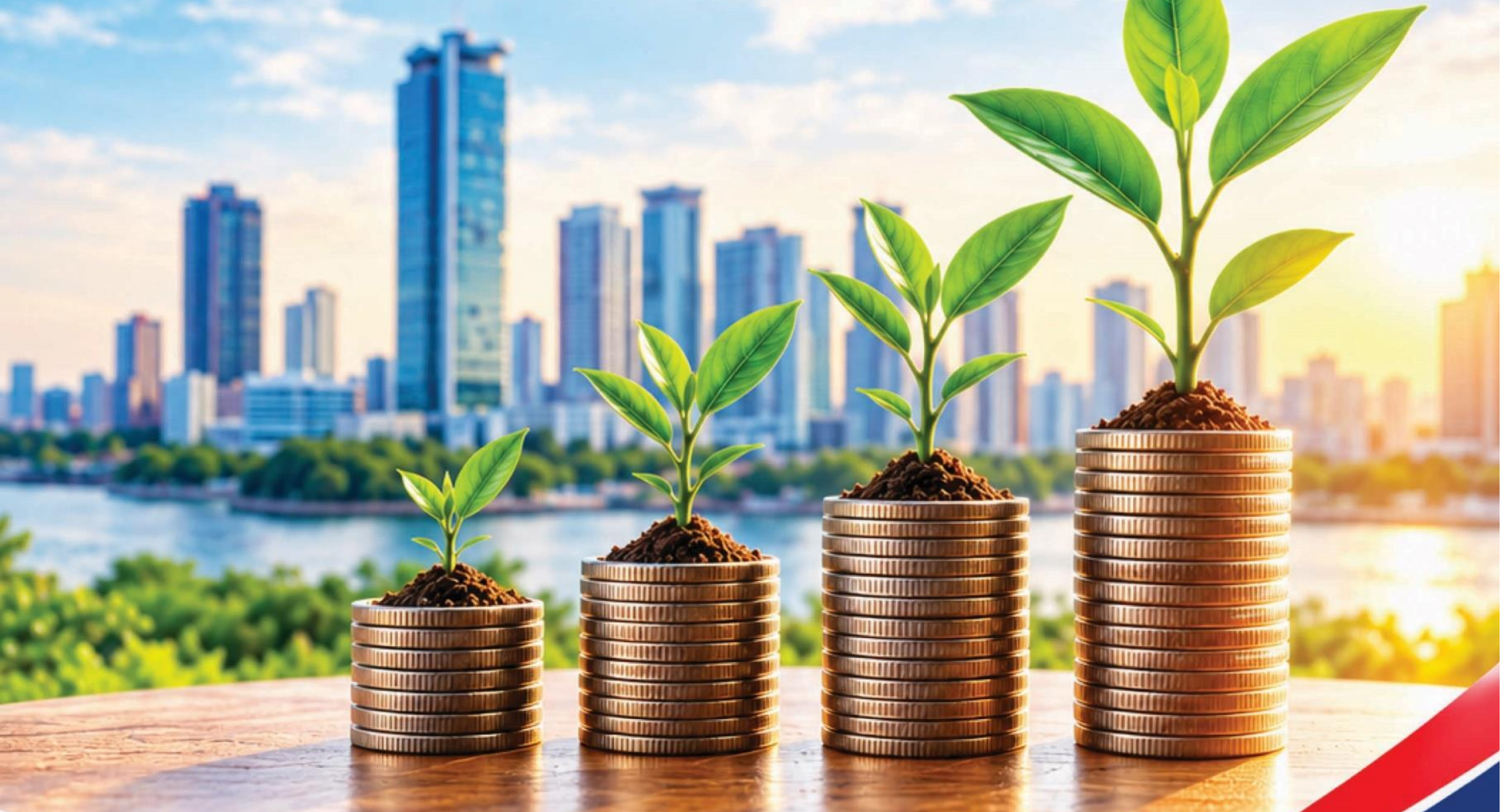
PEOPLE'S BANK
INVESTMENT BANKING UNIT

HNB Investment Bank

PROSPECTUS

DEBENTURE ISSUE
2026



PEOPLE'S LEASING

30 years of excellence
with you, with trust

PEOPLE'S LEASING & FINANCE PLC

DEBENTURE ISSUE 2026

PROSPECTUS

FOR AN INITIAL ISSUE OF FIFTY MILLION (50,000,000) LISTED RATED SUBORDINATED UNSECURED REDEEMABLE DEBENTURES WITH AN OPTION TO ISSUE UP TO A FURTHER FIFTY MILLION (50,000,000) OF THE SAID DEBENTURES, AT THE DISCRETION OF THE COMPANY IN THE EVENT OF AN OVERSUBSCRIPTION OF THE INITIAL ISSUE IN ORDER TO RAISE A MAXIMUM AMOUNT OF SRI LANKAN RUPEES TEN BILLION (LKR 10,000,000,000/-) WITH A TENOR OF 5 (FIVE) YEARS (2026/2031).

TO BE LISTED ON THE COLOMBO STOCK EXCHANGE

ISSUE RATING 'BBB+ (LKA)' BY FITCH RATINGS LANKA LIMITED

Issue Opens on: 23 September 2026

Joint Managers to the Issue

This Prospectus is dated 18 September 2026

The Colombo Stock Exchange (CSE") has taken reasonable care to ensure full and fair disclosure of information in this Prospectus. However, the CSE assumes no responsibility for accuracy of the statements made, opinions expressed, reports included or omitted statements/ undisclosed information in this Prospectus. Moreover, the CSE does not regulate the pricing of the Debentures issued herein. Please note that the company is bound by all applicable CSE Listing Rules including the enforcement rules set out in the CSE Listing Rules.

The delivery of this Prospectus shall not under any circumstance constitute a representation or create any implication or suggestion that there has been no material change in the affairs of the Company since the date of this Prospectus. If there is a material change, such material change will be disclosed to the market.

If you are in doubt regarding the contents of this document or if you require any clarification or advice in this regard, you should consult the Joint Managers to the issue, your Stockbroker, Lawyer or any other Professional Advisor.

Responsibility for the Content of the Prospectus

This Prospectus has been prepared by People's Bank Investment Banking Unit and HNB Investment Bank (Private) Limited (hereinafter referred to as Joint Managers to the Issue/Manager) from information provided by People's Leasing & Finance PLC (hereinafter referred to as the "Company", "PLC" or the "Issuer").

People's Leasing & Finance PLC and its Directors confirm that to the best of their knowledge and belief this Prospectus contains all information regarding the Company and Debentures offered herein which is material; such information is true and accurate in all material aspects and is not misleading in any material respect; any opinions, predictions or intentions expressed in this Prospectus on the part of the Company are honestly held or made and are not misleading in any material respect; this Prospectus contains all material facts and presents them in a clear fashion in all material respects and all proper inquiries have been made to ascertain and to verify the foregoing. The Company accepts responsibility for the information contained in this Prospectus.

No person has been sanctioned to make any representations not contained in this Prospectus in connection with this Offer for Subscription of the Company's Debentures. If such representations are made, they must not be relied upon as having been authorized. Neither the delivery of this Prospectus nor any sale made in the Offering shall, under any circumstances, create an implication that there has not been any change in the facts set forth in this Prospectus or in the affairs of the Company since the date of this Prospectus.

Investors should be informed that the value of investments can vary and that past performance is not necessarily indicative of future performance. In making such investment decisions, prospective investors must rely on their knowledge, examination and assessments on People's Leasing & Finance PLC, and the terms of the Debentures issued (knowledge, perception together with their own examination and assessment on People's Leasing & Finance PLC and the terms and conditions of the Debentures issued) including risks associated.

The delivery of this Prospectus shall not under any circumstances constitute a representation or create any implication or suggestion, that there has been no material change in the affairs of the Company since the date of this Prospectus.

Registration of the Prospectus

A copy of this Prospectus has been delivered for registration to the Registrar General of Companies in Sri Lanka in accordance with the Companies Act No. 07 of 2007 (the "Companies Act"). The following documents were attached to the copy of the Prospectus delivered to the Registrar General of Companies in Sri Lanka:

a. The written consent of the Auditors and Reporting Accountants for the inclusion of their name in the Prospectus as Auditors and Reporting Accountants to the Issue and to the Company.

b. The written consent of the Rating Agency for the inclusion of their name in the Prospectus as Rating Agency to the Issue and to the Company.

c. The written consent of the Trustee to the Issue for the inclusion of their name in the Prospectus as Trustee to the Issue.

d. The written consent of the Bankers to the Issue for the inclusion of their name in the Prospectus as Bankers to the Issue.

e. The written consent of the Registrars to the Issue for the inclusion of their name in the Prospectus as Registrars to the Issue.

f. The written consent of the Lawyers to the Issue for the inclusion of their name in the Prospectus as Lawyers to the Issue.

g. The written consent of the Joint Managers to the Issue for the inclusion of their name in the Prospectus as Managers to the Issue.

h. The written consent of the Company Secretary for the inclusion of her name in the Prospectus as the Company Secretary.

i. The declaration made and subscribed to, by each of the Directors of the Company herein named as a Director, jointly and severally confirming that each of them have read the provisions of the Companies Act and the CSE Listing Rules relating to the Issue of the Prospectus and that those provisions have been complied with.

