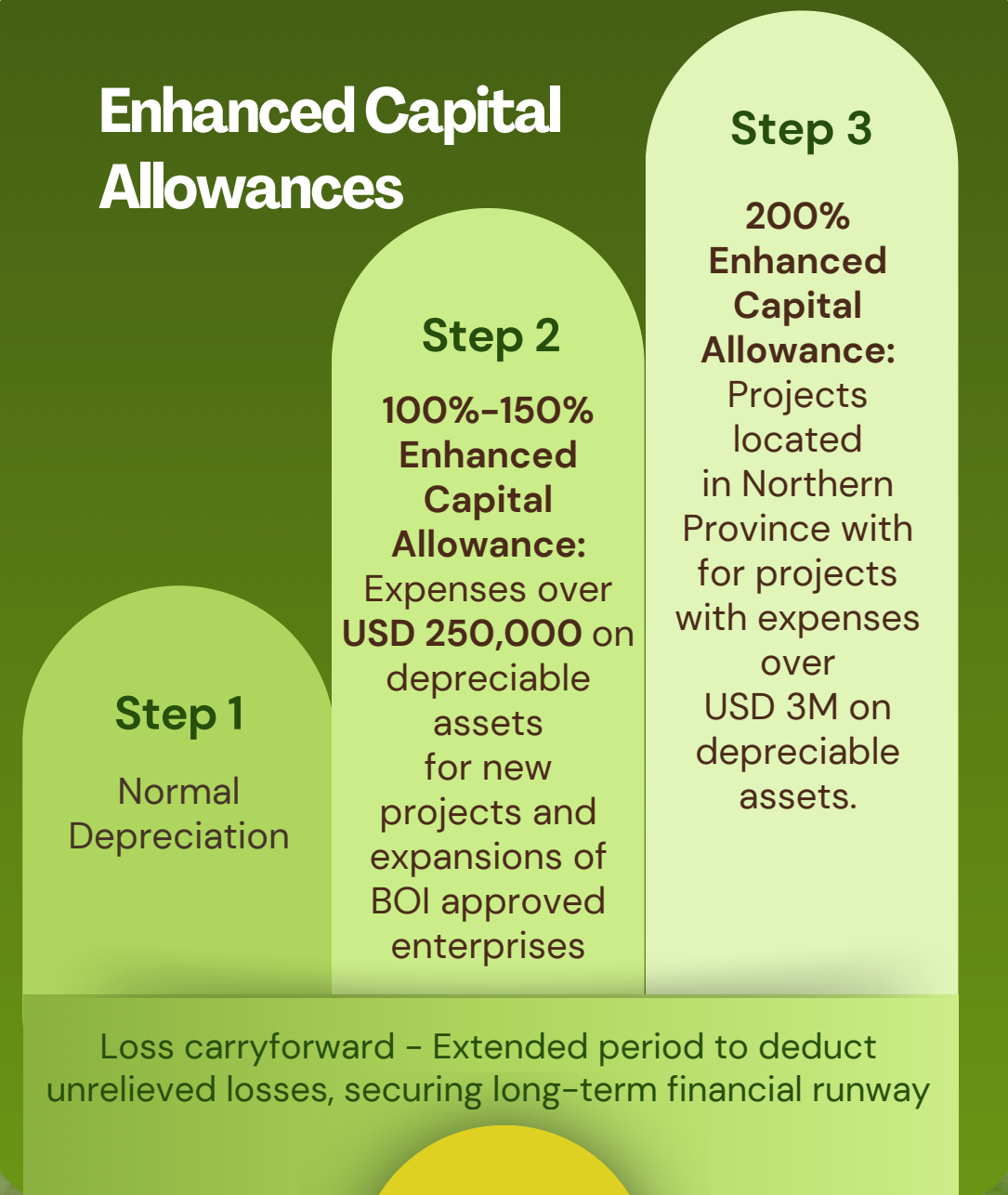
Fiscal Incentives

(15% reduced Corporate Income Tax for export of services)

	Implementation Phase	Commercial & Export Phase
Capital Goods & Construction Items)	• Exempt from Customs Duty • Exempt from Port & Airport Levy and CESS for investments over USD 50 Mn • Exempt/ Defer from VAT(Based on location and market orientation)	• If export oriented: Lifetime Exemption from Customs Duty for capital goods • Exempt/ Defer from VAT (Based on location and market orientation)
Raw Materials	Lifetime Exemption from Customs Duty, PAL, and VAT (if export-oriented)	



Enhanced Capital Allowances



Vision

Sustainable food security to achieve national prosperity

SRI LANKA NATIONAL AGRICULTURE POLICY (NAP): 2030 ROADMAP

Mission:

To create a socially-acceptable, sustainable, and eco-friendly food system through a globally competitive agricultural production, processing, and marketing mechanism

PILLARS

2030 Core Goals

Double

Resource-Productivity compared to 2020 baseline

Double

Economic Profitability: profitability for farmers

15%

National Economy Contribution: Increase the Agri-Food System's share of the national economy

