



INTELLECTUAL CAPITAL



Innovation and long-term value creation at Haycarb are driven by the strength and potential of our people. We cultivate a supportive environment where wellbeing is prioritised, talent is developed, and individuals are empowered to grow and contribute to sustainable progress.

Much like the horizon that continually shifts forward as we move towards it, our teams embrace change with agility, continuously building capabilities and expanding their skills to navigate opportunities beyond today's boundaries.

PRASANNA UDAYA KUMARA
Director – Research & Development and Technical

STRATEGIC ROLE

Intellectual Capital strengthens innovation, differentiation and long-term market leadership through technical expertise, research capability and continuous product development. Investments in R&D support emerging applications including energy storage carbons and advanced purification solutions.

MANAGEMENT APPROACH

We manage Intellectual Capital through investments in research capability, technical training and collaborative innovation initiatives. Our approach strengthens scientific expertise, product innovation and process optimisation while leveraging digital technologies and analytical capabilities.

OUR STRATEGIC PRIORITIES IN 2025/26



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 2025/26

14
Nos.

New products Launched

3
Nos.

Products in Pipeline

Rs.
261
Mn

Investment in R&D

Rs.
1,163
Mn

Savings from Process Improvements



**916**
Rs. Mn

Revenue generated from new products during 2025/26

**50+**
Years

Organisational Tacit Knowledge

**>100**
%

Increase in lean savings

**6**
Nos.

Recertification

FUTURE OUTLOOK

Innovation and technical differentiation are expected to become increasingly important competitive drivers. Continued advancements in research capability, AI-assisted analytics and product innovation will support emerging applications and strengthen long-term market positioning.

DIGITALISATION

Haycarb's digitalisation journey strengthened Intellectual Capital through integrated technologies, data-driven insights, and scalable platforms, enhancing innovation, agility, and brand value while driving progress beyond the horizon in evolving global markets.

VALUE CREATED IN 2025/26

- » A strategic commitment to sustainable innovation enabling the development of new, cutting-edge products that advance global sustainability priorities.
- » Investments in research and development to maintain a strong product pipeline for emerging applications.
- » Elevated the technical skills and competencies of our team through specialised training opportunities in emerging applications.
- » Upgraded laboratory capabilities for advanced carbon testing and research to drive innovation.
- » Strengthened global brand visibility through targeted strategic marketing initiatives.

WAY FORWARD

Short Term and going forward

- » Maintain our emphasis on sustainable innovation.
- » Ongoing R&D to facilitate product innovation for emerging opportunities.
- » Deliver process excellence in compliance with numerous external accreditations.
- » Sustained focus on up skilling our teams in emerging technical domains.
- » Foster an innovation culture that promotes scientific experimentation.

**32**

Nos. Certifications

>1,500

Activated Carbon products

>100

Environmental Engineering products & Solutions

INTELLECTUAL CAPITAL

THE GROUP CONTINUES TO STRENGTHEN AND SCALE ITS INTELLECTUAL CAPITAL THROUGH INVESTMENTS IN ADVANCED LABORATORY CAPABILITIES, MULTIDISCIPLINARY RESEARCH EXPERTISE, DIGITALISATION, AND STRATEGIC INNOVATION IN EMERGING APPLICATION AREAS SUCH AS ENERGY STORAGE CARBONS, WATER PURIFICATION, AND AIR PURIFICATION SOLUTIONS.