The said Auditors and Reporting Accountants to the Issue, Lawyers to the Issue, Trustee to the Issue, Bankers to the Issue, Joint Managers to the Issue, Registrars to the Issue, Company Secretary and

Rating Agency to the Issue have not, before the delivery of a copy of the Prospectus for registration with the Registrar General of Companies in Sri Lanka, withdrawn such consent.

Registration of the Prospectus in Jurisdictions Outside of Sri Lanka

This Prospectus has not been registered with any authority outside of Sri Lanka. Non-resident investors may be affected by the laws of the jurisdiction of their residence. Such investors are responsible to comply with the laws relevant to the country of residence and the laws of Sri Lanka, when making the investment.

Investment Considerations

It is important that this Prospectus is read carefully prior to making an investment decision. For information concerning certain risk factors, which should be considered by prospective investors, see "Risks Related to the Debentures" in Section 5.16 of this Prospectus.

Representation

The Debentures are issued solely on the basis of the information contained and representations made in this Prospectus. No dealer, salesperson, individual or any other outside party has been authorized to give any information or to make any representation in connection with the Issue other than the information and representations contained in this Prospectus and if given or made such information or representations must not be relied upon as having been authorized by the Company.

Forward-Looking Statements

Any statements included in this Prospectus that are not statements of historical fact constitute "Forward Looking Statements." These can be identified by the use of forward-looking terms such as "expect", "anticipate", "intend", "may", "plan to", "believe", "could" and similar terms or variations of such terms. However, these words are not the exclusive means of identifying Forward Looking Statements. As such, all or any statements pertaining to expected financial position, business strategy, plans and prospects of the Company are classified as Forward-Looking Statements.

Such Forward Looking Statements involve known and unknown risks, uncertainties and other factors including but not limited to regulatory changes in the sectors in which the Company operates and its ability to respond to them, the Company's ability to successfully adapt to technological changes, exposure to market risks, general economic and fiscal policies of Sri Lanka, inflationary pressures, interest rate volatilities, the performance of financial markets both globally and locally, changes in domestic and foreign laws, regulation of taxes and changes in competition in the industry and further uncertainties that may or may not be in the control of the Company.

Such factors may cause actual results, performance and achievements to materially differ from any future results, performance or achievements expressed or implied by Forward Looking Statements herein. Forward Looking Statements are also based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future.

Given the risks and uncertainties that may cause the Company's actual future results, performance or achievements to materially differ from that expected, expressed or implied by Forward Looking Statements in this Prospectus, investors are advised not to place sole reliance on such statements.

Presentation of Currency Information and Other Numerical Data

The financial statements of the Company and currency values of economic data or industry data in a local context will be expressed in Sri Lankan Rupees. References in the Prospectus to "LKR", "Rupees" or "Rs." are to the lawful currency of Sri Lanka.

Certain numerical figures in this Prospectus have been subject to rounding adjustments, accordingly numerical figures shown as totals in certain tables may not be an arithmetic aggregation of the figures that precede them.

IMPORTANT

All Applicants should indicate in the Application for Debentures, their Central Depository Systems (Private) Limited (CDS) account number.

In the event name, address or NIC number/Passport number/Company number of the Applicant mentioned in the Application Form differ from the name, address or NIC number/Passport number/Company number as per the CDS records, the name, address or NIC number/Passport number/Company number as per the CDS records will prevail and be considered as the name, address or NIC number/Passport number/Company number of such Applicant. Therefore, Applicants are advised to ensure that the name, address or NIC number/Passport number/Company number mentioned in the Application Form tally with the name, address or NIC number/Passport number/Company number given in the CDS account as mentioned in the Application Form.

As per the Directive of the Securities & Exchange Commission of Sri Lanka made under Circular No.08/2010 dated 22 November 2010 and Circular No.13/2010 issued by the CDS dated 30 November 2010, all Debentures are required to be directly deposited into the CDS accounts. To facilitate compliance with this directive, all Applicants are required to indicate their CDS account number.

In line with this directive, **THE DEBENTURES ALLOTTED TO AN APPLICANT WILL BE DIRECTLY**

DEPOSITED IN THE CDS ACCOUNT OF SUCH APPLICANT, the details of which is indicated in his/her / /its/their Application Form.

PLEASE NOTE THAT DEBENTURE CERTIFICATES WILL NOT BE ISSUED.

Debentures will not be allotted to Applicants who have not indicated their CDS account details in the Application Form. Applications which do not specify a CDS account number will be rejected.

Applicants who wish to open a CDS account, may do so through a Trading Participant of the CSE as set out in Annexure II or through any Custodian Bank as set out in Annexure III of this Prospectus.

If the CDS account number indicated in the Application Form is found to be inaccurate/incorrect or there is no CDS number indicated, the Application will be rejected and no allotments will be made.

ISSUE AT A GLANCE

Issuer	People's Leasing & Finance PLC
Instrument	Listed, Rated Subordinated Unsecured Redeemable Debentures
Listing	The Debentures will be listed on the Colombo Stock Exchange
Number of Debentures to be Issued	An initial Issue of Fifty Million (50,000,000) Listed Rated Subordinated Unsecured Redeemable Debentures, with an option to issue up to a further Fifty Million (50,000,000) of said Debentures (at the discretion of the Company) in the event of an over subscription of the initial Issue. Maximum issue will not exceed One Hundred Million (100,000,000) of said debentures.
Amount to be Raised	Sri Lankan Rupees Five Billion (LKR 5,000,000,000/-) with an option to raise up to a further Sri Lankan Rupees Five Billion (LKR 5,000,000,000/-) at the discretion of the Company in the event of an over subscription of the initial Issue. Maximum issue will not exceed Sri Lankan Rupees Ten Billion (LKR 10,000,000,000/-)
Entity Rating	"A (lka)": Outlook Stable by Fitch Ratings Lanka Limited
Issue Rating	"BBB+ (lka)" by Fitch Ratings Lanka Limited
Issue Price/Par Value	LKR 100/- (Sri Lankan Rupees One Hundred) per each Debenture
Trading Currency of the Debt Securities to be Listed	Sri Lankan Rupees
Tenure	5 Years (2026/2031)
Interest Rate	Fixed interest rate of 13.75 %p.a. payable annually (AER 13.75%)
Minimum number of Debentures to be subscribed	Minimum subscription per application is of One Hundred (100) Debentures (LKR 10,000/-) and in Multiples of One Hundred (100) Debentures (LKR 10,000/-) thereafter
Issue Opening Date	23 September 2026, however, Applications may be submitted forthwith.

Issue Closing Date	Subject to the provisions contained below, the subscription list for the Debentures will open at 9.30 a.m. on 23 September 2026 and will remain open for fourteen (14) Market Days including the Issue opening date until closure at 4.30 p.m. on 12 October 2026. However, the subscription list will be closed on an earlier date at 4.30 p.m. with notification to the CSE on the occurrence of the following events: - The maximum of One Hundred Million (100,000,000) Debentures being fully subscribed; or - The Board of Directors of the Company decides to close the Issue upon the initial Issue of Fifty Million (50,000,000) Debentures becoming fully subscribed. In the event the Board of Directors of the Company decides to exercise the option to issue the second tranche of Fifty Million (50,000,000) Debentures (having subscribed the initial Issue of Fifty Million (50,000,000) Debentures) but subsequently decides to close the subscription list upon part of the second tranche becoming subscribed, such decision is to be notified to the CSE on the day such decision is made and the subscription list will be closed on the following Market Day at 4.30 pm. In the event the Board of Directors of the Company decides to close the Debenture Issue without the full subscription of the initial Issue of Fifty Million (50,000,000) Debentures, such decision is to be notified to the CSE on the day such decision is made and the subscription list will be closed on the following Market Day at 4.30 pm. (refer Section 5.2 of this Prospectus).
Date of Allotment	The date on which the Debentures will be allotted by the Company to the Applicants subscribing thereto.
Basis of Allotment	As authorized by the Board of Directors of the Company via the board resolution dated 06 August 2026 in the event of an oversubscription, the basis of allotment will be decided by the Chief Executive Officer/General Manager and the Deputy General Manager-Operations in a fair and equitable manner within Seven (07) Market Days from the closure of the Issue. The Board however shall reserve the right to allocate up to 75% of the number of Debentures to be issued under this Prospectus on a preferential basis, to identified investor/s of strategic and operational importance with whom the Company might have mutually beneficial relationships in the future. Number of Debentures to be allotted to identified investor/s of strategic and operational importance, on a preferential basis or otherwise will not exceed 75% of the total number of Debentures to be issued under this Prospectus under any circumstances, unless there is an under subscription from the other investors (investors that do not fall under preferential category).

Interest Period	The twelve (12) month period from an Interest Payment Date and ending on the date immediately preceding the next Interest Payment Date (inclusive of the aforementioned commencement date and end date) and shall include the period commencing from the Date of Allotment and ending on the date immediately preceding the first Interest Payment Date (inclusive of the aforementioned commencement date and end date) and the period from the last Interest Payment Date before the Date of Redemption and ending on the date immediately preceding the Date of Redemption (inclusive of the aforementioned commencement date and end date).
Interest Payment Dates	The dates on which payments of interest in respect of the Debentures shall fall due, which shall be twelve (12) months from the Date of Allotment and every twelve (12) months therefrom during the period of the Date of Allotment until the Date of Redemption and includes the Date of Redemption. Interest would be paid not later than Three (03) working days from each Interest Payment Date.
Method of Payment of Principal and Interest	Through an electronic fund transfer mechanism recognized by the banking system of Sri Lanka such as SLIPS, CEFTS and RTGS (net of all applicable charges). RTGS transfers however could be effected only for amounts over and above the maximum value (Sri Lankan Rupees Five Million) that can be accommodated via SLIPS or CEFTS transfers or by cheque marked "Account Payee Only" in the event accurate bank details have not provided by the Investor.
Maturity date	On completion of Five (05) years from the Date of Allotment, or on such earlier date on which the Debentures are redeemed or become payable in terms of the Trust Deed.