FOUNDATION

The 10 Thematic Areas of Implementation

01 Crop Production & Productivity



02 Input Management: Judicious use of seeds, fertilizer, and water



03 Advanced Technologies: Innovations in pre and postharvest management



04 Eco-friendly Operations: Conservation of natural resources and renewable energy use



05 Climate resilience & other risk management



06 Food Safety & Quality: Adherence to health and safety standards



07 Agri-Entrepreneurship and Markets



08 Producer Empowerment: Mentorship and specialized support for youth and women



09 Knowledge Management and Agricultural Extension



10 Governance and Operations Management



Sri Lanka

BOARD OF INVESTMENT (BOI) PRIORITY SECTORS

FOR AGRICULTURE
INVESTMENTS



Spices and
Concentrates



Horticulture
and Plantation



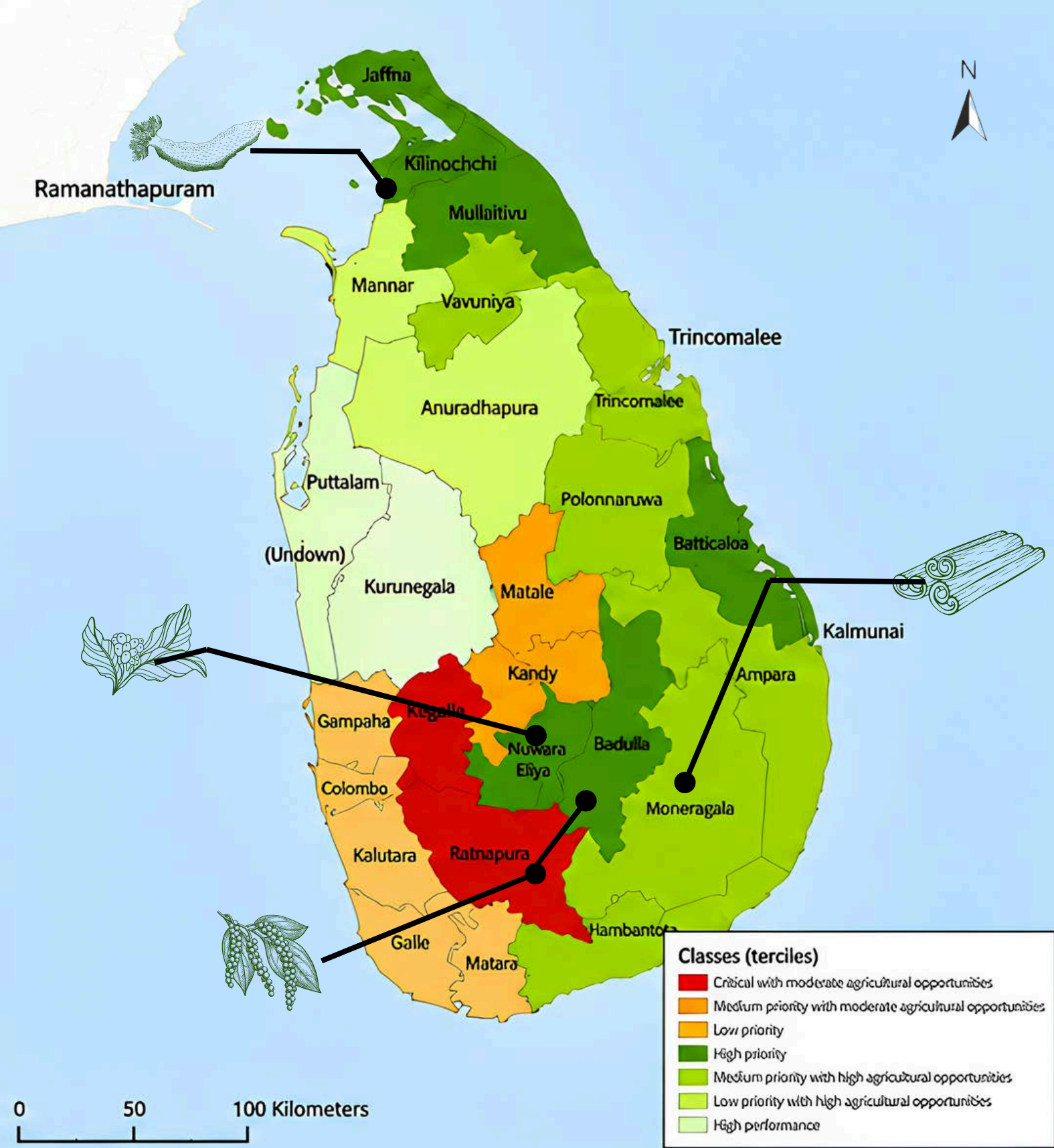
Fish and
Seafoods



Processed
Foods



Animal
Husbandry



DATA-DRIVEN INVESTMENT TARGETING

PRODUCT FOCUS


Sri Lankan True Cinnamon
(*Cinnamomum zeylanicum*)


Coffee


Pepper


Sea Cucumber

Investment Case		Geographical Areas
	Sri Lanka True Cinnamon Nutraceutical Facility	Moneragala District
	Ceylon Coffee	Nuwara Eliya and Badulla Districts
	Ceylon Black Pepper	Moneragala, Badulla and Ratnapura Districts
	Sea Cucumber	Jaffna, Kilinochchi and Mannar Districts



Evidence-Based Prioritization
Target investments where
impact is highest



Strategic Focus
Aligning resources with high
opportunity sectors



Regional Development
Driving inclusive growth across
key districts



Sustainable Impact
Building resilient value chains
for long-term prosperity



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CEYLON CINNAMON NUTRACEUTICAL FACILITY

INVESTMENT CASE 01

INVESTMENT CASE 1: CEYLON CINNAMON NUTRACEUTICAL FACILITY

SRI LANKA’S CINNAMON INDUSTRY

The world’s only true cinnamon origin with protected global market advantage



24.2%

GLOBAL EXPORT SHARE

Sri Lanka holds 24.2% of global cinnamon exports

180 ×

SAFER THAN CASSIA

Ceylon cinnamon has 175-250x less coumarin than cassia cinnamon

PREMIUM PRICING
ADVANTAGE

Commands higher prices in global markets due to superior quality

GI-PROTECTED
ORIGIN

Geographical Indication protection in key global markets

HIGH-VALUE
NUTRACEUTICAL MARKET

Rising global demand for natural, healthy and organic products

Why Sri Lanka Leads

Home of authentic “True Cinnamon”
Sri Lanka is the origin of authentic “Ceylon Cinnamon”.

GI-protected global brand
Protected Geographical Indication (GI) recognition prevents imitation and protects authenticity.

Centuries of premium export reputation
Centuries of trust in global spice markets associated with quality, purity and heritage.

Unique agro-climatic conditions
Ideal soil and climate deliver exceptional aroma, oil content and taste.

Skilled traditional workforce
Generations of skilled peelers and processors with specialized traditional knowledge.

Premium aroma, oil content & low coumarin profile
Superior quality with significantly lower coumarin — healthier and more premium.

Global Market Opportunity

Rising Demand for Nutraceuticals
Global consumers are shifting to natural, healthy and organic products.



Growth Across Multiple Industries



Food & Beverages



Nutraceuticals



Cosmetics



Pharmaceuticals



Wellness Products

Higher Premium Pricing vs. Cassia



Ceylon Cinnamon:
Premium & High Value

VS



Cassia Cinnamon:
Commodity & Lower Value

Strong Long-Term Growth Potential



Healthy Products
Market Growth



Global Premium
Consumer Demand



Sustainable
Consumption Trend

Target Markets



USA



EU



JAPAN



MIDDLE EAST



INVESTMENT CASE 1: CEYLON CINNAMON NUTRACEUTICAL FACILITY

A PROTECTED PREMIUM ORIGIN WITH SCALABLE GLOBAL DEMAND

From origin advantage to high-margin value addition

INVESTMENT OPPORTUNITIES

DIVERSE VALUE ADDITION ACROSS THE VALUE CHAIN

	CINNAMON OIL EXTRACTION High-value essential oils for global industries	
	NUTRACEUTICALS Extracts and ingredients for health & wellness	
	COSMETICS Natural ingredients for premium beauty products	
	HEALTH SUPPLEMENTS Growing global demand for natural supplements	
	CINNAMON TEA & BEVERAGES Natural, healthy and flavor-rich beverages	
	PROCESSED CONSUMER PRODUCTS Biscuits, confectionery, spice blends & more	
	EXPORT-ORIENTED MANUFACTURING World-class production for global markets	

HIGHER MARGIN VALUE ADDITION

WHY INVEST NOW

-  **UNTAPPED EXPANSION POTENTIAL**
Significant room for plantation expansion, mechanization and innovation.
-  **TECHNOLOGY INTEGRATION**
Opportunities for modern processing, automation and value-chain upgrades.
-  **EXPORT DIVERSIFICATION**
Expand to new markets and product segments with high growth potential.
-  **ESG & SUSTAINABLE AGRICULTURE**
Strong potential for organic cultivation, traceability and ESG-compliant investments.
-  **GOVERNMENT SUPPORT**
Active support for modernization, research, quality improvement, export expansion and investor facilitation.
-  **STRATEGIC LOCATION**
Located in the heart of the Indian Ocean with efficient access to global markets.
-  **EARLY INVESTOR ADVANTAGE**
Attractive long-term returns for investors who invest early in this high-potential sector.

CEYLON CINNAMON IS NOT A COMMODITY MARKET - IT IS A PROTECTED PREMIUM ORIGIN WITH SCALABLE GLOBAL DEMAND.

