

SRI LANKA

Pearl of the Indian Ocean charms investors

With abundant natural and human resources, a pro-business government and excellent economic environment, the island is attracting international attention and investment

The beautiful island nation of Sri Lanka has endured a difficult few years due to economic challenges and natural disasters, but with reforms beginning to restore stability and investor confidence growing, the country's prospects are very promising.

Under the business-friendly administration of President Anura Kumara Dissanayake, foreign direct investment (FDI) opportunities are opening across tourism, logistics, agriculture and renewable energy, while local entrepreneurs continue to play a vital role in driving recovery.

Known for its stunning scenery and fertile soils that have helped it develop very strong tourism and agricultural industries over several decades, the resilient country has overcome a series of challenges in recent years to stand taller than ever before.

With the robust support of international organizations such as the World Bank Group (WBG), the forward-thinking republic of 23 million people is expanding job creation and unlocking private sector growth at a record rate.

A financial package of more than \$1 billion targeting sectors with high potential for employment and investment, such as energy, agriculture, tourism and regional development, was handed over in 2025 by the WBG.

Aimed at boosting economic opportunity, strengthening local industry and attracting private capital to support long-term growth, the huge package was hailed by Dissanayake as clear evidence of international confidence in the country's economic recovery and future.

"This support from the WBG is an investment in the people of Sri Lanka," he said last May. "It will help create jobs, support small businesses, and open up new opportunities across the country. We are committed to ensuring this partnership delivers real change for our communities."

The financing aims to help fill the gap between the estimated one million young people that will enter Sri Lanka's workforce over the next decade and the approximately 300,000 jobs projected to be created over the same period.

Through significant fiscal support in key sectors like energy, agricultural and tourism, public and private investment should create more and better jobs, with showcase projects like Port City Colombo also promising to play an important role in employment generation.

"This is a moment of opportunity for Sri Lanka," said Ajay Banga, the president of the WBG, after his meeting with Dissanayake in the country's charming capital, Colombo. "With progress underway to stabilize the economy and restart growth, core elements for job creation are in place. Now is the time to accelerate reforms and create the conditions for private enterprise to thrive — particularly in sectors that can create jobs at scale."

With a wealth of natural and human resources across its diverse landscapes, it was no surprise that Sri Lanka recorded a large jump in



Sri Lanka's countless natural treasures and wonderful climate have made it one of the world's leading tourism destinations.



Anura Kumara Dissanayake
President

FDI in 2025, with inflows reaching almost \$1.06 billion, up more than 70% year-on-year.

Official data shows the manufacturing sector attracted the largest share of that total at nearly 50%, with investment in port development reaching 26% and tourism 11%. Along with the sharp rise in actual inflows, the coun-

try's strong investment appeal was highlighted by the number of investors from different continents participating in projects, underlining Sri Lanka's growing appeal.

This confidence is further bolstered by the more than two dozen Bilateral Investment Promotion and Protection Treaties (BITs) signed by Sri Lanka. The BITs not only ensure the security and sustainability of foreign investments but clearly reflect the country's commitment to incorporating sustainable development principles in its investment frameworks.

US trade ties continue to strengthen

As the apex agency for FDI, the Board of Investment (BOI) embraces sector-based investor targeting, while specializing in aftercare, navigating and regulating investor operations to reach its optimum potential throughout the lifespan of the enterprise.

Last October, the BOI hosted a large US delegation comprising senior representatives from leading American think tanks and private sector enterprises, with both sides expressing their satisfaction with the discussions. Talks centered on strengthening economic ties, expanding investment opportunities and Sri Lanka's strategic role in a rapidly evolving geopolitical landscape.

"Our government is firmly market-oriented, working closely with the International Monetary Fund to ensure fiscal discipline, eliminate corruption and promote good governance," said Arjuna Herath, BOI chairman.

"Sri Lanka's economic trajectory is strong, forward-looking and open for business. We remain open, transparent and eager to work with US partners."

ANURA KUMARA DISSANAYAKE
PRESIDENT

"This support from the World Bank Group is an investment in the people of Sri Lanka [that] will help create jobs."

"Our focus is on fostering a positive narrative that reflects Sri Lanka's recovery, resilience and readiness to welcome investment. Our ties with the US are historic and enduring — rooted in shared democratic values and people-to-people connections."

"Our doors are always open to the US. Together, we can build a stronger partnership that supports prosperity for both nations."

Ambitious waterfront project makes waves

Rising from reclaimed land, Port City Colombo will stand tall as an international business hub

Blending visionary design and flair with billions of dollars of local and overseas investment, an exciting new chapter in Sri Lanka's history is rising up on the outskirts of the capital, a project that is among the largest and most significant urban development initiatives in Asia.

Port City Colombo is a 269-hectare Special Economic Zone (SEZ) designed to reposition the nation as a leading financial and business hub, while reflecting a long-term strategic vision for national and regional competitiveness.