CONTENTS

1.0 CORPORATE INFORMATION

The Company/ Issuer	People's Leasing & Finance PLC
Legal Form of the Company	A Private Limited Liability Company, incorporated in Sri Lanka under the Companies Act No 17 of 1982, converted to a Public Limited Company on 14th November 2000 and re-registered under the Companies Act No 7 of 2007 on 29th September 2008. On 17th of October 2012 the Company's name was changed to People's Leasing & Finance PLC. The Company's shares were listed on the Main Board of the Colombo Stock Exchange on 24th November 2011.
Date of Incorporation	22 August 1995
Company Registration No.	PB 647 PQ
Entity Rating	"A (lka)": Outlook Stable by Fitch Ratings Lanka Limited
Place of Incorporation	Colombo, Sri Lanka
Registered/Business Office	No 1161, Maradana Road, Colombo 08. Tel: + 94 11 2631631 Fax: +94 11 2631980 / 81 Email: info@plc.lk Website: www.plc.lk
Company Secretary	Ms. Nirosha Kannangara, No 1161, Maradana Road, Colombo 08. Tel : +94 11 2 631103
Auditors to the Company	Auditor General, National Audit Office, No.306/72 Polduwa Road, Battaramulla. Tel: 0112-887031
Credit Rating Agency	Fitch Ratings Lanka Limited 15-02, East Tower, World Trade Centre Colombo 01. Tel: +94 11 2 541 900
Bankers	Bank of Ceylon People's Bank Commercial Bank of Ceylon PLC Hatton National Bank PLC Sampath Bank PLC National Development Bank PLC Seylan Bank PLC Nations Trust Bank PLC DFCC Bank PLC Pan Asia Banking Corporation PLC Standard Chartered Bank Habib Bank Ltd Indian Overseas Bank

Board of Directors	Prof. S.M.A.K. Samarakoon	Chairman/ Non-Executive, Independent Director
	Mr. K.C.J.C. Fonseka	Non- Executive, Non-Independent Director
	Mr. P.D. Samarasinghe	Non-Executive, Non-Independent Director
	Mr. K.J.D.G. Perera	Non- Executive, Non-Independent Director
	Ms. P.G.U. Gallage	Non- Executive, Independent Director
	Mr. P.G.A.C. Perera	Non- Executive, Non- Independent Director
	Mr. S. Sudarshan	Non- Executive, Independent Director
	Ms. K.S.R.Senaratne Loku Kaluge	Non - Executive, Non - Independent Director
	Mr. M.J. Thilakarathne	Non- Executive, Non-Independent Director
	Dr. I.N. Manawadu	Non- Executive, Independent Director
Chief Executive Officer	Mr. Sanjeewa Bandaranayake	

2.0 RELEVANT PARTIES TO THE ISSUE

Joint Managers to the Issue	**People's Bank Investment Banking Unit** People's Tower, 18th Floor No. 374, Dr. Colvin R. de Silva Mawatha Colombo 02. **HNB Investment Bank (Private) Limited** No. 53, Dharmapala Mawatha Colombo 03 Tel: +94 11 2 206 206
Lawyers to the Issue	**M/s Nithya Partners** 97A, Galle Road, Colombo 3. Tel: +94 (0) 114 712 625, +94 (0) 112 335 908
Registrar to the Issue	**Central Depository System Ground Floor,** M&M Center 341/5 Kotte Road Rajagiriya Tel: +94 11 2356456 / +94 11 7 420 400
Bankers to the Issue	**People's Bank – Union Place Branch** People's Tower, No. 374, Dr. Colvin R. de Silva Mawatha Colombo 02. Tel : +94 11 2327151 Fax : +94 11 2328319
Trustee to the Issue	**Hatton National Bank PLC** No. 479, T B Jayah Mawatha Colombo 10 Tel: +94 11 2 660 160
Auditors and Reporting Accountants to the Issue	**Auditor General** National Audit Office, No.306/72 Polduwa Road, Battaramulla. Tel: 0112-887031
Rating Agency to the Issue	**Fitch Ratings Lanka Limited** 15-02, East Tower, World Trade Centre, Colombo 01. Tel: +94 11 2 541 900

3.0 LIST OF ABBREVIATIONS

AER	Annual Effective Rate
AWPLR	Average Weighted Prime Lending Rate
CBSL	Central Bank of Sri Lanka
CDS	Central Depository Systems (Private) Limited
CEFTS	Common Electronic Fund Transfer Switch
CSE	Colombo Stock Exchange
FY	Financial Year
IIA	Inward Investment Account
LCB	Licensed Commercial Bank
NIC	National Identity Card
POA	Power of Attorney
RTGS	Real Time Gross Settlement
Rs./LKR	Sri Lankan Rupees
SEC	Securities and Exchange Commission of Sri Lanka
PLC	People's Leasing & Finance PLC
SLIPS	Sri Lanka Interbank Payment System
USD	United States Dollar
VAT	Value Added Tax
WHT	Withholding Tax
YoY	Year on Year

4.0 GLOSSARY OF TERMS RELATED TO THE ISSUE

Applicant/s	Any investor who submits an Application Form under this Prospectus.
Application Form/Application	The Application Form that constitutes part of this Prospectus through which the investors may apply for the Debentures in issue.
AWPLR	The Average Weighted Prime Lending Rate
Board/Board of Directors/Directors	The Board of Directors of People's Leasing & Finance PLC
Closure Date	The Date of Closure of the Subscription List as set out in Section 5.2 of this Prospectus.
Date of Allotment	The date on which the Debentures will be allotted by the Company to Applicants subscribing hereto.
Date of Redemption	The date on which Redemption of the Debentures will take place as referred to in Section 5.12.
Debentures	All of the Listed Rated Subordinated Unsecured Redeemable Debentures (2026/2031) to be issued pursuant to this Prospectus.
Debenture Holder(s)	Any person who is for the time being the holder of the Debentures and includes his/her respective successors in title.
Entitlement Date	The Market day immediately preceding the Interest Payment Date or Date of Redemption on which a Debenture Holder would need to be recorded as being a Debenture Holder on the list of Debenture Holders provided by the CDS to the Company/ in whose name the Debentures are registered in the Debenture Holders' register of the Company (where applicable), in order to qualify for payment of any interest or any redemption proceeds.
Interest Payment Date	The dates on which the payments of interest in respect of the Debentures shall fall due, which shall be twelve (12) months from the Date of Allotment and every twelve (12) months therefrom of each year from the Date of Allotment until the Date of Redemption and includes the Date of Redemption. Interest Payments will be made no later than three (03) Market Days from the due date of interest (Excluding such due date of interest).
Interest Period	The Twelve (12) month period from an Interest Payment Date and ending on the date immediately preceding the next Interest Payment Date (inclusive of the aforementioned commencement date and end date) and shall include the period commencing from the Date of Allotment and ending on the date immediately preceding the first Interest Payment Date (inclusive of the aforementioned commencement date and end date) and the period from the last Interest Payment Date before the Date of Redemption and ending on the date immediately preceding the Date of Redemption (inclusive of the aforementioned commencement date and end date).

Issue	The offer of Debentures pursuant to this Prospectus
Issue Price	Rupees One Hundred (LKR 100/-) per each Debenture
Local Time	Sri Lanka Time (UTC+05:30)
Market Day	Any day on which trading takes place at the CSE
Non-Resident(s)	Foreign institutional investors including country funds, regional funds or mutual funds, corporate bodies incorporated outside Sri Lanka, citizens of foreign states whether resident in Sri Lanka or outside Sri Lanka and Sri Lankans resident outside Sri Lanka.
Prospectus	This Prospectus dated 18 September 2026.

Redemption	The repayment of Principal at maturity together with any interest accruing up to that time.
Subordinated	In relation to the Debentures, subordinated means the claims of the Debenture Holders shall in the event of winding up of the Company rank after all the claims of secured and other unsecured creditors of the Company and any preferential claims under any Statutes governing the Company but pari passu to the claims of subordinated creditors of the Company and shall rank in priority to and over the claims and rights of the shareholder/s of the Company.
Trustee	Hatton National Bank PLC
Trust Deed	Trust Deed dated 01 September 2026 between People's Leasing & Finance PLC and the Trustee.
The Company/ Issuer/PLC	People's Leasing & Finance PLC
Unsecured	Repayment of the Principal Sum and payment of interest on the Debentures are not secured by a charge on any assets of the Issuer.
Working Day	A day (other than a Saturday or Sunday or any statutory holiday) on which licensed commercial banks are open for business in Sri Lanka

5.0 PRINCIPAL FEATURES OF THE ISSUE

5.1 INVITATION TO SUBSCRIBE

The Board of Directors of People's Leasing & Finance PLC(hereinafter referred to as the "Board") by resolution dated 05 May 2026 and 06 August 2026 resolved to raise a sum of Rupees Five Billion (LKR 5,000,000,000/-) by an initial issue of up to Fifty Million (50,000,000) Debentures each with a Par Value of LKR 100/- and to raise a further sum of Rupees Five Billion (LKR 5,000,000,000/-) by an issue of up to Fifty Million (50,000,000) Debentures each with a Par Value of LKR 100/- , in the event of an oversubscription of the initial Issue

As such a maximum amount of Rupees Ten Billion (LKR 10,000,000,000/-) would be raised by the issue of a maximum of One Hundred Million (100,000,000) Debentures each with the Par Value of Sri Lankan Rupees One Hundred (LKR 100/-).