-  Protected Origin
-  Higher Premium Prices
-  Strong Global Demand
-  Sustainable Future
-  Attractive Returns



GLOBAL MARKET OPPORTUNITY



Global Demand for
Nutraceuticals

Global Nutraceutical Market 2025 — USD 636 Billion
CAGR 2024–2030 — 7.7%
Projected Market 2033 — USD 1151 Billion

What Drives Demand for
Ceylon Cinnamon
Nutraceuticals

- **589 million diabetics** worldwide and **720 million** prediabetics driving demand for natural blood sugar management
- Growing consumer preference for natural, plant-based health supplements
- Ceylon Cinnamon safety profile: less than 0.01% coumarin — 180 times safer than Cassia

Target Markets

United States — largest nutraceutical consumer; 90% of facility export focus
European Union — premium supplement demand; GI-status recognition

Competitive Advantage for
Ceylon Cinnamon

- **Ceylon Cinnamon 180 times Safer than Cassia** — less than 0.01% coumarin content – capturing premium market price
- **GI-Protected True Cinnamon** — Geographical Indication status ensures full traceability
- Traceability through **Vertical Integration**
- Registered as "Pure Ceylon Cinnamon" in USA and Europe by Export Development Board

Sri Lanka's Cinnamon Exports

USD 250 M **24.2%**
of global exports

Largest true cinnamon exporter

Major Destinations

Mexico
United States
Peru
Colombia



High Growth Market
Strong global demand and rapid market expansion



Proven Advantage
Ceylon Cinnamon's safety, quality and GI status provide a unique edge



Export-Focused Strategy
Targeting high-value markets with strong demand (USA & EU focus)



Sustainable Impact
Promoting health, supporting farmers and building a resilient export economy

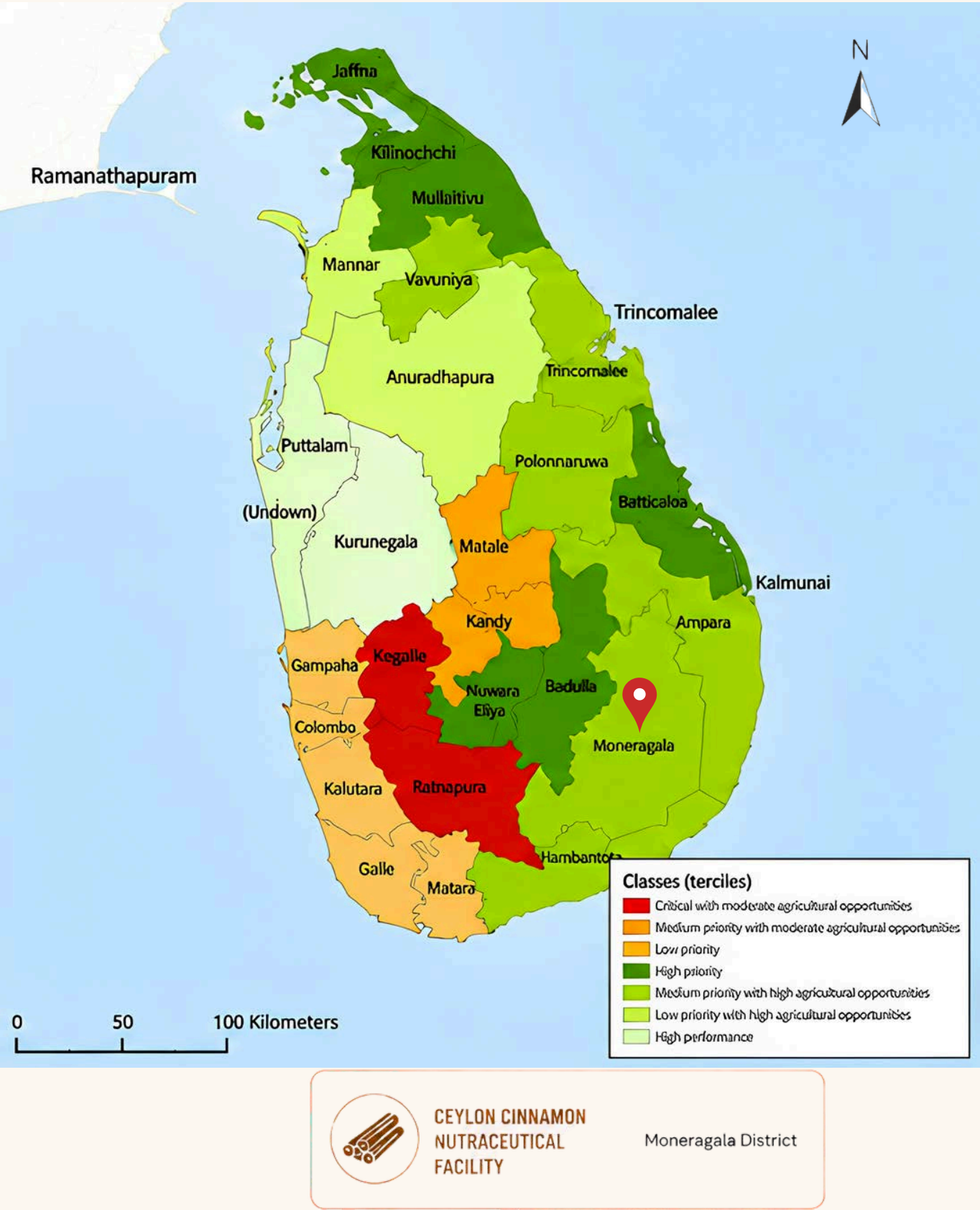
INVESTMENT CASE 1: CEYLON CINNAMON NUTRACEUTICAL FACILITY

KEY INVESTMENTS

Bottleneck	Key Investments	Risk & Mitigation
Sri Lanka forfeits nutraceutical premium due to the absence of local Ceylon Cinnamon encapsulation capacity	USD 19.7M private investment to establish a 300 MT/year Ceylon Cinnamon extraction and nutraceutical processing facility with integrated encapsulation and strategic inventory buffering.	Inconsistent raw material supply mitigated through fair farmgate pricing and strategic inventory buffering
Absence of an established Ceylon Cinnamon nutraceutical brand limits premium market access	USD 0.2M private investment to build the global Ceylon Cinnamon Nutraceutical brand anchored on its GI status.	Low cost Cassia competition countered by differentiation on protected GI status
Weak supply chain traceability undermines GI integrity and premium buyer confidence	USD 0.2M private investment to build a GMP-compliant, end-to-end traceable supply chain connecting 10,000 smallholder farmers,verified through standardized testing and third-party audits	Quality and GMP gaps addressed via standardised testing,end-to-end traceability, and third-party GMP audits

RETURNS ON INVESTMENT

Financial Returns	Value
Total Investment USD	USD 20 M
IRR	35.40%
NPV at 12%	USD 23 M
Payback	4 Years
Economic and Social Returns	Value
No of direct beneficiaries	10,000
No of Indirect beneficiaries	37,000
Women's participation target	60%
Per Capita income increase	USD 1,800/year
Environmental Returns	27,975 tCO ₂ e
Financial Summary at Full Capacity — Year 5	
Revenue (USD M)	USD 80M
EBITDA Margin	17%





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CEYLON COFFEE INVESTMENT CASE

INVESTMENT CASE 02

INVESTMENT CASE 2: CEYLON COFFEE

SPECIALTY SINGLE-ORIGIN

The world's next great single-origin story — before the market discovers it

US\$ 76B

Global specialty coffee market by 2033
(CAGR 11%) — single-origin segment
US\$ 23B by 2034

84–90+

SCA cupping points
Sri Lankan Arabica — already in
specialty range

3–5×

Price premium
>88-point coffees fetch 3–5x the
C-price

~600 TONS/YR

Sri Lanka coffee exports
vs. 442,200 T Ethiopia · 792,000 T
Colombia · 53,519 T Kenya — true new
origin

Why Ceylon Coffee Will Win

High-Altitude Terroir

1,000–1,900 m in Nuwara Eliya, Kandy, Kotmale & Matale — ideal for Arabica.