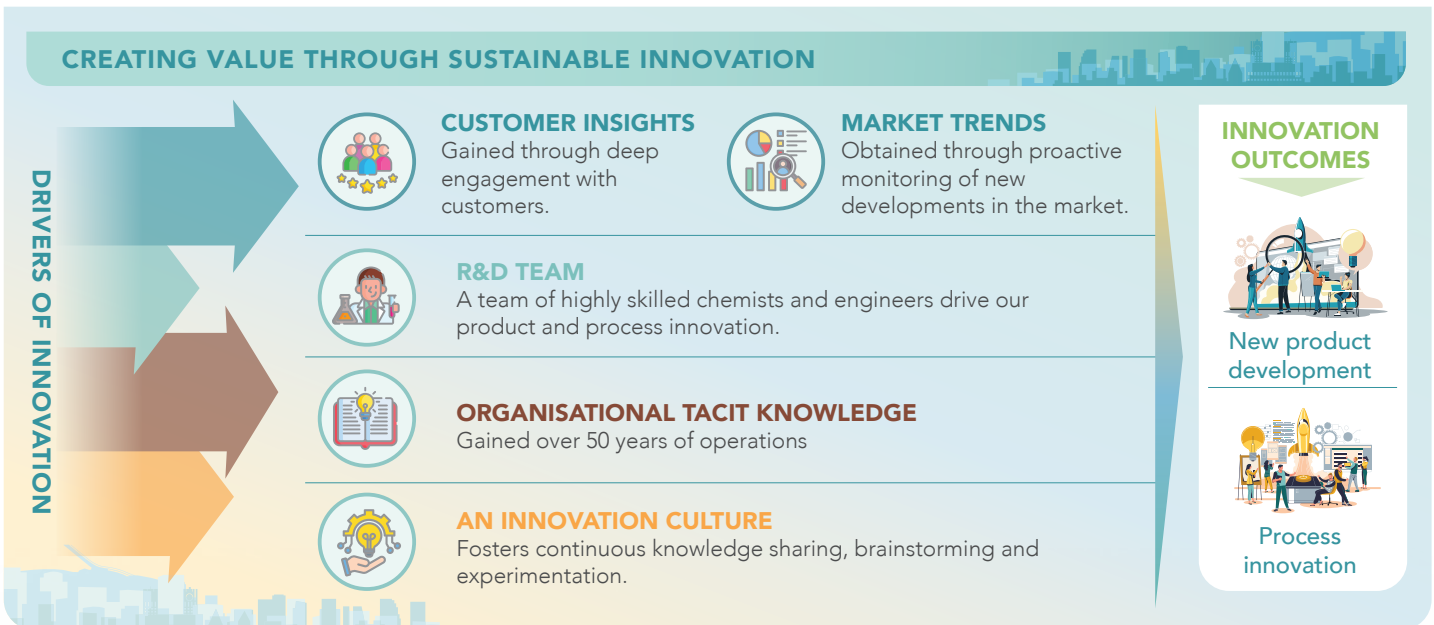
GOVERNANCE OF INTELLECTUAL CAPITAL

Haycarb PLC maintains structured governance over its intellectual capital to support sustainable innovation, operational excellence, and long-term competitiveness. Governance mechanisms oversee research and development activities, digital systems, cybersecurity, data integrity, and the responsible adoption of emerging technologies, including Artificial Intelligence (AI). The Board and management provide oversight on innovation investments, technology-related risks, and knowledge management practices to ensure that intellectual assets remain aligned with strategic priorities and future growth opportunities.

Protecting and Scaling Intellectual Property

Haycarb PLC protects its intellectual property through robust confidentiality practices, controlled access protocols, cybersecurity frameworks, and secure digital systems that safeguard proprietary process technologies, specialised formulations, technical know-how, and research data.

The Group continues to strengthen and scale its intellectual capital through investments in advanced laboratory capabilities, multidisciplinary research expertise, digitalisation, and strategic innovation in emerging application areas such as energy storage carbons, water purification, and air purification solutions.



ACCELERATING INNOVATION

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 2025/26 aimed primarily to enhance value for customers in emerging applications

and resulted in the introduction of 14 new products. Our innovation focus areas in 2025/26 are summarised below.



TALENT -OUR FUTURE READINESS

Strengthened multi-disciplinary R&D teams, Enhanced our technical competencies in emerging domains such as battery technologies, adsorption science and advanced analytical techniques.



ENHANCED CARBON TESTING CAPABILITIES

Upgraded laboratories with advanced testing capabilities to strengthen activated carbon performance evaluation, including micro level impurity detections and electrochemical performance testing.



INVESTMENTS IN RESEARCH AND DEVELOPMENT

Focused on scaling advanced carbon technologies.



ARTIFICIAL INTELLIGENCE AND DIGITAL INNOVATION

Artificial Intelligence and digital technologies support innovation by improving efficiency, enabling data-driven insights, and accelerating product and process development.

TALENT – OUR FUTURE READINESS

A highly skilled R&D team

Our team of over 30 chemists and specialist professionals drive our innovation, enabling the development of new products for emerging applications that consistently fulfill and exceed customer expectations. During

the year under review, we strengthened team capabilities in electrochemistry and analytical chemistry through specialist talent recruitment and collaboration within multi-disciplinary R&D teams.

We also strengthened team capabilities by facilitating opportunities for specialist training and development in emerging domains

such as battery technologies, adsorption science and advanced analytical techniques. These opportunities included exposure to global exhibitions, advanced manufacturing technologies, and industry webinars.

ENHANCED CARBON TESTING CAPABILITIES

World class laboratory capabilities

Consistent investments in upgrading our research and testing laboratories have accelerated innovation in emerging domains such as battery technologies. During the year under review, we strengthened our capabilities in electrochemical testing to support innovation in energy storage applications through installing a cylindrical battery assembly line.