The below mentioned Debentures will be offered to the public:

Tenure	Interest Rate Basis	Issue Price per Debenture (LKR)	Description
5 years (2026/2031)	Fixed	100.00	13.75% p.a. payable annually (AER 13.75%)

The claims of the Debenture Holders shall in the event of winding up of the Company rank after all the claims of secured and other unsecured creditors of the Company and any preferential claims under any Statutes governing the Company but pari passu to the claims of subordinated creditors of the Company and shall rank in priority to and over the claims and rights of the shareholder/s of the Company.

The Debentures do not carry an option to be converted to ordinary shares or any other type of security. However, Debentures shall become immediately payable at the option of the Trustee on the occurrence of event of default as specified in Clause 10 of the Trust Deed.

It is the intention of the Company to list the Debentures on the CSE. The CSE has given its in-principle approval for the listing of the Debentures on the CSE. However, CSE reserves the right to withdraw such approval, in the circumstances set out in Rule 2.3 of the Listing Rules of the CSE.

5.2 SUBSCRIPTION LIST

The subscription list for the Listed, Rated, Subordinated, Unsecured, Redeemable Debentures pursuant to this Prospectus will open at 9.30 a.m. on 23 September 2026 and shall remain open for Fourteen (14) Market Days including the Issue opening Date until closure at 4.30 p.m. on 12 October 2026.

However, the subscription list will be closed on an earlier date at 4.30 p.m. with notification to the CSE on the occurrence of the following:

- The maximum of One Hundred Million (100,000,000) Debentures being fully subscribed; or

- The Board of Directors of the Company decides to close the Issue upon the initial Issue of Fifty Million (50,000,000) Debentures becoming fully subscribed.

  In the event the Board of Directors of the Company decides to exercise the option to issue the second tranche of Fifty Million (50,000,000) Debentures (having subscribed the initial Issue of

Fifty Million (50,000,000) Debentures) but subsequently decides to close the subscription list upon part of the second tranche becoming subscribed, such decision is to be notified to the CSE on the day such decision is made and the subscription list will be closed on the following Market Day at 4.30 pm."

Applications may however be made forthwith in the manner set out in Section 6.0 of this Prospectus and accordingly, duly completed Application Forms will be accepted by Managers to the Issue, Registrars to the Issue or by any Trading Participants of the CSE as set out in the Collection Points of Annexure II of this Prospectus.

Applications sent by post or courier or delivered to any collection point set out in Annexure II of this Prospectus will be accepted in terms of Section 6.3.

5.3 OBJECTIVES OF THE ISSUE AND SPECIFIC RISKS RELATING TO THE OBJECTIVES

Main Objective of the Debenture Issue is to expand and strengthen the Company's capital base, ensuring continued compliance with the capital adequacy requirements set by the Central Bank of Sri Lanka (CBSL). This issue will enhance the Company's Total Capital Ratio and facilitate the expansion of its lease and loan portfolio. The Company's Capital Adequacy Ratios as of 30 June 2026, along with the immediate impact of the proposed Debenture Issue on Total Capital, are presented below;

	The Capital Adequacy Requirements as per the CBSL circular No.03 of 2018	Timeline to achieve Capital Adequacy Requirements		Capital Adequacy Ratios of the Company	
			As at June 30th 2026*	In the event of successful allotment of Debentures of LKR 5.0 Billion	In the event of successful allotment of Debentures of LKR 10.0 Billion
Tier 1 Capital Ratio	10.00%	Effective from July 01, 2021	14.32%	14.32%	14.32%
Total Capital Ratio**	14.00%	Effective from July 01, 2021	17.85%	19.39%	20.93%

*Unaudited Financial Statements
**Tier 1 Capital Ratio + Tier 2 Capital Ratio

The Debenture Issue is expected to improve the Tier 2 Capital of the Company and hence the Total Capital Ratio of the Company is expected to improve as provided above. However, there will not be any change to the Tier 1 Capital Ratio of the Company as the proceeds of the Debenture Issue do not qualify to be included in the Tier 1 Capital as per the Web Based Return Code 20.2.4.1.0.0 of the CBSL Circular No. 03 of 2018.

The Company has also obtained the approval for the Debenture Issue from the CBSL via a CBSL letter dated 07 May 2026. Further, the Company will request approval from the Governing Board of the CBSL to include the debenture proceeds under Tier 2 capital, upon receipt of the net proceeds from the Debenture Issue.

The funds generated from the Debenture Issue will be utilized to finance the budgeted lending portfolio in the ordinary course of business within the next 12 months from the date of allotment. PLC is licensed under the Finance Business Act No. 42 of 2011 to conduct its primary business, and this license does not have an expiration date. However, in the event, funds are lent to related parties in future, such lending will be done in accordance with Section 9 of the CSE Listing on Related Party Transactions.

The Company will invest the funds raised through this Debenture Issue in Treasury Bills, which carry zero default risk, during the interim period until such funds are disbursed for lending purposes. Investments in Treasury Bills are expected to generate a return of 9% - 10% p.a. at current rates. Hence, the proceeds of the Issue would be utilized for the above stated objective and will not be utilized to settle any outstanding borrowings of the Company.

Objectives of the issue do not constitute a "Major Transaction" as provided in Section 185 of the Companies Act No. 07 of 2007. The Company will not seek the shareholder approval for the Issue as it is not applicable. The Company as at the date of this Prospectus has not recognized related parties for the lending of the proceeds of the Issue. As such, the Company will disburse the proceeds of the Issue in the ordinary course of business within next Twelve (12) months as stated above.

Specific Risk Relating to the Objectives

The funds raised through the Debenture Issue will be utilized to finance the budgeted lending portfolio in the ordinary course of business. In case the funds raised through the Debenture Issue are not utilized to meet the above stated objective, due to any unforeseen change in the business environment, the Company will continue to hold the funds in Treasury Bills as the case may be, upon following the required procedure in accordance with the CSE Listing Rules.

During the quarter ended 30 June 2026 the Company disbursed LKR 38,464.76 Million (Unaudited) in loans and leases amounting to a monthly average disbursement of LKR 12,821.58 Million (Unaudited) during the said period. Looking ahead, the Company anticipates achieving an average monthly disbursement budgeted at LKR 14,000 Million (Unaudited). Since the Company forecasts a higher demand for loans and lease receivables than the amount to be raised via this Debenture Issue, it is unlikely that the Company would not be able to lend the Debenture proceeds within a period of twelve (12) months.

Hence, there are no significant risk factors that may lead to the non-achievement of Debenture IPO objectives within the specified timeline.

Utilization of Debenture Proceeds

The utilization of the proceeds from the Debenture Issue will be disclosed in the Interim Financial Statements and the Annual Report of the Company from the allotment date until the objective of the Debenture Issue with respect to the utilization of the proceeds are achieved. The Company shall ensure that the necessary disclosures are made in compliance with the provisions of CSE Circular No. 06/2026 dated 21 August 2026, with such disclosures containing the information set out in the following templates, as applicable:

Debenture Issue Proceeds Utilization as at (dd-mm-yyyy)

Objective No.	Objectives as per Circular/ Prospectus	Amount allocated as per Circular/ Prospectus in LKR.	Proposed Date of Utilization as per Circular/ Prospectus	Amount allocated upon the receipt of proceeds in LKR. [A]	As a % of Total Proceeds	Amount Utilized in objective in LKR. [B]	% of Utilization against allocation [B/A]	Clarification if not fully utilized (Whether funds are deposited in a bank account/lent to a related party/any other investment etc.)	Objective Deviation from Circular/ Prospectus (Yes/No)	Objective deviation informed to the market as per Appendix 8A	Details of deviation	Board Approval Date for the deviation in objective / Confirmation of full utilization of funds by Board (Board resolution extract to be submitted)
1	Improve and further Strengthen the Capital Adequacy Ratio (CAR) of the Company	Initial issue of LKR 5.0 Bn and a maximum issue of LKR 10 Bn	Immediately upon allotment of the Debentures	To be disclosed in the Annual Report and the Interim Financial Statements								
2	Expand the lease and loan portfolio		Over a period of 12 months from the date of allotment	To be disclosed in the Annual Report and the Interim Financial Statements								

If the unutilized funds are given to Related Parties

Name of the Related Party	Relationship	Objective of the Disbursement (Detailed)	Date of Approval of the Board

Investments made using unutilized funds

Details of Investments (Instrument/Counterparty)	Amount invested

In the event the funds raised through the Debenture Issue have been fully utilized in terms of the objectives disclosed in the Prospectus between two financial periods, the Company to disclose the fact that proceeds have been utilized in its entirety as per the above template in the immediate succeeding Annual Report or the Interim Financial Statement, whichever is published first.