Proven Quality

84.5–86+ points (Helanta won UK Great Taste Award 2024 at 84.5+ points);
Colombo Coffee Co. samples score 90+.

Specialty Price Premium

Realistic specialty FOB US\$8–15/kg; 88+ scores US\$15–30/kg.

Brand Equity Transfer

Leverage the 150-year “Ceylon Tea” global premium brand.

Value Addition & Impact

Roasting, blending & retail in Colombo — local value capture + farmer incomes.



WHY SRI LANKA HAS A FIRST-MOVER WINDOW

Untapped origin. Growing global demand. Strong premium potential.

WHY NOT OTHER ORIGINS?

ETHIOPIA



442,200 T
(2024/25, ICO)



COLOMBIA



792,000 T
(2024/25, USDA)



KENYA



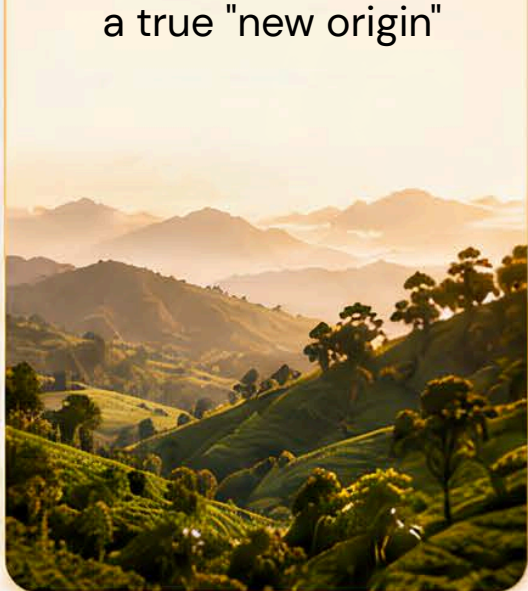
53,519 T
(2024, KNBS, +12% YOY)



SRI LANKA



~600 TONS/YR
3–4 orders of
magnitude below –
a true "new origin"



COMPETITIVE ADVANTAGES SRI LANKA OFFERS



Unique Terroir

Cool climate, rich soils & consistent rainfall
create distinct cup profiles.



Traceability & Sustainability

Smallholder base enables full traceability &
ethical sourcing.



Strategic Location

Fast export connectivity via Colombo Port
to USA, EU & Japan.



Government & Industry Support

Support for replanting, quality improvement &
specialty brand positioning.

**Why Invest in
Ceylon Coffee
Today?**



HIGH QUALITY
Already in specialty
range (84–90+ points)



**Strong Price
Premium**
3–5x the C-price



Untapped Origin
3–4 orders of magnitude
below competitors



Brand & Value Add
Leverage Ceylon Tea brand
& local value addition



**High Growth
Market**
US\$76B by 2033

GLOBAL MARKET OPPORTUNITY



Market Size

- Specialty Coffee Global Market USD 76 Billion by 2033 (CAGR 2024–2033 11%)
- Single-Origin Coffee Global Market USD 23 Billion by 2034

Demand Drivers

- Premiumization & Consumer taste sophistication resulting surge in demand for specialty and single-origin coffees
- Demographic: New Gen Coffee Drinkers start at younger age
- Lifestyle Shift: Third-Wave Coffee Shops and At-Home brewing culture; Coffee as Trendy & versatile beverage
- Sustainability, Ethical Sourcing & Traceability focus

Target Markets for Ceylon Coffee

- EU Countries – Quality-obsessed, ethical & sustainability focus (USD 14 B)
- United States – 51% Specialty Coffee, single-origin specialty café chains (USD 8 B)
- Japan – Premium single-origin coffee culture; strong Ceylon brand recognition
- South Korea – fast-growing specialty café market
- Australia – boutique roaster demand for traceable single-origin Arabica

Competitive Advantages of Ceylon Coffee

- Distinctive Flavor Profile: Unique terroir distinct from competing origins
- Quality Credentials: Varieties proven to produce coffees 85+ Cupping Score
- Ethical & Sustainable Story: Women & Smallholder empowerment
- Country-of-Origin Leverage: Powerful halo effect — "Ceylon tea" and "Ceylon Cinnamon"

Sri Lanka Exports

USD '000

	2023	2024
Coffee Bean	47	26
Coffee Roasted	282	294



High Growth Market
Strong global demand and rapid market expansion



Premium Opportunity
Rising demand for specialty and single-origin premium coffees