Far more than a gleaming real estate development, the ambitious project is regarded as a powerful catalyst for national economic transformation. Port City Colombo promises to revolutionize Sri Lanka's economy from one reliant on tourism, apparel and remittances into a global, service-oriented special economic zone focused on exporting modern services.

HARSHA AMARASEKERA
CHAIRMAN, CPCEC

"Port City Colombo can be the single most important catalyst for Sri Lanka's economic recovery and long-term transformation."

"Port City Colombo is expected to attract high-value FDI and generate up to 143,000 high-skill jobs at full maturity, integrating Sri Lanka into Asia's growth trajectory," enthuses Harsha Amarasekera, chairman of Colombo Port City Economic Commission (CPCEC).

"As the first master-planned development of its kind in South Asia, the Port City Colombo SEZ allows Sri Lanka to leverage its strong diplomatic ties to access a regional market of nearly two billion consumers — making it one of the most compelling SEZs globally."

"We studied several regional special economic zones, but ultimately modeled Port City

Colombo around Dubai's DIFC and Singapore. We drew inspiration from DIFC's governance and ring-fenced regulatory framework, which successfully attracts global corporations, and from Singapore's strength in high-end B2B services. Combining these models with Colombo's strategic location and regional connectivity creates a unique platform for companies to establish and scale their businesses."

The sheer size and scale of the residential, commercial and entertainment project mean it has become a magnet for leading international enterprises and brands active in a broad range of sectors and industries. Such investors benefit from 100% capital and profit repatriation, along with a host of attractive fiscal and visa incentives and double tax avoidance agreements that have enticed some of the largest names in retail and hospitality from around the world.

As the project's Colombo International Financial Center takes shape, Port City Colombo is poised to drive significant economic impact from employment creation and skills transfer to regional integration and new international partnerships, Amarasekera notes.

"The financial district will anchor Port City Colombo's transformation into a leading international business hub by offering a competitive, transparent regulatory environment that attracts global capital and talent," the senior executive explains.

"It will connect Sri Lanka to evolving and dynamic capital markets across Asia and the Middle East, driving growth across commercial, retail, and residential spaces to create a vibrant urban ecosystem. Positioned as a stable, well-regulated jurisdiction for offshore banking, wealth management and capital markets, Port City Colombo aims to serve as a gateway between South Asia and commercial corridors — leveraging Sri Lanka's strong diplomatic ties with all its neighbors."

Showcase project is platform for growth
Not merely a real estate development, the developers' vision for Port City Colombo is one



The stunning Port City Colombo is forecast to be a magnet for top international brands.



Harsha Amarasekera
Chairman, CPCEC

that sees it evolve from an infrastructure project into a vibrant, fully operational city. In doing so, it forms a declaration of intent by Sri Lanka to become a modern, service-based economy and a key financial gateway to South Asia.

"Within the next three to five years, we expect residents to move in, anchor businesses to be operational, major international conferences to be hosted and the marina to emerge as a lively hub — something entirely new for Colombo," Amarasekera states.

Another key figure responsible for bringing the massive development to life is Thulci Aluwihare, deputy managing director of CHEC Port City Colombo, the entity driving the project.

He notes that unlike larger economies, Sri



Thulci Aluwihare
Deputy Managing Director
CHEC Port City Colombo

Lanka does not have a demographic dividend, so growth depends on accessing global markets, with Port City Colombo providing a strategic platform to serve South and Southeast Asia.

"Investment at Port City Colombo spans residential, commercial, retail, marina, hospitality and lifestyle developments," Aluwihare states. "To drive demand, especially for offices and residential space, it is critical to attract global companies that can use Port City Colombo as a base to access South Asia."

"Port City Colombo offers global investors a cost-competitive alternative hub, with the cost of doing business around one-fifth of Singapore and one-quarter of Dubai, within a livable, diversified, live-work-learn urban environment."

Aitken Spence sets the standard

The highly diversified conglomerate has embraced change throughout its 157-year history and continues to go from strength to strength

Boasting an incredible legacy constructed on the strong foundations of continuous transformation, innovation, strategic foresight and a deep commitment to Sri Lanka's national development and socio-economic well-being, Aitken Spence's evolution over the past century and a half is one characterized by countless bold decisions.

Whether pioneering new industries or expanding Sri Lankan enterprise beyond its sun-soaked shores, the diversified conglomerate has notched up an impressive track record of success and growth that few companies in the region, or even the world, can match.

Undergoing a remarkable period of transformation spearheaded by visionary industrialist and businessman, Harry Jayawardena, Aitken Spence now stands as one of Sri Lanka's most respected and diversified conglomerates, with interests in a range of industries and sectors.

While the highly popular entrepreneur unfortunately passed away in February 2025 at the age of 82, the former tea trader turned business tycoon leaves behind a legacy that promises to inspire generations to come.