5.4 INTEREST

The Debentures will carry a fixed rate of interest as described below payable on the respective Interest Payment Date:

Type of Interest	Tenure	Interest Rate (Per annum)	Annual Effective Rate (AER)	Interest Payment frequency
Fixed Rate	5 years	13.75% p.a.	13.75% p.a.	Annually

Interest on the Debentures accruing on a daily basis will be paid Annually as applicable from the Date of Allotment until the Date of Redemption on the outstanding Principal Sum.

The interest due on the Debentures for a particular Interest Period will be calculated based on the actual number of days (irrespective of holidays) in such Interest Period (actual/actual) and will be paid on each Interest Payments Date and such payments in the case of cheques shall be deemed to have been paid on such date if dispatched not later than three [03] working days from each Interest Payment Date or the SLIPS transfer or the RTGS transfer is made not later than three (03) Working Days from such date. In order to accommodate the debenture interest cycles in the CDS System of the CSE, the payment of interest on a particular Interest Payment Date will include Debenture Holders holding Debentures in the CDS as of the Entitlement Date.

5.5 PAYMENT OF PRINCIPAL AND INTEREST

The Company will redeem the Debentures on the Date of Redemption as specified in Section 5.12 and the interest payments will be made as specified in Section 5.4

The payment of Principal and interest will be made in Sri Lankan Rupees after deducting any taxes at source and charges thereon (if any) in Sri Lankan Rupees as per the applicable law prevalent at the time of the payment to the Debenture Holders registered as at the Entitlement Date (In case of joint Debenture Holders, the payment will be made to the one whose name stands first in the Register of Debenture Holders). Please refer Section 5.11 for further details on taxes applicable for Debentures.

In the event accurate bank account details are provided to the CDS by the Debenture Holders, the payment of principal sum and interest shall be made to Debenture Holders through an electronic fund transfer mechanism recognized by the banking system of Sri Lanka such as RTGS (net of all applicable charges) CEFTS or SLIPS. RTGS transfers however shall be accommodated only for amounts over and above the maximum value of Sri Lankan Rupees Five Million (LKR 5,000,000/-) that can be accommodated via CEFTS or SLIPS transfers.

If the Debenture Holder has not provided to the CDS, accurate and correct details of his/her/its/their bank account/s for the payment of principal sum and interest, such payment to the Debenture Holder will be posted to the address registered with the CDS, through registered post to the Debenture Holder, by crossed cheques marked "Account Payee Only". Interest payable will be made only by cheques within Three (03) working days from the end of each period.

In order to accommodate the Debenture interest cycles in the CDS, interest payments shall not include the Debenture Holders holding Debentures in the CDS as at the last day of the Payment Cycle but one day prior to the Interest Payment Date.

5.6 INSPECTION OF DOCUMENTS

The Articles of Association, Trust Deed, Accountant's Report and Five Years (05) Summary of Financial Statements for the five years ended 31 March 2021 to 31 March 2025, Audited Financial Statements for the Five (05) years immediately preceding the date of this Prospectus, and Interim Financial Statements for the Quarter ended 30 June 2026, Issue Rating Report and all other documents referred to in Rule 3.3.13 (a) of the CSE Listing Rules, including material contracts and management agreements entered or in the case of contracts not reduced into writing, a Memorandum giving full particulars thereof by the Company if any, would be made available from Four (04) Market Days prior to the Date of Opening of the subscription list, for inspection by the public, during normal working hours at the registered office of the Company, No 1161, Maradana Road, Colombo 08, Sri Lanka until the Date of Redemption of the Debentures.

The Prospectus, Trust Deed and Articles of Association of the Company are available on the website of CSE (www.cse.lk) and the website of the Company (www.plc.lk) from Four (04) Market Days prior to the date of opening of the subscription list until the Date of Redemption of the Debentures as stipulated in Rule 3.3.13 (b) of the CSE Listing Rules.

Furthermore, copies of the Prospectus and Application Forms are available free of charge from the Collection Points set out in Annexure II of this Prospectus from Four (04) Market Days prior to the date of opening of the subscription list.

5.7 UNDERWRITING

The Issue is not conditional upon any minimum subscription amount being raised. The Company has not entered into any underwriting arrangement with regard to this Issue.

In the event the Issue is undersubscribed, the subscribers shall be allotted in full and funds raised shall be utilized to the extent of such amount to meet the Objectives of the Issue as stipulated in Section 5.3 of this Prospectus, the balance funding will be sourced through Deposits, Bank borrowings and other unutilized credit facilities.

5.8 MINIMUM SUBSCRIPTION

The minimum subscription requirement applicable for an investor applying for Debentures shall be One Hundred (100) Debentures (LKR 10,000/-) and Applications exceeding the minimum subscription should be in multiples of 100 debentures.

5.9 COST OF THE ISSUE

The Board of Directors estimate that the total cost of the Issue including the Listing fee, Trustee fee, Brokerage, Printing, Marketing, Managers and Registrars fees and other costs connected with the issue will be approximately LKR 20 million and such costs will be financed by internally generated funds of the Company.

5.10 BROKERAGE

Brokerage at the rate of 0.10 per centum shall be paid in respect of the number of Debentures allotted on applications bearing the stamp of any Trading Participant of the CSE or Managers to the Issue or any other party identified by the Joint Managers to the Issue or any agent appointed by the Company.

5.11 TAXATION

Interest on the Debenture will be paid after deducting any taxes and charges thereon (if any) as per the applicable law prevalent at the time the interest payment is due to the Debenture Holders.

5.12 REDEMPTION

People's Leasing & Finance PLC shall redeem the said Debentures on the expiry of Five (05) years respectively from the Date of Allotment in accordance with the provisions contained in the Trust Deed. Early redemption is not applicable for Debentures issued under this Prospectus, subject to the provisions contained in the Trust Deed. On the Date of Redemption of the Debentures, the Company shall in accordance with the provisions contained in the Trust Deed pay to the Debenture Holders the Principal Sum of the Debentures which ought to be redeemed and interest (if any) remaining unpaid up to the Date of Maturity/ Redemption of the Debenture. If the Date of Redemption falls on a day which is not a Market Day, then the Date of Redemption shall be the immediately succeeding Market Day and Interest shall be paid up to the date immediately preceding such Market Day (including holidays).

5.13 CREDIT RATING

Fitch Ratings Lanka Limited has assigned a rating of "BBB+ (lka)" to these Debentures.

Fitch Ratings Lanka Limited has assigned a People's Leasing & Finance PLC's (A (lka) /Stable) proposed Sri Lankan rupee-denominated subordinated listed debentures of up to LKR 10 billion an expected National Long-Term Rating of 'BBB+ (lka)'.

The proposed debentures will mature in five years and will be listed on the Colombo Stock Exchange. The company plans to use the proceeds to strengthen its Tier 2 capital base and support loan-book expansion.

The Board of Directors undertake to keep the market and the Trustee to the Issue immediately informed of any changes to the credit rating of the debentures if any of the directors or the company are aware/being notified of any changes to the credit rating of the Debentures being issued under this Prospectus. You may access the guidelines from Fitch Ratings regarding the Global Bank Rating Criteria (which includes the rating methodology applicable to this particular instrument under the approach set out for going-concern instruments via the link given below.

https://www.fitchratings.com/research/structured-finance/fitch-assigns-people-leasing-proposed-subordinated-debt-final-bbb-lka-07-09-2026

A copy of the Rating report issued by Fitch Ratings Lanka Limited is set out in Annexure I

5.14 TRUSTEE TO THE ISSUE

The Company has entered into an agreement with Hatton National Bank PLC to act as Trustee to the Issue and Hatton National Bank PLC has certified/confirmed its compliance and fulfilment of the requirements specified under Section 2.2.1.(n) 'Appointment of a Trustee' of the Listing Rules of the CSE. Debenture Holders in their Application Forms for subscription will be required to authorize the Trustee, to act as their agent in entering into such deeds, writings and instruments with the Company and to act as the agent and Trustee for the Debenture Holders.

The rights and obligations of the Trustee are set out in the Trust Deed and the Debentures will be subject to the terms and conditions incorporated in the said Trust Deed.

Trustee/ its directors have no conflict of interest with the Bank, except that the Trustee is one of the banks rendering banking related services to the Bank. In the event the Trustee subscribes to a substantial number of the Debentures, the Company will make an immediate announcement to the market giving out information on the number of Debentures acquired by the Trustee.

5.15 RIGHTS AND OBLIGATIONS OF THE DEBENTURE HOLDER

Debenture holders are entitled to following rights.

- Receive principal on the Date of Maturity/Redemption and interest on the Debentures as per Sections 5.5 and 5.12 of this Prospectus and the provisions contained in the Trust Deed.
- In the event of liquidation, Listed, Rated, Subordinated, Unsecured, Redeemable Debentures will rank after all the claims of secured and other unsecured creditors of the Company and any preferential claims under any Statutes governing the Company but pari passu to the claims of subordinated creditors of the Company and shall rank in priority to and over the claims and rights of the shareholder/s of the Company.
- To call, receive notice, attend and vote at the meetings of the Debenture Holders in accordance with the provisions contained in the Trust Deed pertaining to this Debenture issue.
- The other rights of the Holders of these Debentures are set out in the Trust Deed.
- To receive a copy of the Annual Report within five 05 months of the year end.

