

## Investment Teaser

### Leading Organic Latex Manufacturer

**Sustainable Manufacturing | Natural Rubber Products | Export Manufacturing**

**Founded: 2005 | Sri Lanka**



#### Business Overview

A pioneer in Sri Lanka's latex foam export industry, this company is one of the world's first certified organic latex foam manufacturers. With over 20 years of operational history, it produces 100% natural and carbon-neutral mattress cores, toppers, and pillows for global B2B markets. Operations are strategically located in a BOI-approved export processing zone with robust infrastructure and expansion potential.

#### Value Proposition

- ❑ Global certifications: GOLS, Oeko-Tex Standard 100, ISO 9001, Carbon Neutral, and more
- ❑ Proven exports to 22+ countries across North America, Europe, and Asia
- ❑ 95%+ USD-linked revenue from long-standing B2B clients
- ❑ Products made with certified organic latex using sustainable Dunlop processes and biomass steam

#### Market Opportunity

- ❑ US import market for semi-finished natural/organic latex cores and pillows expected to grow at 4.2% CAGR through 2029
- ❑ Sri Lanka holds a 9% share in this niche, premium-certified category
- ❑ Customers increasingly seeking certified organic and eco-conscious bedding products

#### Core Offerings

- ❑ Latex Mattress Cores
- ❑ Toppers and Pillows
- ❑ Custom Orthopedic

#### The Offer

- ❑ USD 1.5 million investment for a 20% equity stake to retire high-cost debt and enhance financial flexibility.
- ❑ An additional 10% equity is available through a future sell-down, providing a clear path to control within 3–4 years.

#### Investment Highlights

- ❑ FY2024/25 Revenue: LKR 1.86 Billion
- ❑ 95% of revenue USD-linked; exports to 22 countries
- ❑ BOI land allocation with future capacity for growth
- ❑ Proven savings potential via strategic raw material imports and debt restructuring
- ❑ Projected valuation uplift to LKR 3.5–4.0 Bn within 3 years with planned changes

#### Exit Strategy

- ❑ Strategic acquisition by global mattress or sustainable consumer goods players
- ❑ Value accretion via enhanced margins, capacity utilization, and certification-driven demand
- ❑ Market-aligned 3–5 year exit timeline targeting full valuation realization