Known for his hands-on approach and meticulous attention to detail, his leadership instilled a strong sense of responsibility, discipline, and accountability across the group. He was also a pioneer in embedding sustainability into core business strategies, long before it became a global imperative, ensuring the group's growth strategy was responsible and inclusive.

"Perhaps, most enduring of all was his belief in people. He had a unique ability to identify potential, encouraging cross-functional exposure, and fostering a culture of ownership," says Stashshani Jayawardena, who gradually transitioned into the role of group chairman/chairperson upon his unfortunate passing. This focus on talent development has empowered individuals to grow alongside the firm and contribute meaningfully to its long-term success.

STASSHANI JAYAWARDENA
CHAIRMAN/CHAIRPERSON, AITKEN SPENCE PLC/AITKEN SPENCE HOTELS

"Diversification is about building sustainable value — balancing opportunity with discipline and ambition with responsibility."

"He was deeply committed to empowering people and uplifting communities; principles that earned him national and international recognition, including the title of Deshamanya, one of the highest honors in Sri Lanka, and a knighthood from Queen Margrethe II of Denmark," she says. "Today, his values of resilience, integrity, community engagement, and long-term thinking define our organization's ethos and continue to shape the way we lead and grow."

Facing challenges with real confidence

With operations across a dozen countries and over 40% of its consolidated revenue generated from overseas markets, geographic and sectoral diversification have become key strengths, enabling Aitken Spence to remain agile and resilient in the face of shifting economic, national or geopolitical challenges. Given this diversification is not just a strategic choice, but



With a global presence in a wide range of sectors and industries, Aitken Spence enjoys an outstanding reputation in all fields.



Harry Jayawardena
Late Chairman, Aitken Spence PLC



Stashshani Jayawardena
Chairman/Chairperson, Aitken Spence PLC and Aitken Spence Hotels



Dr. Parakrama Dissanayake
Deputy Chairman and Managing Director, Aitken Spence PLC

embedded in the group's DNA, Aitken Spence has established a reputation as a true pioneer in many of the industries in which it operates and continues to grow, as Jayawardena is keen to explain.

"Our approach to expansion is grounded in a rigorous evaluation framework that considers both opportunity and long-term value creation," she states. "We look closely at where we can build on our core strengths, whether that's in logistics, hospitality, power or services, while ensuring alignment with national priorities and global sustainability goals.

"For instance, our entry into the Maldives during a period of local instability was both a strategic response and a defining moment that highlighted our ability to identify growth beyond borders. Aitken Spence's investment in Sri Lanka's first Waste-Energy Power Plant is an example of our evolving focus on progress through innovation and development.

"We also employ comprehensive tools to assess the external environment before entering new markets or sectors. But, just as importantly, we rely on the experience and insight of a diverse leadership team, supported by strong governance structures and a proactive risk management framework.

"Risk is managed through robust internal controls, led by industry experts in finance, audit, and operations. This includes continuous monitoring, scenario planning and adaptive strategies that allow us to respond effectively to emerging risks while pursuing long-term growth. Ultimately, diversification at Aitken Spence is about building sustainable value — balancing opportunity with discipline and ambition with responsibility."

Aitken Spence's outstanding track record of success is down to several factors, including deep local knowledge, global partnerships and

a culture of operational excellence. Whether in tourism, logistics or energy, the company leverages talent, technology and trust to deliver consistent results. This enviable ability to adapt, innovate and lead responsibly sets the group apart in every industry it enters.

"Perhaps the key element of our success, across such a broad spectrum of diversified interests, lies in a realization of the vital advantage afforded by our multi-generational teams," says Dr. Parakrama Dissanayake, deputy chairman and managing director of Aitken Spence PLC, who will be stepping down at the end of March to accept a public office.

"At its core, the company is a melting pot, embodying five generations of dedicated professionals. As a group, our critical competitive edge comes from harnessing different perspectives and insights, recognising the invaluable resource they represent, rather than perceiving them as a dissonant challenge to overcome.

"We pride ourselves on attracting, retaining and developing talent. In many ways this is our unique selling point. Our staff are the foundation of our excellence and, as such, we have placed our focus on uplifting them, nurturing their talents through cross-exposure training, and fostering a spirit of cultural transformation, so that everyone is given a platform. We prioritise giving our people a voice and the opportunity to grow."

Highly attractive investment partner

With a highly diversified portfolio spanning key sectors such as tourism, logistics, energy and plantations, Aitken Spence provides domestic and international investors with broad exposure to established and emerging industries.

The firm's deep roots in Sri Lanka's economy are complemented by an entrenched regional presence, thus providing its partners with strategic access to dynamic regional markets and high-

growth sustainable ventures. "At the core of our appeal is our unwavering commitment to strong governance and integrity," states Jayawardena. "We have built a reputation for maintaining the highest standards of business ethics, regulatory compliance and transparency. We are pioneers in embedding sustainability into our business model, leading corporate responsibility initiatives that align profitability with positive social and environmental impact.