Sustainable Advantage
Ethical sourcing and traceability create long-term value



Brand Leverage
Leverage Ceylon's trusted origin story and global appeal

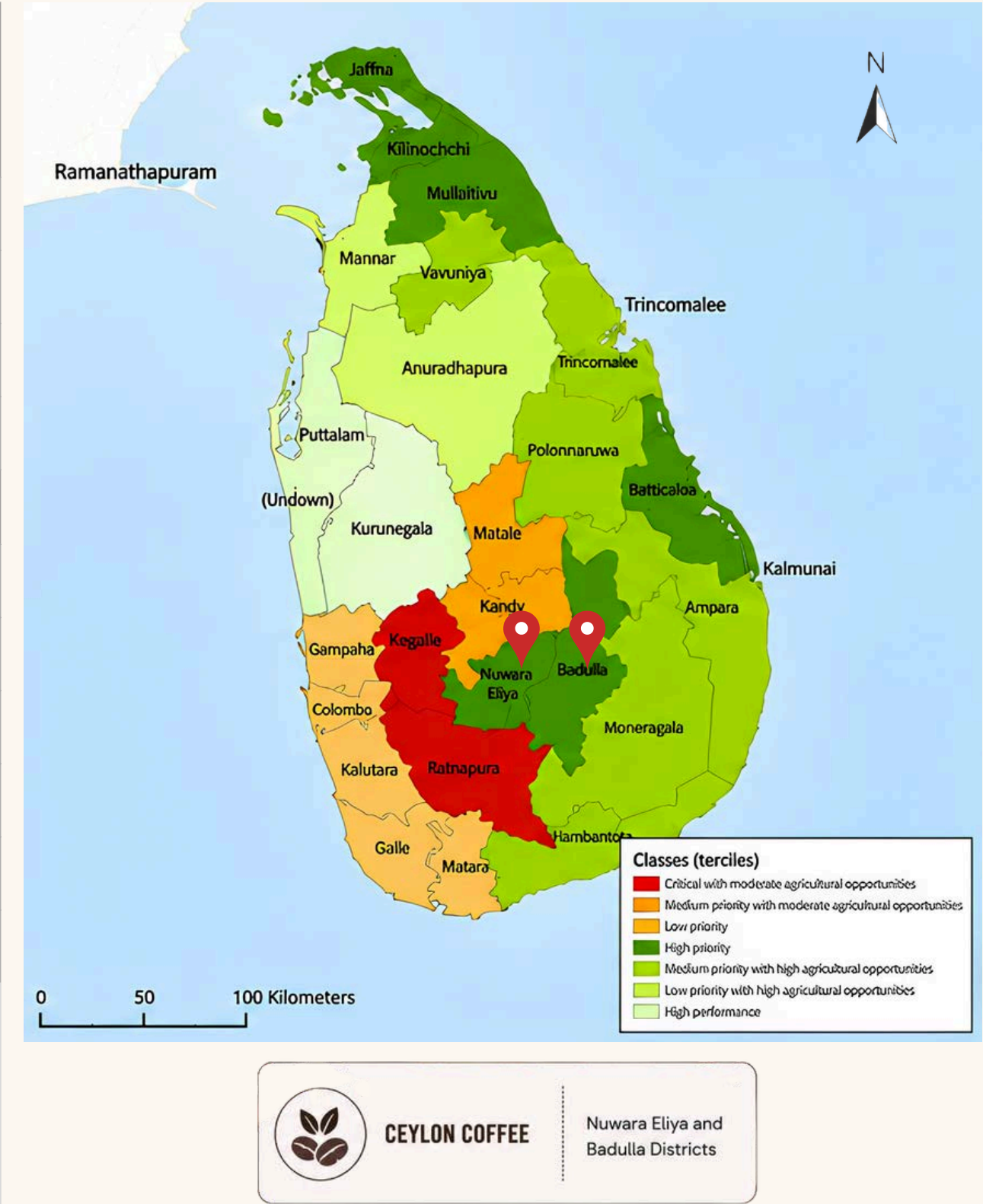
INVESTMENT CASE 2: CEYLON COFFEE

KEY INVESTMENTS

Bottleneck	Key Investments	Risk & Mitigation
Dry processing locks Ceylon Coffee into commodity grade (cupping score <80)	USD 11.8M private investment to establish 6 wet processing facilities (4,200 MT green beans/year) guaranteeing 80+ cupping scores and traceability, countering global commodity price fluctuation through differentiation on quality, origin, and sustainability positioning.	Global commodity price fluctuation countered by differentiating on quality, origin, and sustainability positioning.
Low on-farm productivity limits supply volume and commercial viability	USD 2.4M private investment to establish a 200-ha nucleus farm for coffee cherry production including training/demonstration	Yield vulnerability to climate change addressed through area diversification and climate-smart agriculture practices such as climate resilient varieties and shade trees
	USD 15M PPP investment to establish 1,800 ha of new contract grower plantations using underutilized agricultural lands supported with tailored financing schemes	Slow expansion of coffee extent mitigated through tailored financing schemes with extended grace periods for growers and partnerships with Regional Plantation Companies (RPC)
Coffee from Sri Lanka is still invisible in the global market	USD 0.2M private investment to create roaster linkages and strategic market promotion to unlock premium pricing potential for Ceylon Coffee	Slow market penetration countered by strategic market promotions and global roaster linkages

RETURNS ON INVESTMENT

Financial Returns	Processing & Marketing Entity	Nucleus Farm	Contract Grower Operation
Total Investment	USD 12.0M	USD 2.4M	USD 15.0M
IRR	37%	17%	16%
NPV (12%, 10 Year)	USD 1.9M	USD 0.27M	USD 2.7M
Payback Period	6 Years	9 Years	9 Years
Economic & Social Returns			
No of Direct Beneficiaries		3,600	
No of Indirect Beneficiaries		14,800	
No of Direct Employment		400	
Women's participation target		60%	
Per Capita Income Increase – USD/Farmer		USD 4,150	
Environmental Returns		-26,340 tCO ₂ e	
Financial Summary	Year 7		
Sales Volume Coffee Green beans	4,200 tons		
Sales Revenue	USD 38 M		
EBITDA Margin	30%		





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CEYLON BLACK PEPPER AGGREGATION AND PROCESSING FACILITY

INVESTMENT CASE 03

INVESTMENT CASE 3: CEYLON BLACK PEPPER

AGGREGATION & PROCESSING

High-piperine black gold from a 9th-ranked exporter on the rise

MARKET & DEMAND



Global pepper market
USD 6.1B now → USD 9.6B by
2032 (CAGR 6.7%) one of spices'
most robust growth curves



Growing nutraceutical market &
preference for high-piperine
pepper commands European
premium pricing of USD 9.9/kg
vs. USD 6.5/kg in Asia



North America emerging as
fastest-growing market –
Sri Lanka perfectly positioned

SRI LANKA'S UNMATCHED EDGE



Export value tripled in 2 years:
USD 54.7M (2022) →
USD 93.6M (2023) →
USD 169M (2024)



Ranked 9th globally as pepper
exporter – with significant
untapped upside through
value-addition



Agroclimatic uniqueness
produces quality superior to
mass-market competitors;
traceable & ethically sourced



PPP with Department of Export
Agriculture enables farm-level
digital traceability

INVESTOR RETURNS

IRR
17.9%

NPV
USD
2.5M


5-yr
Payback



USD 15.8M revenue at Year 5; 26%
EBITDA margin – on a lean USD
7.47M total investment



5,000 direct farmer beneficiaries;
18,500 indirect – USD 240/year
per-capita income uplift



115 direct jobs, 50% women;
diversified revenues via oil,
oleoresin & piperine extraction

POLICY & INFRASTRUCTURE PULL



Spices & Concentrates is a priority
BOI Thrust Sector – preferential
investment treatment



Hybrid drying systems (solar +
mechanical) and multi-region
sourcing buffer against climate &
seasonal risk



#1 globally performing port
(Alphaliner 2024) cost-effective,
fast export connectivity to all
target markets



26 Investment Protection
Agreements + 45 Double
Taxation Relief Agreements
protect investor returns

RIISING GLOBAL DEMAND.
SRI LANKA READY.

UNMATCHED ORIGIN.
TRACEABLE. ETHICAL. SUPERIOR.

STRONG RETURNS. SCALABLE IMPACT.
Attractive financials with measurable
social impact.

WORLD-CLASS CONNECTIVITY.
INVESTOR CONFIDENCE. LONG-TERM
SECURITY.



STRONG GLOBAL MARKET
One of spices' most robust growth curves



UNMATCHED SRI LANKA EDGE
Superior quality, traceable, and ethically sourced



ATTRACTIVE RETURNS
High IRR, strong margins, quick payback



INCLUSIVE IMPACT
Empowering farmers, creating jobs, uplifting incomes



INFRASTRUCTURE ADVANTAGE
World-class port & logistics connectivity



POLICY SECURITY
Strong policy support & investor protection frameworks



INVESTMENT CASE 3: CEYLON BLACK PEPPER

GLOBAL MARKET OPPORTUNITY

Demand

- Current market size: USD 6.1 billion
- Growth Rate 6.7% (2024–2032 CAGR)
- Projection: USD 9.6 B in 2032

Demand Drivers

- Global demand for spices and seasonings
- Preference for high piperine pepper
- Culinary trends and rising global demand for diverse cuisines
- Growth in health and nutraceutical market

Target Markets

- Asia Pacific (53–55%), Europe (15.6%)
- Middle East emerging as fastest growing
- Black pepper traded at USD 6.5/kg to India compared to Europe at USD 9.9/kg

Competitive Advantage for Sri Lanka

- Quality superiority
- Agro-climatic uniqueness
- Historical reputation and branding potential
- Traceability and ethical sourcing
- Globally ranked exporter (Ranked 9th)



Export value of pepper from Sri Lanka

Year	Value of Export USD M
2022	54.7
2023	93.6
2024	169

Top destination of Sri Lankan pepper in 2024

Country	Value of Export USD M
India	153
Grrmany	4.6
UAE	1.7
US	1.7
Spain	1.3



Ceylon Black Pepper – A global spice of choice, grown with heritage, trusted for quality.