Debenture holders are not entitled to following rights

- Attending and voting at meetings of holders of shares and other types of debentures
- Sharing in the profits of the Company
- Participating in any surplus in the event of liquidation
- Calling for redemption before maturity, subject to the provisions stated in the Trust Deed

Each Debenture Holder must ensure that the information in respect of the securities account maintained with the CDS is up to date and accurate. Each Debenture Holder shall absolve the Company from any responsibility or liability in respect of any error or inaccuracy or absence of necessary changes in the information recorded with the CDS. Provided further that the Debenture Holders shall absolve the CSE and the CDS from any responsibility or liability in respect of any error or inaccuracy or absence of necessary changes in the information recorded with the CDS where such errors or inaccuracies or absence of changes are attributable to any act or omission of the Debenture Holders.

5.16 RISKS INVOLVED IN INVESTING IN THE DEBENTURES

- **Reinvestment Risk:** The calculation for Annual Effective Rate (AER) assumes that the investor is able to reinvest his coupons at the same interest rate. An investor may decide to reinvest this interest payment and earn interest from that point onwards until maturity in order to generate the required AER on his investment. Depending on the prevailing interest rates at the point of reinvestment, the interest rates at which Debenture Holders will reinvest such interest received being higher or lower than the return offered by the Debentures.

- **Interest Rate Risk:** The price of a typical Debenture will have a negative correlation with the market interest rates. Interest rate risk captures this relationship between market interest rates and the value of Debentures. If market interest rates rise, the value of the Debentures may fall: as market interest rates fall the value of Debentures may rise (all other factors being equal). If the investor wishes to sell the Debenture prior to its maturity, he might be facing a capital loss (gain) if the market interest rates have increased (decreased) subsequently. Interest rate risk is irrelevant for the investor who wishes to hold the Debenture till maturity.

- **Credit Risk:** Risk of the issuer not being able to pay interest and principal payments as promised on a timely basis is default risk/credit risk. It is advisable for prospective investors of the Debenture to consider the credit rating awarded to the Company and to its Debentures by Fitch Ratings Lanka Limited, present financial strength as reflected in the Balance Sheet of the Company, assets and earnings growth and experience and skills of the Directors and senior management when forming an opinion on default risk. Fitch Ratings Lanka Limited has assigned a credit rating of BBB+ (lka) for the Listed, Rated, Subordinated, Unsecured, Redeemable Debenture issue of People's Leasing & Finance PLC (Refer Annex I for Rating Report) and this credit rating will be reviewed periodically.

- **Liquidity Risk:** Liquidity risk refers to the ease with which the Debenture can be sold in the secondary market, after the initial placement. Since the Debentures are listed, should an investor require an exit option, they will be able to sell the Debentures through the CSE in order to convert them to cash and exit from the investment. Therefore, the liquidity risk is mitigated to a greater degree in the Debenture. Investors have to be mindful of the fact that even though the Debentures are listed, trading of listed debt is not at an advanced stage as the equity markets in Sri Lanka.

- **Inflation Risk:** An increase in inflation rates will cause a decrease in the real value of coupon cash flows of the Debenture. The Debenture offers only a fixed coupon hence it is subject to inflation risk as the interest rates are not adjusted upwards depending on the inflation rate.

5.17 BENEFITS OF INVESTING IN THE DEBENTURES

- Provides an opportunity to diversify the investment portfolio of the investor.
- Provides the investor with a regular cash inflow of interest payments up to a fixed period of five (05) years.
- Provides an opportunity to realize capital gains according to interest rate fluctuations in the financial market. Also, if held to maturity, there will be no capital loss incurred.
- Provides the investor with an opportunity to invest in Debentures issued by a leading Finance Company in Sri Lanka.
- Being listed on the CSE, the Debentures will have a secondary market, thus providing more liquidity and opportunity for the investor to exit at the market price prevailing at the time of divestiture.
- The Debentures may be used as collateral to obtain both corporate and personal credit facilities from banks and financial institutions.

5.18 TRANSFER OF DEBENTURES

- These Debentures shall be freely transferable and transmittable as long as the Debentures are listed in the CSE and the registration of such transfer shall not be subject to any restriction, save and except to the extent required for compliance with statutory requirements.
- Subject to provisions contained in the Trust Deed, the Company may register without assuming any liability any transfer of Debentures, which are in accordance with the statutory requirements and rules and regulations in force for the time being as laid down by the CSE, SEC and the CDS.
- In the case of the death of a Debenture Holder
  - The survivor where the deceased was a joint holder; and
  - The executors or administrators of the deceased (or where the administration of the estate of the deceased is in law not compulsory, the heirs of the deceased) where such Debenture Holder was the sole or only surviving holder; shall be the only persons recognized by the issuer as having any title to his/her Debentures.
- Any person becoming entitled to any Debenture in consequence of bankruptcy or winding up of any Debenture Holder, upon producing proper evidence that such Debenture holder sustains the character in respect of which such Debenture Holder proposes to act or such Debenture holder's title as the Board of Directors of the Company thinks sufficient, may at the discretion of the Board be substituted and accordingly, registered as a Debenture Holder in respect of such Debentures subject to the applicable laws, rules and regulations of the Company, CDS, CSE and SEC.
- No change of ownership in contravention of the above conditions will be recognized by the Company.

5.19 LISTING

An Application for Listed Rated Subordinated Unsecured Redeemable Debentures has been made to the CSE for permission to deal in and obtain a listing, at a par value of LKR 100/- (Sri Lankan

Rupees One Hundred) each, all of which are offered to the public by way of this Debenture Issue and it has been approved in principle. However, the CSE reserves the right to withdraw such approval, in the circumstances set out in Rule 2.3 of the Listing Rules of the CSE. It is the intention of the Company to list the Debentures on the Colombo Stock Exchange upon the allotment thereof. There are no other approvals required for the said Debenture issue apart from the approval of the CSE, and CBSL which was obtained on 07 May 2026 as stated in Section 5.3.

The CSE however, assumes no responsibility for the correctness of the statements made, opinions expressed, reports included or omitted statements/ undisclosed information in this Prospectus. A Listing on the CSE is not to be taken as an indication of the merits of the Company or of the Debentures issued.

At the point of listing, the Company will ensure that the Debentures to be listed are fully paid and issued only for cash.

6.0 PROCEDURE FOR APPLICATION

6.1 ELIGIBLE APPLICANTS

Applications are invited from the following categories of investors:

- Citizens of Sri Lanka who are resident in Sri Lanka and above 18 years of age; or
- Corporate bodies and societies registered/incorporated/established within Sri Lanka; or
- Approved Unit Trusts licensed by the SEC; or
- Approved Provident Funds and contributory pension schemes registered/incorporated/ established in Sri Lanka (In this case, Applications should be in the name of the Trustee/Board of Management in order to facilitate the opening of the CDS account).
- Foreign citizens above 18 years of age (irrespective of whether they are resident in Sri Lanka or overseas); or
- Global, regional and country funds approved by the SEC; or
- Non-residents: foreign institutional investors, corporate bodies incorporated or established outside Sri Lanka, individuals and Sri Lankan residents outside Sri Lanka.

Please note that Applications made by individuals less than 18 years of age or those in the names of sole proprietorships, partnerships, unincorporated trusts and non-corporate bodies will be rejected.

"Individuals resident outside Sri Lanka" will have the same meaning as in the notice published under the Foreign Exchange Act No. 12 of 2017 in Gazette No. 2045/56 dated 17th November 2017.

When permitting Non-Residents to invest in the Debentures, the Company will comply with the relevant Foreign Exchange Regulations including the conditions stipulated in the notice under the Foreign Exchange Act with regard to the Issue and transfer of Debentures of companies incorporated in Sri Lanka to individuals resident outside Sri Lanka as published in the Government Gazette (Extraordinary) No. 2045/56 dated 17th November 2017.

6.2 HOW TO APPLY

The terms and conditions applicable to the Applicants are as follows

a) Applications should be made on the Application Forms, issued with the Prospectus. Application Forms and Prospectus are issued free of charge from the places/institutions covered in Annexure II of the Prospectus.

   Application Forms and Prospectus could also be downloaded from the Company's website, www.plc.lk and the CSE website www.cse.lk (Exact size photocopies of Application Forms would also be accepted).

   Care must be taken to follow the instructions given on the reverse side of the Application Form.

   Applications that do not strictly conform to such instructions and/or the terms and conditions set out in this Prospectus or which are incomplete or illegible may be rejected.

Note on Availability of the Prospectus – In support of the environmental conservation efforts and in alignment with the corporate sustainability strategy, People's Leasing & Finance PLC has submitted a formal request to the Colombo Stock Exchange (CSE) via letter dated 04 September 2026, seeking a waiver from the requirement to print and distribute physical copies of this Prospectus and application forms in accordance with Section 2.4(f) of the CSE Listing Rules. This initiative reflects the Company's commitment towards reducing carbon footprint through paperless documentation and enhancing investor accessibility through digital channels. The CSE, upon careful deliberation of the said request made by the Company, has decided to grant the waiver. Accordingly, soft copies of the final Prospectus and application forms will be made accessible on the websites of People's Leasing & Finance PLC and the Colombo Stock Exchange, and will be available to the Trading Participants, and the investing public.

b) Applications should be made for a minimum of One Hundred (100) Debentures each. Applications exceeding the minimum subscription should be in multiples of One hundred (100) Debentures (LKR 10,000/-). Applications which are not in line with these guidelines will be rejected.

c) If the ownership of the Debentures is desired in the name of one Applicant, full details should be given only under the heading SOLE/FIRST APPLICANT in the Application Form. In the case of Joint Applicants, the signatures and particulars in respect of all Applicants must be given under the relevant headings in the Application Form.

d) An applicant of a joint Application will not be eligible to send a separate Application individually or jointly. The interest and capital payments/repayments (if any) will be drawn in favour of the principal Applicant as given in the Application Form

   In the case of joint Applicants, a joint CDS account in the name of the joint Applicants should be indicated.