"Investing in renewable energy is key to our long-term strategy, both from a sustainability and profitability standpoint. Our current renewable energy portfolio spans solar, hydropower, wind and waste-to-energy projects across Sri Lanka.

DR. PARAKRAMA DISSANAYAKE
DEPUTY CHAIRMAN AND MANAGING DIRECTOR, AITKEN SPENCE PLC

"We pride ourselves on attracting, retaining and developing talent. In many ways this is our unique selling point."

"We have a vital role to play in Sri Lanka's economic recovery. The enduring resilience of Aitken Spence, the trust we've earned and our regional footprint, positions us to serve as a catalyst for national development, creating meaningful employment opportunities, championing innovation, and supporting critical infrastructure development.

"For investors looking to engage with Sri Lanka's vibrant economy, partnering with us means collaborating with a trusted, forward-thinking organization, dedicated to creating sustainable value and shared success."

Tourism that blends modern flair with tradition

Aitken Spence Hotels has a rich legacy as a driving force in the booming tourism industry

The breathtaking beauty of Sri Lanka continues to charm and enchant more than two million international tourists each year, with those visitors fortunate enough to stay at resorts and hotels operated by Aitken Spence Hotels guaranteed a very memorable vacation.

The upscale group boasts a rich legacy that spans over five decades, valuable experience that has established the operator as a pioneering force in Sri Lanka's hospitality industry. Today, the company runs 19 properties across Sri Lanka, the Maldives, India and Oman, with an inventory exceeding 2,600 rooms. This unmatched property portfolio makes Aitken Spence Hotels the Sri Lankan hotel group with the single largest international footprint.

For more than half a century, the group has operated some of the nation's most spectacular and iconic hotels, including the renowned Heritage Ahungalla Resort and Heritage Kandalama. Both of these properties, designed by the legendary architect, Geoffrey Bawa, have become architectural and cultural landmarks in their own right.

Among their elite real estate collection, Heritage Tea Factory in particular showcases their commitment to building unique, iconic properties rather than simply acquiring existing ones; a strategy that continues to set them apart. Strategic investments, operational excellence and a clear vision of what hospitality means in an evolving global context are key factors behind the group's impressive growth.

"Across our portfolio, we seek to maintain a balance between owned and managed proper-

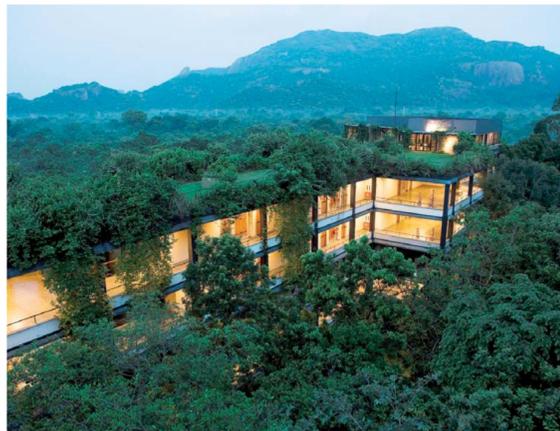


Susith Jayawickrama
Managing Director, Aitken Spence Hotels

ties (15 owned and four managed); a strategy which has allowed us to remain asset-strong while also benefiting from flexible, scalable expansion through management contracts," states Jayawardena.

"Our flagship brand, Heritage Hotels & Resorts, reflects the pinnacle of our hospitality philosophy, and is complemented by our Aadaan brand in the Maldives and the Turvaa brand in India and Sri Lanka.

"Our growth has always been rooted in a commitment to authenticity, sustainable practices and a deep respect for local culture and heritage. Beyond financial and geographical ex-



The gorgeous Heritance Kandalama hotel is set in 211 acres of protected forest.

pansion, our impact is reflected in our people.

"For instance, at Heritance Kandalama, we source our produce locally and 60% of the hotel's exceptional team is employed from within a 12-mile radius, underlining our emphasis on regional economic development, and community upliftment through tourism."

Tourism industry in impressive shape

With international tourism arrivals robust and word continuing to spread of Sri Lanka's rich wealth of natural, historical and cultural treasures, the board of Aitken Spence Hotels is convinced that all the pieces are in the right

place for further strategic investment, including that involving respected international partners.

In 2025, Sri Lanka welcomed more than two million international visitors, generating around \$3.2 billion in tourism earnings. Most of these overseas travelers arrived from India, the UK, Russia, Germany and China, but significant growth was also recorded in several emerging markets, including Bangladesh, the Netherlands, Poland, France and the Americas. This diversification points to a broadening appeal and a clear potential for further expansion.

"What's particularly exciting is that the current recovery is not simply about returning to



Nestled in the Maldives' stunning Raa Atoll, Heritance Aarah is paradise on Earth.

pre-pandemic volumes; it is about reimagining the tourism offering itself," explains Susith Jayawickrama, managing director, Aitken Spence Hotels. "Sri Lanka is now positioning itself as a premium, year-round destination, with demand growing for differentiated experiences that go beyond the traditional sun-and-sand model.