INVESTMENT CASE 3: CEYLON BLACK PEPPER

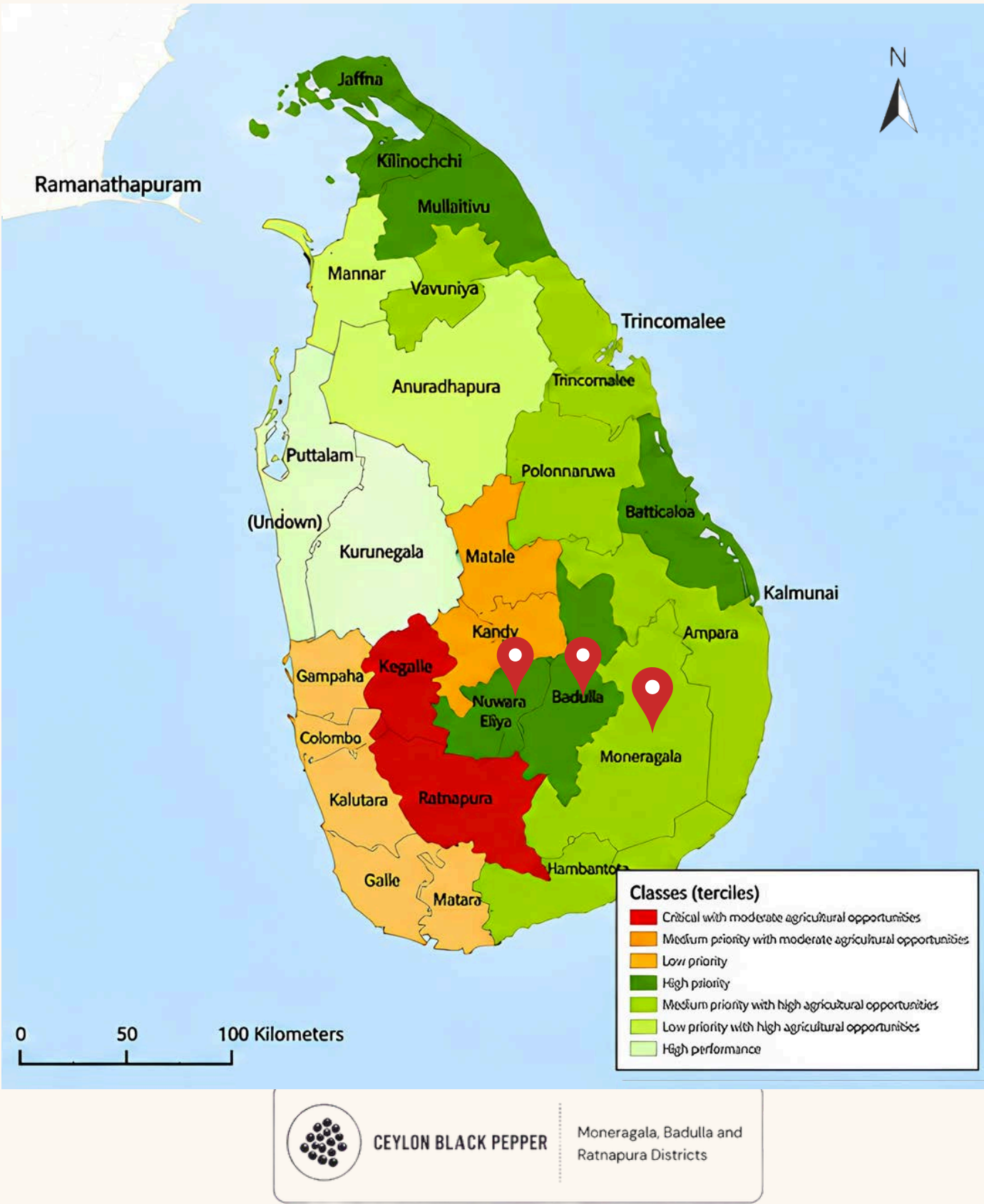
KEY INVESTMENTS

Bottleneck	Key Investments	Risk & Mitigation
Inconsistent product quality due to inadequate drying and processing infrastructure	USD 3.92M private investment to establish drying and processing facility of 8,000 MT green berries/year with hybrid solar and mechanical drying systems and SOP-driven operations.	Drying disruptions and collection underperformance mitigated through hybrid drying systems and strong SOP-driven field management.
Raw commodity export dependency due to absence of local extraction capacity	USD 3.11M private investment to establish a 500 MT dried pepper/year extraction facility producing diversified value-added products (oil, oleoresin, piperine), secured through forward contracts with buyers.	Global price volatility mitigated through diversified value-added products,forward buyer contracts, and export market diversification (US, EU, ME)
Lack of branded retail presence limits access to premium consumer markets	USD 0.44M private investment in Ceylon Pepper brand development-leveraging GI status to target premium retail and speciality food markets across diversified export destinations.	Market and income risks countered by branded “Ceylon Pepper” positioning and targeted promotion in diversified premium markets.

INVESTMENT CASE 3: CEYLON BLACK PEPPER

RETURNS ON INVESTMENT

Financial Returns	
Total Investment USD	7.47M
IRR (12%, 10 year)	20.80%
NPV USD (12%, 10 year)	3.4M
Payback (years)	5 Years
Economic & Social Returns	
No of direct beneficiaries Pepper-Farmers	3,600
No of Indirect beneficiaries	18,500
No of Direct Employment	115
Women's participation target	50%
Per Capita income increase	USD 240/year
Environmental Returns	133,762 tCO ₂ e
Financial Summary at Full Scale	
Revenue (USD M)	USD 15.8 M
EBITDA Margin	26%





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SEA CUCUMBER INVESTMENT CASE

INVESTMENT CASE 04

INVESTMENT CASE 4: SEA CUCUMBER

WHY INVEST IN SRI LANKA?

Five structural investment edges – each one eliminates a risk no competing country can match

1

Removes entry barriers

Risk removed: Land access. Permitting. Competitor displacement

SOVEREIGN COMMITMENT

- 2,000 acres of government-allocated ocean area-ready now, no rivals
- Government has demarcated 2,000 acres of prime coastal ocean area exclusively for sea cucumber cultivation
- Community participation structures already in place-zero land acquisition or coastal permit process
- No organised domestic investor base – international capital defines the market on its own terms
- No competing country in the Indo-Pacific offers a pre-packaged sovereign commitment at this scale



DEMARCATED SEA CUCUMBER 2000 ACRES (~809 HECTARES)

SEA CUCUMBER FARMING SYSTEM

Buoy Line / Marker

RISK ELIMINATED: ENTRY BARRIERS

Sources: Govt of Sri Lanka Ministry of Fisheries

2

Eliminates production risk

Risk removed: Juvenile supply failure. Seasonal variability Workforce gaps

TECHNICAL DIFFERENTIATOR

- IVF breeding technology already operational through NAQDA
- Sri Lanka has operational IVF-based *Holothuria scabra* (sandfish) breeding – one of very few Indo-Pacific countries to achieve this
- NAQDA state-of-the-art hatchery + certified private hatcheries produce consistent, high-survival juvenile stock year-round
- IVF eliminates seasonal supply failure-the single greatest production risk in any aquaculture investment
- Embedded staf training programme – investors bring capital; the technical expertise is already here



IVF BREEDING TECHNOLOGY → CERTIFIED HATCHERIES → CONSISTENT JUVENILE SUPPLY YEAR-ROUND

RISK ELIMINATED: PRODUCTION RISK

Sources: NAQDA | FAO | Private certified hatcheries

3

Removes feasibility risk

Risk removed: Site selection – Survey cost. Species suitability uncertainty

SCIENTIFIC VALIDATION

- NARA has assessed, mapped and approved every cultivation zone
- National Aquatic Resources R&D Agency (NARA) has technically assessed Jafna, Kilinochchi and Mannar zones
- Parameters measured: water temperature, salinity, seabed substrate, tidal flow-all confirmed for *H. scabra*
- State-funded feasibility represents a USD 200K-500K cost saving and 18-24 months off investor's timeline
- Equivalent to acquiring a mining site with pre-drilled, confirmed ore grades – not a greenfield exploration bet