   The Company shall not be bound to register more than three (03) natural persons as joint holders of any Debentures (except in the case of executors, administrators or heirs of a deceased member). Joint Applicants should note that all parties to the Application should either be residents of Sri Lanka or Non- Residents.

e) Applications by companies, corporate bodies, societies, approved provident funds, trust funds and approved contributory pension schemes registered/incorporated/established in Sri Lanka should have obtained necessary internal approvals as provided by their internal approval procedures at the time of applying for the Debentures and should be made under their respective Common Seals or in any other manner as provided by their Articles of Association or such other constitutional documents of such Applicant or as per the Statutes governing them. In the case of approved provident funds, trust funds and approved contributory pension schemes, the Applications should be in the name of the Trustee/board of management.

f) All Applicants should indicate in the Application for Debentures, their CDS account number.

   All resident individual Applicants should ensure that;

- If the Applicant has provided the NIC number for the purpose of creating the CDS account, the NIC number of the Applicant is stated in the relevant cage of the Application Form; or

- If the Applicant has provided the Passport number for the purpose of creating the CDS account, the Passport number of the Applicant is stated in the relevant cage of the Application Form.

The NIC, Passport or Company registration number as the case may be, must be stated in the Application Form and any Application Form which does not provide the appropriate identification information will be rejected.

Resident Applicants may use the Passport for purposes of identification only if they do not have a NIC number.

In the event the name, address or NIC number/Passport number/Company number of the Applicant mentioned in the Application Form differ from the name, address or NIC number/Passport number/Company number as per the CDS records, the name, address or NIC number/Passport number/Company number as per the CDS records will prevail and be considered as the name, address or NIC number/Passport number/Company number of such Applicant. Therefore, Applicants are advised to ensure that the name, address or NIC number/Passport number/Company number mentioned in the Application Form tally with the name, address or NIC number/Passport number/Company number given in the CDS account as mentioned in the Application Form.

Application Forms stating third party CDS accounts, instead of Applicants' own CDS account numbers, except in the case of margin trading, will be rejected.

Non-resident investors may be affected by the laws of the jurisdiction of their residence. If the non- resident investors wish to apply for the Debentures, it is their responsibility to comply with the laws relevant to the jurisdiction of their residence and of Sri Lanka.

g) Applicants who wish to apply through their margin trading account, should submit the Application Forms in the name of the "Margin Provider/Applicant's name" signed by the margin provider. The Applicants should state the relevant CDS account number relating to the margin trading account in the space provided for the CDS account number in the Application Form. A photocopy of the margin trading agreement must be submitted along with the Application.

The NIC, Passport or Company registration number of the Applicant, as the case may be, must be stated in the Application Form.

Resident Applicants may use the Passport for purposes of identification, only if they do not have a NIC number.

Please note that the margin provider can apply under its own name and such Applications will not be construed as multiple Applications.

Multiple Applications will not be entertained. The Issuer reserves the right to reject all multiple Applications or suspected multiple Applications.

h) Application Forms may be signed by a third party on behalf of the Applicant(s) provided that such person holds the Power of Attorney (POA) of the Applicant(s). A copy of such POA certified by a Notary Public as "True Copy" should be attached with the Application Form. Original of the POA should not be attached.

i) Funds for the investment in Debentures and the payment for Debentures by Non-Residents should be made only out of the monies available to the credit of a "Inward Investment Account" (IIA) of the Non-Resident Applicants opened and maintained in a licensed commercial bank in Sri Lanka in accordance with the directions given by the Controller of Exchange in that regard to licensed commercial banks.

   An endorsement by way of a letter by the licensed commercial bank in Sri Lanka in which the Applicant maintains the IIA, should be attached to the Application Form to the effect that such payment through bank draft/bank guarantee/RTGS/ Internal fund transfer has been made out of the funds available in the IIA.

6.3 SUBMISSION OF APPLICATIONS

Application Forms properly and legibly filled in accordance with the instructions thereof, along with the applicable remittance (cheque or bank draft or bank guarantee only) for the full amount payable on application should be enclosed in a sealed envelope marked **"People's Leasing & Finance PLC– Debenture Issue 2026"** on the top left-hand corner and be addressed and delivered by hand to the Registrar to the Issue at the following address **prior to 4.30 p.m. Local Time on the Closure Date.**

Central Depository Systems (Pvt) Ltd - Central Depository System, Ground Floor, M&M Center 341/5, Kotte Road, Rajagiriya.

Applications may also be handed over to the Joint Managers to the Issue and Trading Participants of the CSE as set out in Annex II to reach the office of the Registrars to the Issue prior to 4.30 p.m. Local Time on the Closure Date.

All applications dispatched by post or courier should reach the office of the Registrars at least prior to 4.30 p.m. Local Time on the succeeding Market Day immediately following the Closure Date of the Issue.

<u>Submission of Applications by Non-Residents</u>

In a situation where the non-resident Applicants cannot deliver the Application Forms by hand to the Joint Managers to the Issue, Trading Participants of the CSE or Registrars to the Issue before the Closure Date can adhere to the below mentioned procedure.

Scanned copies of the Application Forms properly and legibly filled in accordance with the instructions thereof, along with the information regarding the payment as mentioned in Section 6.5 (a –i) by non-resident Applicants should be emailed to pbibu@peoplesbank.lk by 4.30 p.m. on the Closure Date. Subsequently, the Original Documents related to the Submission by non-resident Applicants should be sent to the Joint Managers to the Issue within seven (07) market days succeeding the Closure Date (Including the Closure Date). Payment for Debentures by non-residents should be made only out of the monies available to the credit of an "Inward Investment Account" (IIA) mentioned as in Section 6.5 (h).

6.4 NUMBER OF DEBENTURES TO BE SUBSCRIBED

Applications should be made for a minimum of One Hundred (100) Debentures each. Applications exceeding the minimum subscription should be in multiples of One hundred (100) Debentures (LKR 10,000/-). Applications which are not in line with these guidelines will be rejected.

6.5 MODE OF PAYMENT

a) Payment in full for the total value of Debentures applied for should be made separately in respect of each Application by cheque or bank draft or bank guarantee drawn upon any licensed commercial bank operating in Sri Lanka, RTGS transfer through any licensed commercial bank operating in Sri Lanka or an Internal fund transfer within People's Bank, as the case may be, subject to the below (c) to (d).

b) Remittances on Applications will be deposited in a separate bank account in the name of "People's Leasing & Finance PLC-Debenture Issue 2026".

c) **Payment for Applications for Debentures of a value of below LKR 100,000,000/-** should be supported by a cheque or bank draft or bank guarantee drawn upon any licensed commercial bank operating in Sri Lanka or RTGS transfer through any licensed commercial bank operating in Sri Lanka or Internal fund transfer within People's Bank. In such instances, the Application Form should be accompanied by only one cheque or bank draft or bank guarantee and should be issued for the full amount indicated in the Application Form. An Application for Debentures of a value of below LKR 100,000,000/- accompanied by two or more cheques/bank drafts/bank guarantees or RTGS/Internal fund transfers within People's Bank will be rejected at the outset.

d) Payments for Application values of above and inclusive of LKR 100,000,000/- should be supported by either;

- Bank guarantee issued by a licensed commercial bank.
- RTGS transfer through any licensed commercial bank operating in Sri Lanka
- Internal fund transfer within People's Bank with value on the date of the issue Opening Date.
- Multiple cheques/bank drafts drawn upon any LCB operating in Sri Lanka, each of which should be for a value less than LKR 100,000,000/-.

e) The amount payable should be calculated by multiplying the number of Debentures applied for by the par value (LKR 100/-). If there is a discrepancy in the amount payable and the amount specified in the cheque/bank draft or bank guarantee or transferred via RTGS/Internal fund transfer within People's Bank, the Application will be rejected.

CASH WILL NOT BE ACCEPTED. ANYONE WHO WISH TO PAY CASH SHOULD OBTAIN A BANK DRAFT FROM A LICENSED COMMERCIAL BANK IN SRI LANKA.

f) In case of RTGS /Internal fund transfers within People's Bank, such transfer should be made to the credit of **"People's Leasing & Finance PLC- Debenture Issue 2026"** bearing account number 014100180019930 at People's Bank – Union Place Branch with value on the Issue Opening Date (i.e. the funds to be made to the above account on the Issue Opening Date).

The Applicant should obtain a confirmation from the Applicant's bank, to the effect that arrangements have been made to transfer payment in full for the total value of Debentures applied for the credit of **"People's Leasing & Finance PLC- Debenture Issue 2026"** bearing account number 014100180019930 at People's Bank – Union Place Branch with value on the Issue Opening Date (i.e. the funds to be made to the above account on the Issue Opening Date) and should be attached with the Application Form.

For such RTGS /Internal fund transfers within People's Bank above and inclusive of Sri Lankan Rupees One Hundred Million (LKR 100,000,000/-), an interest at a rate of 7.00% per annum (on actual/actual basis) will be paid from the date of such transfer up to the Date of Allotment, and the entire interest earned will be paid back to the investor.