"This shift opens up a host of opportunities for investment, including new hotel developments in emerging destinations, the refurbishment and repositioning of existing properties, and the creation of integrated leisure and wellness projects that align with global travel trends.

"There is also strong potential in adjacent sectors that support tourism growth, like cruise and MICE (meetings, incentives, conferences and exhibitions) infrastructure, improvements to air connectivity and transport services, and the development of digital travel platforms to support more seamless, tech-enabled guest experiences. These areas are essential for building a future-ready tourism ecosystem.

"Our presence in the Maldives, Oman and India further strengthens our ability to attract and facilitate investment, particularly for partners looking to expand their footprint across multiple markets in the area. With our regional experience, brand credibility and longstanding relationships, Aitken Spence Hotels is uniquely positioned to support investors in navigating these diverse and high-potential landscapes."

According to the senior executive, for those seeking a stable, scalable and sustainability-aligned platform in the global tourism sector, Aitken Spence Hotels represents not just a business opportunity, but a strategic partnership in unlocking growth and value for the long-term.

"We offer US and global investors a well-established gateway into some of South Asia's most promising and resilient hospitality markets," he adds. "With a diversified portfolio, a

history of operational excellence, and a solid framework of corporate governance, we are ideally positioned to deliver sustainable, long-term value in a rapidly evolving tourism landscape.

"Aitken Spence Hotels is built on a foundation of long-standing, trusted partnerships with some of the most recognized global brands. We've cultivated strategic relationships with industry leaders such as TUI, OTIS, RIU, Western Union, Lloyds of London, Hapag Lloyd, DEG and Singapore Airlines, many of which have endured for over 50 years. These alliances are not simply transactional; they are built on shared values, mutual respect and a consistent delivery of excellence across borders and sectors.

"We place immense value on our international partners and remain open to meaningful collaborations that drive mutual growth. Our global outlook is both ambitious and pragmatic, rooted in leveraging our diversified hospitality portfolio, while aligning with partners who share our vision for sustainable, experience-driven tourism."

US tourists remain a key strategic focus

Aitken Spence Hotels regards the Americas as a region with tremendous potential, not only in terms of visitor numbers, but also in the quality of partnerships that can be fostered, as Jayawickrama explains.

"Our aim is to deepen our collaborations with US stakeholders, whether through investment, travel consortiums, or industry networks, to co-create premium, high-quality hospitality experiences that reflect global standards while preserving local authenticity," he states.

"Ideally, US investors will join us in shaping the future of sustainable tourism in South Asia, where the demand for experiential, eco-conscious travel continues to grow.

"Globally, our strategy is proactive and forward-looking. We actively identify emerging

Logistics put nation on global trade map

Digitalization, automation and data solutions are modernizing logistics and maritime operations

Courtesy of its winning combination of ambition, determination and innovation over the last four decades, Aitken Spence Logistics and Maritime has played a crucial role in the successful development of Sri Lanka's infrastructure, economy and international trade reputation.

With a fierce commitment to driving sustainable operations while delivering exceptional service to its many clients, the award-winning company has proactively adapted its dynamic business model to support the country's economic recovery and strengthen private sector resilience following recent challenges.

This enviable track record of success has been achieved through substantial investment in technology and people, including significant spending on a 100,000-square-foot container freight station strategically located near the bustling Port of Colombo and the busy Bandara International Airport.

"To address the supply chain disruptions from the [COVID-19] pandemic, we focused on enhancing supply chain resilience and diversifying service offerings," says Iqram Cuttlan, managing director/CEO of Maritime Sector, Aitken Spence Maritime and Logistics.

"By identifying and implementing alternative routes and methods, we ensured the smooth movement of cargo despite global bottlenecks. Moreover, we expanded our scope by providing tailored logistics solutions to meet the evolving needs of our customers."

Investment in operations pays dividends

Among the other innovative investment projects introduced by the forward-thinking group in recent years are cutting-edge, real-time cargo tracking and traceability systems. These solutions provide customers with up-to-date information on the status and location of their shipments, helping ensure thorough transparency and timely delivery.

"The ability to track cargo in real time has become a key differentiator in service reliability and customer satisfaction," Cuttlan adds. "Another key initiative has been the expansion of digitalization and automation across our logistics operations.

"We have implemented Robotic Process Automation (RPA) and advanced analytics to streamline processes, enabling quicker response times and accelerating payment cycles. This digital transformation has enhanced overall operational efficiency and agility."

Aitken Spence is committed to playing a pivotal role in enhancing Sri Lanka's private sector



Iqram Cuttlan
MD/CEO, Maritime Sector, Aitken Spence

competitiveness and deepening the country's integration into global supply chains.

"The enterprise's vision is centered on driving leadership in digital and sustainable logistics solutions — beginning with Sri Lanka and extending into the international markets where the ambitious entity is expanding its footprint.