RISK ELIMINATED: FEASIBILITY RISK

Sources: NARA | National Aquatic Resources R&D Agency

4

Protects margin quality

Risk removed: Post-harvest quality loss. Workforce ramp-up – GMP compliance gaps

WORKFORCE READINESS

- Government-certified farmers trained to GMP standard in target districts
- Systematic government training programme operational in Jafna, Kilinochchi and Mannar communities
- Curriculum covers: IVF juvenile handling, grow-out pen management, harvest timing, GMP-standard post-harvest drying
- A certified, programme-delivered technical skillset – not informal fishing tradition
- Protects the investor's premium grade classification and eliminates 12-18 month workforce ramp-up cost



RISK ELIMINATED: MARGIN QUALITY

Sources: NAQDA extension programme | Ministry of Fisheries

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Maximises value capture

Risk removed: Middleman margin capture Logistics cost. Market access barriers

VALUE CAPTURE

- 60-70x price gap– and Sri Lanka is assembling the chain to close it
- Premium sandfish retails at USD 1,800/kg in Hong Kong; Sri Lanka farmgate is ~USD 27/kg – a 60-70x gap today captured by Guangzhou middlemen
- GMP-certified processing facility (108 MT dry/yr) + 800 govt sea-pen grow-out units already being assembled
- Colombo Port-ranked #1 globally by Alphaliner 2024 (+23.6% growth) – on the direct Indian Ocean route to East Asia
- 4 direct FTAs (India, Pakistan, Singapore, Thailand) + SAFTA eliminate tariff friction to all primary buyer markets



PROCESSING FACILITY COLOMBO PORT #1 GLOBALLY (Alphaliner 2024) EAST ASIA MARKETS

RISK ELIMINATED: VALUE CAPTURE

Sources: Purcell et al. Marine Policy 2024 | FAO FIH 2026 – Alphaliner Q1 2024

WHY NO OTHER COUNTRY CAN MATCH SRI LANKA



SOVEREIGN ACCESS

No other country offers 2,000 acres of ready, demarcated ocean area



PROVEN TECHNOLOGY

Operational IVF breeding and hatcheries already in place



SCIENTIFIC VALIDATION

NARA feasibility removes 18-24 months and USD 200K-500K risk



TRAINED WORKFORCE

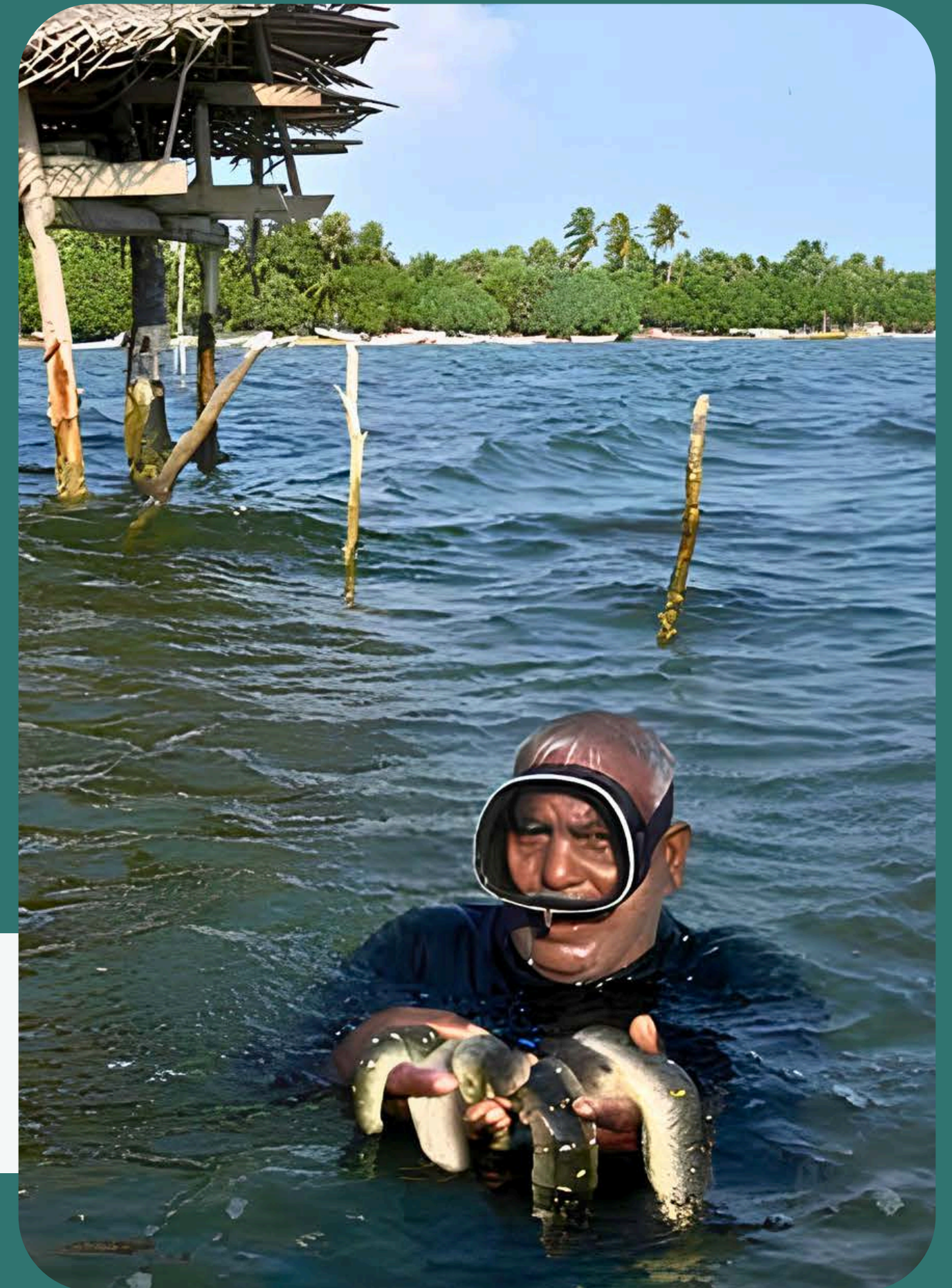
GMP-certified farmers already trained and programme-delivered



CLOSED VALUE CHAIN

60-70x price gap being closed through local infrastructure

SRI LANKA OFFERS A READY, VERIFIED, DE-RISKED INVESTMENT PLATFORM – NOT A PROMISE, A STRUCTURE. FIRST-MOVER ADVANTAGE. GLOBAL RETURNS.



