

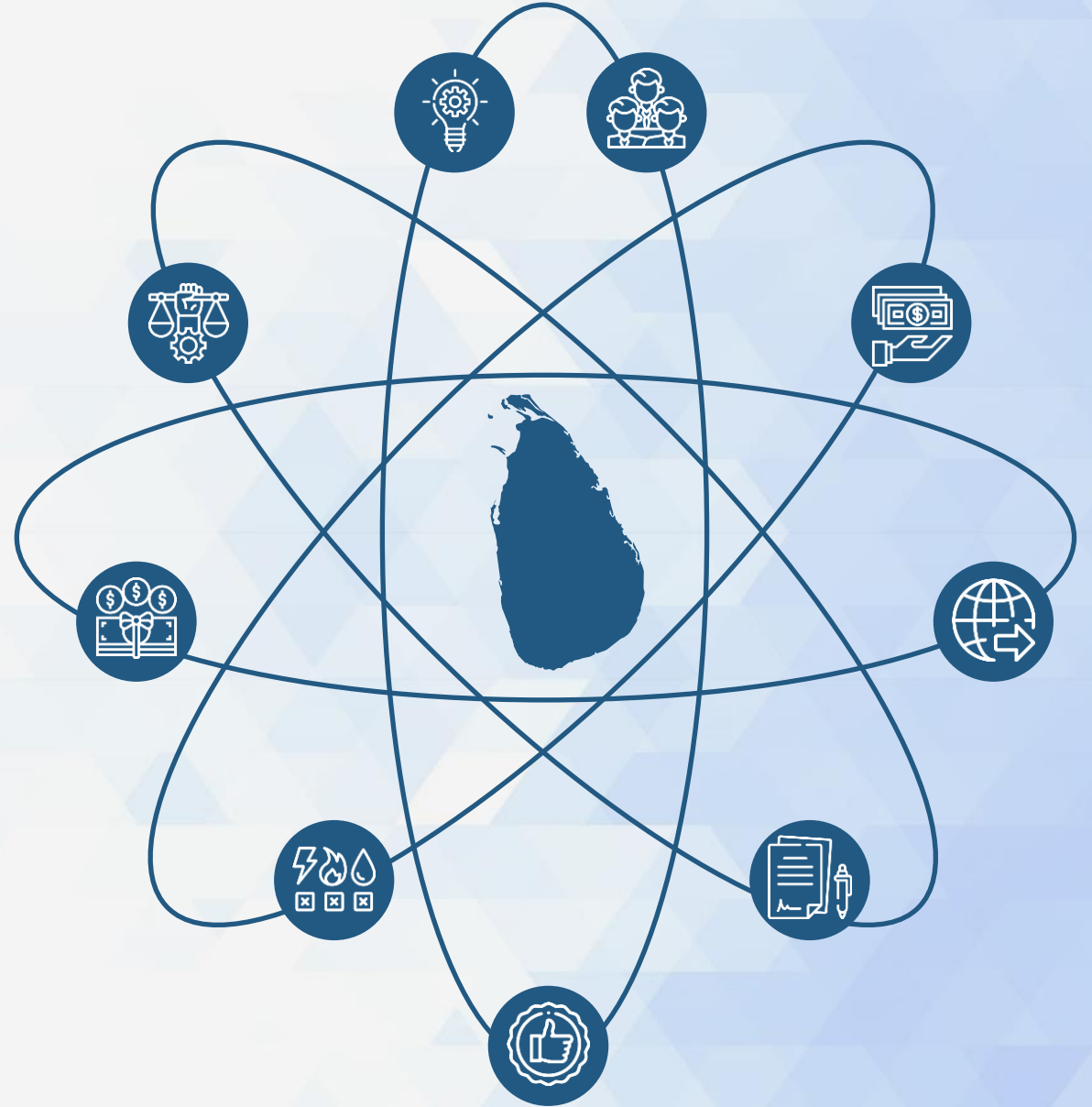


Invest in Sri Lanka

Emerging Investment Opportunities in Sri Lanka

#WhySriLanka

June 2021





Why Sri Lanka?

Sri Lanka's vibrant business environment is now home to over 1,200 foreign companies and continues to attract businesses across multiple sectors such as manufacturing (high value added/high tech), IT services, tourism, food processing, logistics, education and large-scale infrastructure etc.

US\$ 7 Bn +



Sri Lanka attracted an cumulative FDI of US\$ 7.04 Bn from 2015 to 2019

Sri Lanka is a founder member of the Multilateral Investment Guarantee Agency (MIGA)

4 Decades & counting

As Sri Lanka's Investment Promotion Agency, The BOI partners with its clients to ensure their set-up in Sri Lanka is as successful as possible and has been doing so for over 40 years

Sri Lanka has been chosen by:



4 of the top 10 global hotel chains



3 of the Asia-Pacific's 20 largest telecom operators



3 of the top 10 global construction companies



1 of the top 10 global software companies



7 of the Fortune 500 (2020)