"In essence, our long-term vision is to position Aitken Spence as a regional leader in logistics and maritime services, anchored in innovation, sustainability and meaningful national

impact," Cuttlan affirms. "We aim to be at the forefront of innovation by continuously investing in automation, AI and green technologies.

"These investments are designed to future-proof our own operations and to elevate the standards of the broader logistics and maritime sectors where we operate.

"Our regional strategy is focused on expanding our presence across Asia, Africa and the South Pacific. This expansion is being driven through a combination of strategic partnerships and new service offerings tailored to the needs of emerging and underserved markets."



Heritance Tea Factory allows visitors to return to the old world charm of Ceylon.

markets and align with stakeholders abroad to innovate and scale. This includes building relationships with global travel leaders, tech platforms, and development partners to strengthen our competitive edge. Our offerings are designed to be both scalable and responsive, meeting the needs of modern travelers while delivering long-term returns for our partners."

Senior executives are eager to highlight Aitken Spence Hotels' strength in context, given it is a core part of Aitken Spence PLC. The group is deeply committed to global development priorities and has long been aligned with global governance frameworks.

SUSITH JAYAWICKRAMA
MANAGING DIRECTOR
AITKEN SPENCE HOTELS

"We offer US and global investors a well-established gateway into some of South Asia's most promising and resilient hospitality markets."

"Our parent company, Aitken Spence PLC, is the first Sri Lankan conglomerate to commit to the Science Based Targets Initiative (SBTI) and is also the first large scale diversified holdings company in Sri Lanka to have near term net-zero emissions reduction targets validated by the SBTi.

This commitment to sustainability and ethical governance isn't just rhetoric. Aitken Spence PLC is the only Sri Lankan company to have been ranked among the Top Ten Corporate Citizens for an unparalleled 19 consecutive years, consistently upholding environmental, economic and social responsibility through periods of both growth and adversity," states Jayawardena.

"The momentum in Sri Lanka's tourism sector is undeniable. In 2024, international arrivals grew 38% year-on-year to reach two million visitors; a marked increase on the previous year, which saw 106% growth on the year before.

"We see it as our responsibility, as a tourism service provider and industry leader, to ensure that these experiences are preserved and enhanced through sustainable practices. That means engaging local suppliers, collaborating with regulators on conservation, investing in renewable energy, and aligning with international standards to benchmark our progress.

"Ultimately, we believe that the future of tourism lies in responsible, inclusive and regenerative models. We are proud to invite international stakeholders, especially those from the US, to be part of this journey."



Port of Colombo is a hub for Aitken Spence's many logistics and freight operations.

TOURISM

MARITIME & FREIGHT LOGISTICS

STRATEGIC INVESTMENTS

SERVICES

4 SECTORS | 17 BUSINESSES | 16,500+ EMPLOYEES | 10+ COUNTRIES

Inspire to Create Great Futures for All

IQRAM CUTTLAN
MANAGING DIRECTOR/CEO
MARITIME SECTOR, AITKEN SPENCE

"The ability to track cargo in real time has become a key differentiator in service reliability and customer satisfaction."

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Hundreds of SMEs dare to dream big

With the valuable support of global partners, the government is helping hundreds of SMEs

The flourishing private sector is the lifeblood of the Sri Lankan economy, with millions of people of all ages employed by companies active in various sectors, the majority of whom work for small and medium-sized enterprises (SMEs).

According to official data, SMEs account for more than 75% of all Sri Lankan businesses and nearly half of jobs, though access to credit remains a significant barrier to their expansion. To help overcome that fiscal obstacle, the International Finance Corporation (IFC), a member of the World Bank Group, recently unveiled a \$166 million investment program to support SMEs and accelerate the transition from economic stabilization to sustainable growth.

Described as a comprehensive country-level financing package, the investment also aims to empower women-owned businesses and the agri-business sector in a move designed to drive inclusive growth and unlock job opportunities for underserved groups.

KRISHAN BALENDRA
CHAIRPERSON, CEYLON CHAMBER OF COMMERCE

“As the economy recovers, sectors like tourism and transportation are showing strong growth potential.”

Announced in early 2026, the investment has been made strategically in three of Sri Lanka's leading commercial private banks — Nations Trust Bank, Commercial Bank of Ceylon and National Development Bank.

“SMEs are the undisputed backbone of Sri Lanka's economy, and their growth is essential for creating jobs,” says Allen Forlemu, IFC Regional Industry Director, Financial Institutions Group, Asia and the Pacific.

“By helping banks channel capital to women-led businesses, smallholder farmers and the sectors driving recovery, we are enabling Sri Lanka not just to rebound, but also to grow forward with greater resilience and inclusivity.”

Such valuable international support was welcomed by the government and local business chiefs, including bosses of the Ceylon Chamber of Commerce, a business body now approaching its bicentennial.