We also invested in world-class material characterisation analysers to capture minute deviations in high throughput surface area, pore size and laser particle size to facilitate the development of new formulations and processes. This elevated product performance while enabling the expansion of our value-added product range.



INTELLECTUAL CAPITAL

OUR TECHNOLOGICAL EXCELLENCE

**HIGH PURITY ACID WASHING TECHNOLOGY**

An in-house innovation to obtain ultra-pure products for Energy Storage applications.

**HIGH SURFACE AREA ACTIVATION TECHNOLOGY**

Internally developed process technology to produce carbons for specialty applications.

**SURFACE MODIFICATION TECHNOLOGY**

An innovative technology to support the manufacture of carbons for supercapacitor and Si-C composite carbons.

**IMPREGNATION TECHNOLOGY**

Technology to change the surface nature of activated carbons to increase affinity to various contaminants in air and liquids.

**PRECISION SIZE TECHNOLOGY**

Specialised processes to consistently achieve the narrow size distributions required for energy storage carbons.

**RECOGEN TECHNOLOGY**

Patented technology that utilises the heat generated from closed system charcoaling to generate electricity which is supplied to the National Grid.

**REGENERATION TECHNOLOGY**

An environmentally friendly technology that restores used carbon to 97% of its original adsorption capacity, allowing for multiple reuses.



Through continuous innovation and advanced carbon technologies, Haycarb delivers solutions for a cleaner energy, cleaner air and a better environment.

Cutting-edge innovation for a more sustainable tomorrow

Aligned with its sustainable innovation strategy, Haycarb developed numerous new products focused on energy storage, water and air purification applications in 2025/26. A summary of new products, we launched during the year under review and the attributes that underpinned their strong market position are summarised below.



New Products

14

ENERGY STORAGE CARBONS

Activated carbon for Silicon – Carbon Composite Materials

The outstanding surface area and pore volume of our premium carbon product for Silicon Carbon composite materials enables superior battery efficiency and extended cycle life. Silicon-carbon composite materials are a breakthrough in battery technology, offering higher energy density that enables extended driving range and fast charging in electric vehicles. This advanced product is utilised in applications such as renewable energy storage and smart grid management systems, power tools, and Unmanned Aerial Vehicles (UAVs).



New products in 2025/26

3



WATER PURIFICATION SOLUTIONS

Haycarb's activated carbon solutions support sustainable water purification across domestic, industrial, and municipal applications. Produced from renewable coconut shell-based raw materials, these solutions effectively remove contaminants including VOCs, heavy metals, PFAS, and organic impurities. Engineered with high adsorption efficiency and optimised pore structures, they deliver reliable performance and enhanced water quality while supporting responsible water management, environmental protection, and global access to safe and sustainable water resources for industrial pollutants, hazardous chemicals, wastewater discharge, and landfill leakage.

New products in 2025/26



PFAS

1



Others

6



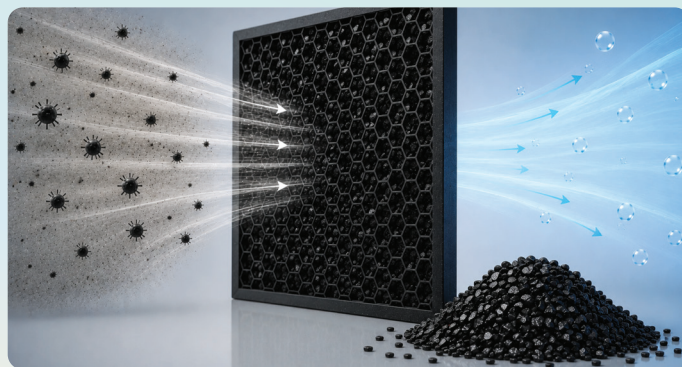
AIR PURIFICATIONS SOLUTION

Haycarb's activated carbon products help improve air quality and environmental health through advanced purification solutions for industrial, environmental, and personal protection uses. Made from renewable raw materials, they efficiently remove VOCs, odors, hazardous gases, and airborne pollutants. They are widely applied in emission control, respirators, solvent recovery, and bio gas purification systems, supporting regulatory compliance and energy efficiency. These solutions promote sustainable industrial development while reducing environmental impact and improving air quality for future generations.



New products
in 2025/26

3



INTELLECTUAL CAPITAL

PHARMACEUTICAL APPLICATIONS

Haycarb's coconut shell-based pharmaceutical-grade activated carbon that meets strict pharmacopoeia and quality standards for the healthcare and pharmaceutical industries. With high surface area and specialised pore structure, it enables effective impurity removal, purification, and solvent recovery in API and drug manufacturing. These sustainable products also support cosmetics and personal care applications for deep cleansing.