World's no.1 tyre manufacturer



2021 Budget has further increased Sri Lanka's attractiveness

Investment Climate



Consistent policy environment covered by a five year window



Clear direction on national economic priorities



Simplified tax regime



Strategic Development Project Act with expanded scope and coverage



Cabinet sub-committee appointed to fast track investor facilitation



Revamping BOI Act & Introducing new SEC & Port City Law

Tax Incentives



Agriculture, fisheries, and livestock farming

5 YEARS



Off shore wind and floating solar power

7 YEARS



Boat & ship building

7 YEARS



Processing of milk powder

5 YEARS



Private educational institutions

5 YEARS



Start-up companies

5 YEARS



Recycling sites for construction materials

10 YEARS



Construction & installing communication towers

5 YEARS

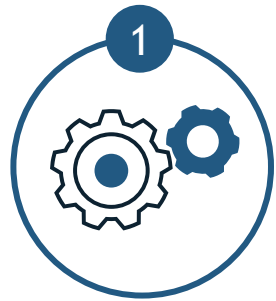


Bonded & offshore business warehouses

EXEMPT FROM ALL TAXES



Five priority sectors to drive FDIs



Manufacturing

- Pharmaceutical
- High value add Apparel
- Electronics and Electricals



ICT

- BPM/KPM
- Software Development
- IT training Institutes
- Emerging Technology



Hospitality and Tourism

- Agro/Eco Tourism
- Adventure/ Thrill tourism
- Luxury Hotels
- MICE tourism



Agriculture and Food processing

- Rubber
- Agri/processed food
- Fisheries



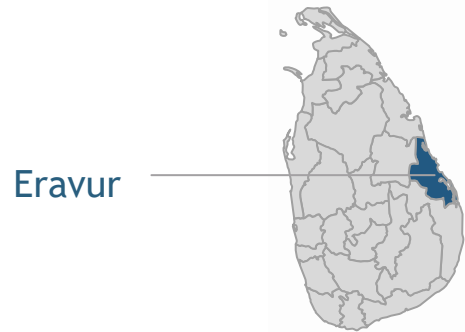
Construction and Infrastructure

- Transport Infrastructure
- Port/Airport development
- Renewable Energy



Textile Zone

Textile manufacturing zone - Eravur

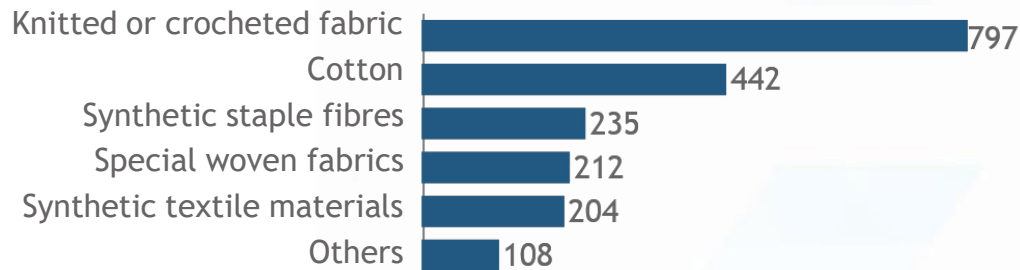


- Location
- Province : Eastern
 - District : Batticaloa
 - Land Extent : 200 - 300Acres

Economic Benefits

- Foreign exchange savings by Import substitution for fabric
- Ability to meet with ROO of EU GSP plus, thus Increase in EU GSP utilization rate
- Shorter lead time with established raw material base within the country
- Increase foreign exchange earnings thro’ textile exports
- 6-7 investors already given EOI

Imports (\$ M)



Pharmaceutical zone

Pharmaceutical zone - Hambantota



- Location
- Province : Southern
 - District : Hambantota
 - Land Extent : Phase I - 200 Acres
Phase II - 200 Acres

Economic Benefits

- Creating a pathway for a US\$ 1 Bn export revenue vertical by 2025
- Supporting the Government’s goal of meeting 40%+ of domestic demand for pharmaceutical products by 2025
- Direct & indirect employment generation including high paying specialized jobs currently unavailable in Sri Lanka
- Skills upgrading, technology transfer

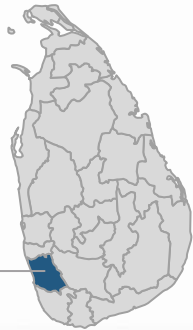
Pharma Industry in Sri Lanka - Current Situation

- Current annual domestic market - USD 664 Mn (appr Rs 130 billion) - projected to grow at CAGR of 8-10%
- Sri Lanka’s pharma supply is 85% import-dependent
- Cost of medicines: >35% of the annual health budget (compared to 18% in OECD countries)
- Sri Lanka is one of the largest buyers of medicine in Asia



Rubber Zone

Proposed Rubber zone of BOI at Milleniya



Milleniya

- Catering to following segments:
- Large & medium dry rubber industries
 - Latex based industries
 - SMEs, training, R&D, workshops
 - Support services - mould & chemical suppliers

Today

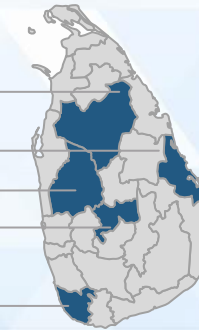
Vision for 2025

Exports	\$0.9B	\$1.8B - \$2.0B
Employment	300,000	400,000+
Avg. Yield (Kg / Ha)	774	1000-1600
# of sub-sector	3 - Solid tyres, pneumatic tyres & gloves	4 -5 - Solid tyres, pneumatic tyres, gloves & HV products



IT Parks

Proposed IT Parks



Anuradhapura

Batticaloa

Kurunegala

Kandy

Galle

- Catering to following segments:
- IT & ITeS
 - Analytics (KPO)
 - BPM
 - IT related training centers

Today

Vision for 2025

Exports	\$1.2B	\$2.0B - \$3.0B
Employment	100,000+	200,000 - 300,000
Start-ups	500	1000
		<ul style="list-style-type: none"> • Further develop niche expertise areas like FAO & LPO • Build expertise in emerging technologies • Increase IT related training centers

Thank You!

Research relevant to your investment



Arrange site visits



Detail explanation and clarification of policies



Analyze locations



Connect to relevant stakeholders



Facilitation to obtain clearances



Issue resolution



Arranging meetings with Joint Venture Partners



June 2021