As the country's oldest and most influential business chamber, the group's work is focused on strengthening competitiveness and advancing reforms that can deliver quick, visible im-

pact. To this end, the chamber runs a national SME competitiveness program that brings together financial institutions, export agencies, digital platforms and donor partners to create an integrated support ecosystem.

This program compliments the group's work with over 400 SMEs that benefit from its training programs, offering tailored credit solutions, advisory services, digital onboarding and mentoring for product and market diversification.

“We'll also expand regional training and certification programs, particularly for women-led and youth-driven enterprises and connect SMEs to global buyers through our business councils and trade missions,” explains Krishan Balendra, chairperson of the Ceylon Chamber of Commerce. “At the policy level, we advocate for reforms such as factoring, digital ID-linked credit scoring and e-commerce regulations to lower barriers for SMEs to participate in formal and export markets.”

Turning to the improving macroeconomic environment, Balendra, who also wears the hat of chairperson and CEO of John Keells Holdings Plc (JKH) — the largest listed conglomerate in Sri Lanka with extensive interests in hotels and hospitality — is in upbeat mood.

“As the economy recovers, sectors like tourism and transportation are demonstrating strong growth potential,” he adds. “Sri Lanka continues to remain an affordable destination and when combined with its diverse landscape, rich cultural heritage and unique offerings that appeal to a wide range of traveller demographics, further strengthens its attractiveness.”

“In addition, the country's strategic location presents significant opportunities to position Sri Lanka as a transportation and logistics hub, offering immense potential for businesses. Emerging sectors such as renewable energy, e-commerce and IT services are also expanding in line with the evolving economic and digital landscape, creating opportunities for both local and international businesses.”

JKH is a trusted gateway for global capital entering Sri Lanka, accounting for one of the highest market capitalizations on the Colombo Stock Exchange, attracting both institutional and foreign investors to its diversified portfolio.

The group's flagship development is City of Dreams Sri Lanka, comprising the largest private investment in the country at an impressive \$1.2 billion and representing South Asia's first fully integrated luxury resort.

“This landmark development is set to redefine Colombo's positioning as a regional hub for tourism, leisure and entertainment, while



Colombo is a bustling and welcoming city that stands as the gateway to Sri Lanka.



Krishan Balendra
Chairperson, Ceylon Chamber of Commerce



Mohan Pandithage
Chairman and Chief Executive, Hayleys

acting as a transformative catalyst for tourism demand, foreign exchange earnings and employment generation,” Balendra states.

“The integrated resort is expected to deliver substantial economic benefits beyond tourism receipts, including direct and indirect job creation, enhancement of Sri Lanka's culinary and service standards and support for the growth of SMEs.

“City of Dreams Sri Lanka is expected to create more than 20,000 direct and indirect job opportunities [...] and play a pivotal role in elevating leisure and entertainment in South Asia, while contributing significantly to the country's broader economic development.”

Hayleys grows its international footprint

Another huge Sri Lankan conglomerate seen as a bellwether for the economy is Hayleys Plc. Ahead of its 150th anniversary in 2028, the company's vast experience, diversified portfolio and disciplined capital strategy means it is well positioned to pursue new growth opportunities in the 16 business sectors in which it operates.

Hayleys' global footprint now reaches over 80 countries, with this success built on a singular commitment to always add value and

deliver excellence in everything it does. “We are the largest textile manufacturer in Sri Lanka, producing any type of textile required by buyers, including major international brands,” says Mohan Pandithage, Hayleys chairman and chief executive. “In activated carbon, exciting new developments offer huge opportunities, especially from coconut-based products, which we plan to further develop.”

Coconut cultivation was long neglected in Sri Lanka, but the president plans to plant around two million trees and establish a 300-acre nursery. State-owned farms and plantations will also be used for coconut. This government push will significantly boost the economy.

With a strong focus on sustainability, Hayleys has made a string of strategic investments in wind and hydropower to boost its renewable energy portfolio, meaning about 80% of its energy requirements comes from renewables.

In 2022, we were the first Sri Lankan company to launch our own environmental, social and governance (ESG) policy and publish a roadmap through 2030, publicly committing to ESG targets,” reveals Sarath Ganegoda, executive director of Hayleys. “ESG is fully integrated into our business; it's one of our biggest advantages.”

Successful economic policies earn rewards

Despite a series of fiscal shocks, the economy remains in good shape and is growing steadily

While the Sri Lankan economy experienced a difficult few years amid macroeconomic shocks and weather-related challenges, ambitious government reforms and investor-friendly policies triggered a strong rebound in growth in 2024, with that positive trend likely repeated in 2025.

While official data has yet to emerge, the island nation was on course to record about 4.5% growth prior to the arrival of Cyclone Ditwah in late November that caused widespread destruction and disruption to many economic sectors.

With the help and support of international financial partners, the Central Bank of Sri Lanka (CBSL) has steered the economy back on course, with its efforts underpinned by its core focus on promoting stable inflation as the foundation for sustainable growth.