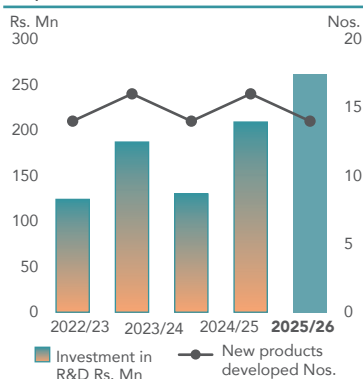


New products
in 2025/26

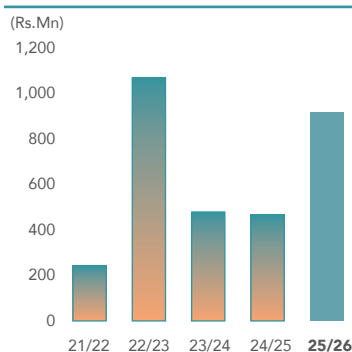
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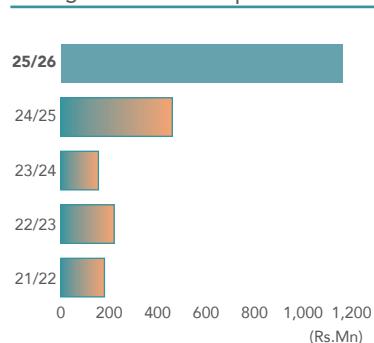
Capacity to Innovate



Revenue from New Products



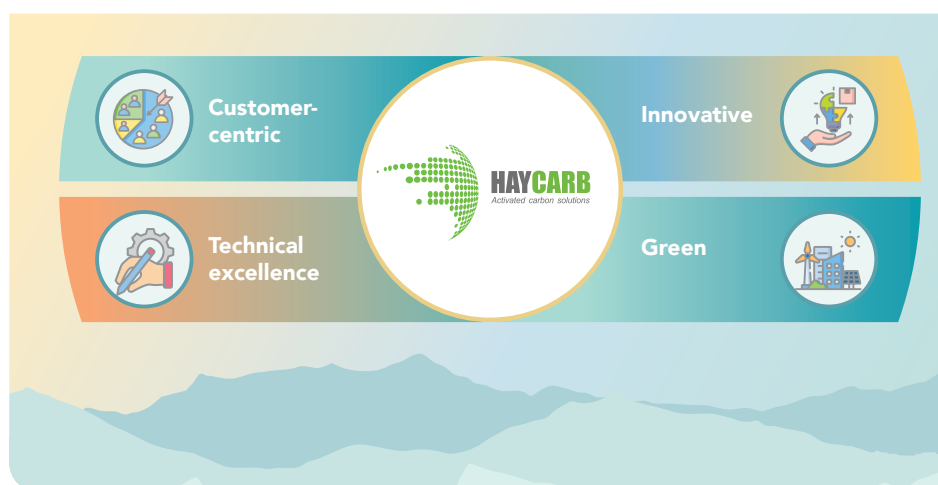
Savings from Process Improvements



THE HAYCARB BRAND AND COMPETITIVE RESILIENCE

Haycarb's globally recognised brand is a strategic asset that enhances customer trust, supports premium market positioning, and strengthens long-term competitiveness across international markets. Built on over five decades of technical expertise, sustainability leadership, and consistent product quality, the brand enables differentiated value creation in advanced applications while strengthening resilience against evolving market, regulatory, and competitive dynamics. Long-standing customer relationships, innovation capabilities, and trusted operational standards continue to reinforce Haycarb's position as a preferred global activated carbon solutions provider, while supporting the effective management of SRROs and

OUR BRAND ATTRIBUTES



CRROs through enhanced market resilience, stakeholder confidence, and sustainable growth opportunities.

QUALITY, STANDARDS & ASSURANCE

We adhere to a wide range of local and internationally recognised certifications relating to quality, food safety, environmental management, and occupational health and safety. These certifications reinforce our commitment to operational excellence, continuous improvement, and compliance with global best practices, while providing assurance to customers and stakeholders on the integrity and reliability of our business processes.