GLOBAL MARKET OPPORTUNITY

Global Demand for
Sea Cucumber

- Global Sea Cucumber Market 2026 — USD 1.5 Billion
- CAGR 2024-2030 —5.29%
- Projected Market 2030 — USD 2.44 Billion

What Drives Demand
for Sea Cucumber

- Aging Asian population driving health supplement demand
- Resurgence of traditional medicine across East and Southeast Asia
- Premium seafood demand in luxury hospitality sector

Target Markets

- China, Hong Kong & Taiwan – Traditional Chinese medicine and luxury food; dominant buyer
- Singapore – Premium seafood and health supplement distributors

Competitive
Advantage for Sri
Lanka

- Government-Backed Infrastructure Access in Prime Territory (Land & Sea)
- Sri Lanka's Geographic & Species Advantage in Asian Export Markets



Sri Lanka’s Sea
Cucumber Exports

Exports
USD 10 M
2024

4th Largest exporter in the
world [2022]

Major Destinations

Hong Kong
Australia
Malaysia
Singapore
South Korea

INVESTMENT CASE 4: SEA CUCUMBER

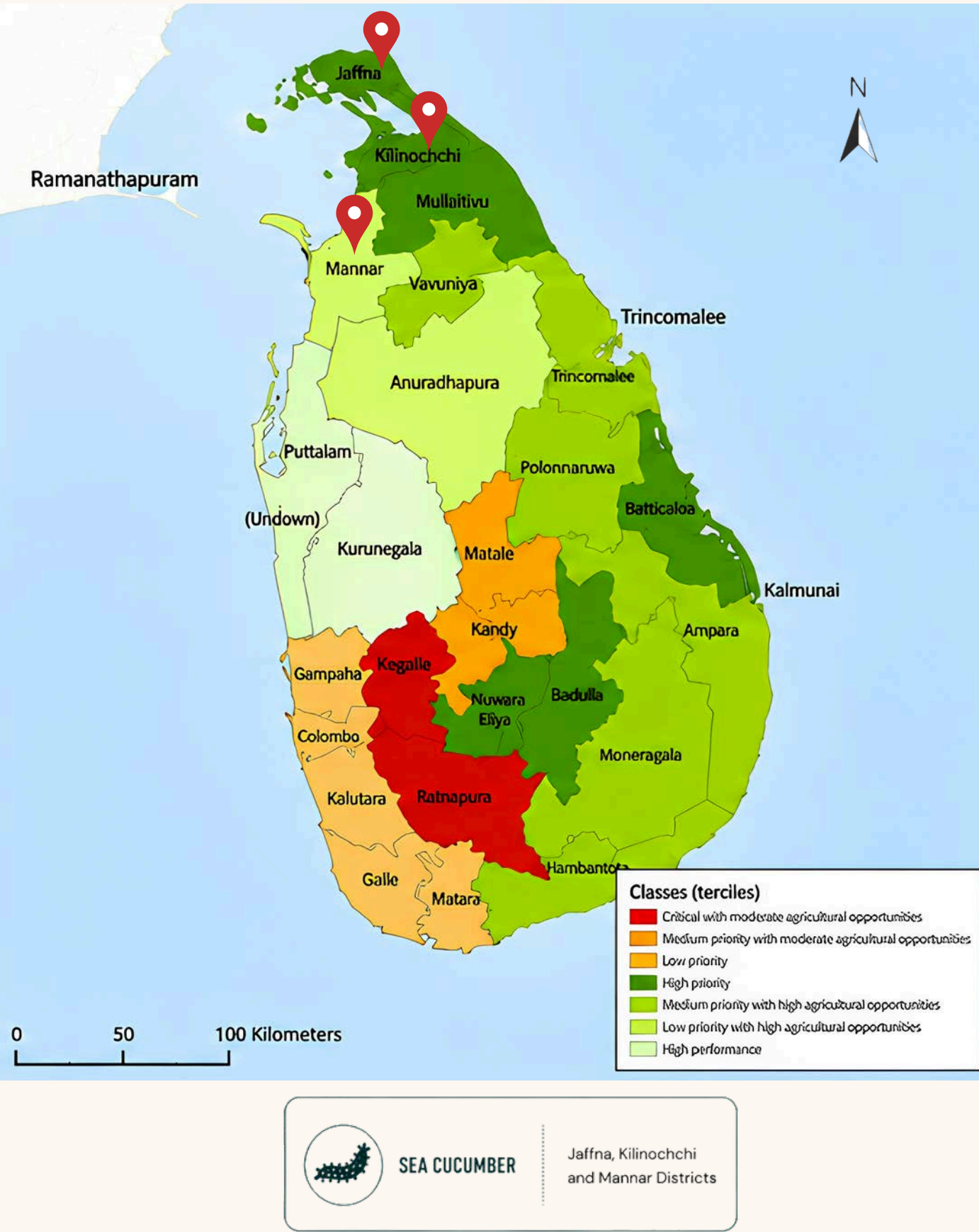
KEY INVESTMENTS

Bottleneck	Key Investments	Risk & Mitigation
Lack of commercial hatchery infrastructure; reliance on seasonal wild harvesting	USD 0.92M private investment to establish 10 commercial hatcheries with nursery facilities, producing a total of 4 million juveniles/year with biosecurity protocols, disease monitoring, and contingency planning processes.	Disease and biosecurity failures mitigated through biosecurity protocols, farmer training, disease monitoring, and contingency planning
	USD 0.8M public investment as loans for 800 sea pen units of 1 acre each across Kilinochchi, Jaffna, and Mannar, sited through rigorous selection.	Salinity fluctuations from extreme climate events mitigated through rigorous site selection
No GMP-certified processing facility; high post-harvest losses and inadequate quality control for premium export standards	USD 6.5M private investment to establish a processing facility (108 MT dry sea cucumber/year) with standardized testing, traceability, and third-party ISO and GMP certification.	Quality deviations and market volatility mitigated through third-party ISO and GMP audits, multi-country buyer diversification, and value addition

INVESTMENT CASE 4: SEA CUCUMBER

RETURNS ON INVESTMENT

Financial Returns	
Total Investment USD	8.22M
IRR	24.71%
NPV at 12%,	USD 4.6M
Payback	5 Years
Economic & Social Returns	
No of direct beneficiaries sea cucumber-Farmers	3,900
No of Indirect beneficiaries	14,000
No of Direct Employment	3200+
Women's participation target	60%
Per Capita income increase	USD 4,800/year
Environmental Returns (Tons of CO ₂ Saved)	-8,942 tCO ₂ e
Financial Summary at Full Scale	
Revenue (USD M)	USD 12.9M
EBITDA Margin	32%



SRI LANKA

HIH INVESTMENT SUMMARY - 2026

Total Investment



USD 65.1 M

Total NPV (12%)



USD 35.9 M

Avg. IRR



26%

Total Beneficiaries



105,400

Avg. per Capita
Income Increase



USD 2747

Financial Returns	Ceylon Cinnamon Nutraceuticals	Ceylon Coffee	Ceylon Black Pepper	Sea Cucumber
Total Investment	USD 20 M	USD 29.4 M	USD 7.47 M	USD 8.22 M
IRR	35.40%	23.30%	20.80%	24.71%
NPV (at 12%)	USD 23 M	USD 1.9 M (Processing), USD 0.27 M (Nucleus), USD 2.7 M (Contract)	USD 3.4M	USD 4.6 M
Payback Period	4 Years	4 Years	5 Years	5 Years
Government Contribution	Farmer aggregation support, Farmer	Farmer training, R&D support in varietal development	Digital farmer registry and geo-tagging	Provision of 800 Acres of sea area
Economic & Social Returns				
No of Direct	10,000	3,600	3,600	3,900
No of Indirect	37,000	14,800	18,500	14,000
No of Direct Employment	100	400	115	3,200
Women's Participation	60%	60%	50%	60%
Per Capita Income	USD 1,800/yr	USD 4,150/yr	USD 240/yr	USD 4,800/yr
Environmental Returns	27,975 tCO ₂ e	-26,340 tCO ₂ e	133,762 tCO ₂ e	-8,942 tCO ₂ e
Financial Summary at Full Capacity				
Revenue	USD 80 M (Year 5)	USD 38 M (Year 7)	USD 15.8 M (Year 5)	USD 12.9 M (Year 5)
EBITDA Margin	17%	30%	26%	32%