“After contracting 7.3% in 2022 and 2.3% in 2023, the economy grew 5% in 2024, with similar growth expected in 2025,” explains Dr. P. Nandalal Weerasinghe, Governor of the CBSL. “Today, macroeconomic stability has been restored, and Sri Lanka is firmly back on a path of recovery.”

“Our mandate is price stability, not generating growth through artificially low interest rates, which only create boom-bust cycles. By keeping inflation around target, we provide predictability for interest rates and the exchange

NANDALAL WEERASINGHE
GOVERNOR, CENTRAL BANK

“For investors, Sri Lanka demonstrates resilience. Despite one of the deepest recent crises, the economy recovered within two years.”

rate, creating a stable environment for investment. Monetary policy can help the economy operate close to its potential, but raising potential growth will require broader reforms — in fiscal policy, structural changes and export competitiveness. Stability and reforms must go hand in hand.”

Sri Lanka has enormous potential in tourism, ports and logistics, apparel, IT and professional services, supported by a highly educated workforce and strategic location, but to unlock this, structural reforms that make it easier to do business are essential, the financial expert adds.

“We need to cut red tape, improve customs and tax systems and make it easier to do business. If these reforms advance, we can attract



Nandalal Weerasinghe
Governor, Central Bank

investment, boost competitiveness and achieve the faster, inclusive growth our people need.

“Sri Lanka is unique in its diversity — in just a week, visitors can experience beaches, mountains, tea plantations, cultural sites, historical landmarks and even health tourism. No other country offers such diversity in a compact area.

“For investors, Sri Lanka demonstrates resilience. Despite one of the deepest recent crises, the economy recovered within two years, showing stability and long-term potential. This makes the country an attractive destination to establish a lasting investment footprint.”

The senior executive is spearheading a strategy to deepen engagement with global investors, particularly those in the US, to attract FDI and portfolio flows into Sri Lanka amid strong competition from other frontier markets that are competing for capital.

“Capital flows take two forms: short-term portfolio investments and long-term FDI,” Weerasinghe continues. “Portfolio flows mainly involve government securities and depend heavily on market confidence.

“During the crisis, inflows dried up, but after completing debt restructuring, investors supported Sri Lanka by exchanging old bonds for new ones, which are now trading in the market. Long-term investments in manufacturing, IT and other sectors require a different approach, focused on building stable facilities and lasting partnerships. Both forms of capital are essential for growth.

“We engage with global investors through forums in Singapore, London, New York, Washington DC and elsewhere; allowing us to share Sri Lanka's recovery story.”



The charming island boasts hundreds of miles of golden beaches and warm waters.

Tourism takes off

Sri Lanka's great climate and diverse flora and fauna make it an absolute gem for tourists

Courtesy of its unmatched tapestry of historical, cultural and nature-based attractions — that include eight UNESCO World Heritage sites — tourism plays a vital role in the Sri Lankan economy and is as a key pillar of national development.

Famous for its genuine hospitality, the country expects to welcome around three million tourists to its sun-soaked shores this year, with officials striving to build an inclusive and sustainable tourism economy.

“Currently, tourism is concentrated in a few areas, but over the next decade, we plan to expand it nationwide, creating opportunities for local communities,” explains Deputy Minister of Tourism, Ruwan Ranasinghe.

“Sri Lanka is an all-year-round destination. With clear west coast beaches during one monsoon and the east coast during the other, along with our hill country and heritage sites, there is always something for tourists to experience.

“Our government has cabinet approval to launch a national branding campaign highlighting Sri Lanka as a compact, diverse island. Here, you can see a blue whale in the ocean and, within an hour, encounter an elephant on land — something unique in the world.”

Tourism is Sri Lanka's third-largest foreign exchange earner, generating around \$3 billion per year of late, though officials are confident that through innovative policy and marketing campaigns they can boost that figure to \$5 billion as soon as 2026.

Initiatives include the launch of a diverse portfolio of tourism products, with one such example, the award-winning Pekoe Trail. The stunning route takes tourists through the Hill Country's colonial tea plantations and has been developed with private sector support. Other activities include shipwreck diving in the Indian Ocean, with more than 110 sites including



Ruwan Ranasinghe
Deputy Minister of Tourism

a WWII aircraft carrier graveyard that offers a rare archaeological diving experience.

“Recently, we launched a seaplane service from the international airport to Beira Lake in Colombo and plan to restart the ferry between Rameshwaram, India, and Talaimannar, Sri Lanka,” Ranasinghe adds. “We are also renovating our colonial-era railway stations to make travel more tourist-friendly.”

“These initiatives aim to elevate Sri Lanka's tourism appeal, targeting high-value markets while ensuring sustainable growth. Our focus is not just on increasing numbers but on creating quality experiences for visitors.

“Sustainability is a key focus. We aim to make tourism inclusive, ensuring local communities benefit directly. This approach provides economic opportunities for locals, authentic experiences for visitors and promotes environmental and sociocultural sustainability.”