Certifications

Haycarb Group	Quality Management	Food Safety Management	Environmental Management	Occupational health and safety
Haycarb - Sri Lanka	» ISO 9001:2015 Recertification by SLSI – Sri Lanka » Certificate of Conformity, Covid-19 Management System SLS 1672: 2020 from SLSI – Sri Lanka	» 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	» ISO 14001:2015 » Recertification by SGS – Sri Lanka » Sustainability Certification WQA – USA » ECO Label Sri Lanka - National Cleaning Production Centre	» ISO 45001:2018 Occupational health and safety.
PT Mapalus Makawanua Industry – Indonesia	» ISO 9001: 2015 Recertification by SLSI – Sri Lanka	» Halal Certification from the Halal Accreditation Council » KOSHER Certification Orthodox Union – USA » NSF Product Certification by NSF International USA	» ISO 14001:2015	
Haycarb Palu Mitra – Indonesia	» ISO 9001: 2015 Recertification by SLSI – Sri Lanka	» Halal Certification from the Halal Accreditation Council » NSF Product Certification by NSF International USA	» ISO 14001:2015	
Carbokarn – Thailand	» ISO 9001: 2015 Recertification by SGS – Thailand	» NSF Product Certification by NSF International USA	» ISO 14001: 2015 Recertification by SLSI – Sri Lanka	
CK Regen Systems – Thailand	» ISO 9001:2015 Recertification by SGS – Thailand		» ISO 14001:2015 Recertification by SLSI – Sri Lanka	

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Haycarb Group	Quality Management	Food Safety Management	Environmental Management	Occupational health and safety
Shizuka – Thailand	» ISO 9001: 2015 Recertification by SGS – Thailand		» ISO 14001:2015	
Eurocarb Products – UK	» ISO 9001: 2015 Certification » REACH registration		» ISO 14001:2015	
Puritas Sri Lanka	» ISO 9001: 2015 Recertification by SLSI – Sri Lanka » C1 Grade on Main Construction Contractor's Registration for water supply and sewerage - CIDA Sri Lanka » EM1 Grade on Specialist Construction Contractor's Registration for heavy steel fabrication, plumbing and drainage works and electrical installation - CIDA Sri Lanka			



INTELLECTUAL CAPITAL CONNECTIVITY

1. STRATEGIC PRIORITIES ENABLED

- » Innovation-Led Growth
- » Market Growth
- » ESG Mindset
- » Strengthen Global Supply Chain

Key Strategic Focus Areas

- » Sustainable innovation
- » Product development
- » Research & development
- » Artificial Intelligence integration
- » Technical excellence
- » Brand strengthening
- » Process innovation

2. MATERIAL TOPICS CONNECTED

- » M6 Technology & Product Innovations
- » M4 Product Quality
- » M3 Customer Satisfaction
- » M13 Cyber Security
- » M9 Manufacturing Capabilities
- » M2 Regulations & Compliance
- » M11 Energy Consumption
- » M12 Environmental Impacts in Supply Chain

3. RISKS & OPPORTUNITIES CONNECTED

Principal Business Risks

- » Innovation Obsolescence Risk
- » Product Quality Risk
- » Market Competitiveness Risk

SRROs / CRROs

- » SRRO 2: Workforce Capability and Skilled Labour Availability Risk
- » CRRO 4 Growing market demand for value-added carbons

Strategic Responses Investment in R&D

- » AI-enabled innovation
- » Product pipeline strengthening
- » Laboratory upgrades
- » Process innovation
- » Technical capability enhancement

4. CAPITAL CONNECTIVITY

Financial Capital	Intellectual Capital	Human Capital	Social & Relationship Capital	Natural Capital	Digital Capital
Supports premium products, revenue growth and long-term profitability	Strengthens process efficiency and manufacturing innovation	Builds technical competencies, scientific expertise and innovation culture	Enhances customer trust, brand value and stakeholder confidence	Supports sustainable product innovation and environmental solutions	Enables AI, data analytics and digital innovation capability

5. CAPITAL TRADE-OFFS

Strategic Initiative	Capital Strengthened	Capital Potentially Pressured	Nature of Trade-Off
Investment in R&D and laboratories	Intellectual Capital / Digital Capital	Financial Capital	Higher short-term research and technology expenditure
Development of innovative sustainable products	Intellectual Capital / Natural Capital	Manufacturing Capital	Longer product development and commercialisation cycle
AI-enabled innovation and analytics	Intellectual Capital / Digital Capital	Human Capital	Capability transition and upskilling requirements
Strengthening certifications and compliance	Intellectual Capital / Social & Relationship Capital	Financial Capital	Higher compliance and certification costs
Process innovation initiatives	Intellectual Capital / Manufactured Capital	Human Capital	Operational adaptation and process transition requirements

6. LONG-TERM VALUE CREATION

» Enhanced innovation capability	» Sustainable product innovation	» Enhanced customer trust
» Strengthened global competitiveness	» Improved market resilience	» Higher process efficiency
» Improved product quality	» Future-ready product portfolio	

CONTRIBUTION TO SDG'S