No interest will be paid if the RTGS /Internal fund transfers within People's Bank are not realized before 4.30 p.m. of the Closure Date.

g) Cheques or bank drafts should be drawn on any LCB in Sri Lanka and crossed "**Account Payee Only**" and made payable to "**People's Leasing & Finance PLC- Debenture Issue 2026**".

In the event that cheques are not realized within Two (02) Market Days from the day of presenting the same to the bank for clearing, the cheques will be returned, and no allocation of Debentures will be made to the Applicants.

Cheques must be honored on the first presentation to the bank for the Application to be valid. Applications supported by cheques which are not honored at the first presentation will be rejected.

h) Payment for the Debentures by the citizens of Sri Lanka who are above 18 years of age and resident overseas, corporate bodies incorporated or established outside Sri Lanka, global, regional or country funds approved by the SEC and foreign citizens (irrespective of whether they are resident in Sri Lanka or overseas) who are above 18 years of age should be made only out of funds received as inward remittances or available to the credit of "Inward Investment Account" (IIA) maintained with any LCB in Sri Lanka in accordance with the regulations and directions given by the Director of the Department of Foreign Exchange of CBSL in that regard to licensed commercial banks.

An endorsement by way of a letter by the LCB in Sri Lanka in which the Applicant maintains the IIA, should be attached to the Application Form to the effect that such payment through bank draft/bank guarantee/RTGS/Internal fund transfer within People's Bank has been made out of the funds available in the IIA.

i) Foreign citizens resident in Sri Lanka may make payments through Sri Lanka Rupee accounts only if they possess dual citizenship where one such citizenship is Sri Lankan. Foreign citizens having Sri Lankan citizenship should attach a certified copy of the citizenship certificate with the Application Form.

Foreign citizens residing in Sri Lanka having valid residency visas should note that they cannot make remittances via cheques or bank drafts or bank guarantees or RTGS/Internal fund transfers within People's Bank PLC drawn on Sri Lankan Rupee accounts maintained with any LCB in Sri Lanka but may do so via IIA accounts. Applications made by foreign citizens not in accordance to the foregoing shall be rejected.

j) In case of Applications made by Sri Lankan investors backed by bank guarantees, the said guarantees should be issued by any LCB in Sri Lanka in favor of "**People's Leasing & Finance PLC– Debenture Issue 2026**" presented in line with the requirements set out in Section 6.5 (c) and (d). Bank guarantees will be presented to the respective banks only after the new Debentures have been allotted.

Bank guarantees should be valid for a minimum of One (01) month from the date of the Issue.

Investors are encouraged to discuss with their relevant bankers with regard to the issuance of bank guarantees and all related charges that would be incurred by the investors.

6.6 REJECTION OF APPLICATIONS

- Application Forms which are incomplete in any way and/or are not in accordance with the terms and conditions set out in this Prospectus will be rejected at the absolute discretion of the Company.
- Any Application Form which does not provide the NIC, Passport (where NIC is not available) or Company registration number as the case may be, will be rejected.
- Applications delivered by hand to the registrars to the issue or sent via email to pbibu@peoplesbank.lk after 4.30 p.m. Local Time on the Closure Date of the Issue will be rejected. Applications received by courier/post after 4.30 p.m. Local Time on the succeeding Market Day immediately following the Closure Date of the Issue, will also be rejected even if they carry a courier acceptance date/postmark date earlier than the Closure Date.
- Applications delivered to any place mentioned in Annexure II should also reach the office of the Registrars to the Issue prior to 4.30 p.m. Local Time on the Closure Date. Applications received after the said duration will be rejected even though they have been delivered to any of the said Collection Points prior to the Closing Date.
- Applications made for less than One Hundred (100) Debentures or for a number which is not in multiples of One Hundred (100) Debentures will be rejected.
- Applications which do not carry a valid CDS account number, or which indicate an inaccurate or incorrect CDS account number, shall be rejected and no allotment will be made.
- Payment for Applications of Debentures accompanied by cheques or bank drafts or bank guarantees which are not in accordance with Section 6.5 (d),(g) and (j) will be rejected at the outset.
- In the event that cheques are not realised prior to the date of deciding the basis of allotment and realised after such date, the monies will be refunded and no allotment of Debentures will be made.
- Cheques must be honoured on first presentation for the Application to be valid. In the event cheques are dishonoured/returned on first presentation, such Applications will be rejected.
- Applications made by individuals and Sri Lankans residing outside Sri Lanka below 18 years of age or those in the names of sole proprietorships, partnerships, unincorporated trusts and non-corporate bodies will be rejected.
- More than one Application submitted by an Applicant will not be accepted. If more than one Application Form is submitted by a single Applicant, those would be construed as multiple Applications and the Company reserves the right to reject such multiple Applications or suspected multiple Applications.
- Any application form with more than three (03) natural persons as joint applicants for any type of Debentures will be rejected.

Notwithstanding any provision contained herein, the Board of Directors shall reserve the right to refuse any Application or to accept any Application in full or part.

6.7 BASIS OF ALLOTMENT

In the event of an oversubscription, the Board shall reserve the right to allocate up to 75% of the number of Debentures to be allotted under this Prospectus on a preferential basis, to identified investor/s of strategic and operational importance with whom the Company might have mutually beneficial relationships in the future.

In the event of an oversubscription, the basis of allotment will be decided by the Chief Executive Officer/General Manager and Deputy General Manager-Operations of the Company in a fair and equitable manner as soon as practicable so as to ensure compliance with the CSE Listing Rules. As per the Board Resolution 06 August 2026, the Chief Executive Officer/General Manager and Deputy General Manager-Operations of the Company to decide on the final basis of allotment. The maximum allocation under preferential allotment is 75% of the total number of Debentures to be issued with this Prospectus under any circumstances, unless there is an under subscription from the other investors (Investors that do not fall into the preferential category).

Upon the allotment being decided, an announcement will be made to the CSE, within Seven (07) Market Days of closing the Issue. The Company reserves the right to reject any Application or to accept any Application in part only, without assigning any reason therefor. A written confirmation informing successful Applicants on their allotment of Debentures will be dispatched within ten (10) Market Days from the Closure Date as required by the CSE.

6.8 BANKING OF PAYMENTS

All cheques or bank drafts or bank guarantees received in respect of Applications will not be banked or called on until the Market Day after the Closure Date of the subscription list as set out in Section 5.2, in terms of the CSE Listing Rules.

6.9 REFUNDS

Monies will be refunded where;

- an Application is rejected for reasons given in Section 6.6 of this Prospectus; or
- the Application is accepted only in part.

Where an Application Form is rejected for reasons given in Section 6.6 of this prospectus, the cheque or bank draft or bank guarantee received in respect of the Application will be returned via ordinary post at the risk of the Applicant. In the case of joint Applicants, the cheque or bank draft or bank guarantee received in respect of the Application will be returned to the first named Applicant.

Where an application is rejected subsequent to the cheque being realized, the applicant's money in full or where an Application is accepted only in part, the balance of the applicant's money will be refunded.

The Applicants may indicate the preferred mode of refund payments in the Application Form (i.e. direct transfer via SLIPS/RTGS or cheque).

If the Applicant has provided accurate and complete details of his/her bank account in the Application, the Bankers to the Issue will make refund payments up to and inclusive of Rupees Five Million (LKR 5,000,000/-) to the bank account specified by the Applicant, through SLIPS and a payment advice will be sent. If the refund payment is over Rupees Five Million (LKR 5,000,000/-), refunds will be made via RTGS /Internal direct transfer. A payment advice will be sent accordingly.

In the event the Applicant has not provided accurate and correct details of his bank account in the Application or if the Applicant has not provided details of the bank account in the Application Form, the Company will make such refund payments to the Applicant by way of a cheque and sent by post at the risk of the Applicant. In the case of Joint Application, the cheques will be drawn in favour of the Applicant's name appearing first in the Application Form.

Where the Application Form is accepted and the cheque or bank draft or bank guarantee is not honoured at the first presentation, the Application will also be rejected and the dishonoured cheque or bank draft or bank guarantee will be returned via ordinary post at the risk of the Applicant. In the case of joint Applicants, the dishonoured cheque or bank draft or bank guarantee will be returned to the first named Applicant.

Funds received via an IIA will be returned to the respective IIA as applicable, therefore Applicants who remit money via the IIA accounts shall mention the accurate IIA account numbers in the Application Form to enable refunds being made to such accounts.

Applicants can obtain details on bank and branch codes required for providing instructions on SLIP transfers at the following website;

https://www.lankapay.net/downloads/bank-branch-directory/

Refunds on Applications rejected, or partly allotted Debentures would be made within eight (08) Market Days from the date of closing the issue (excluding the date of issue closure). Applicants would be entitled to receive interest at the rate of the last quoted Average Weighted Prime Lending Rate (AWPLR) published in the immediately preceding week by the Central Bank of Sri Lanka or any other authority (in the event that the Central Bank of Sri Lanka ceases to publish the AWPLR) plus Five decimal Zero per centum (5.00%) for the delayed period on any refunds not made within this period.

6.10 CDS LODGMENT AND SECONDARY MARKET TRADING

Debentures allotted will be directly deposited to the respective accounts given in the Application Forms before the expiry of twelve (12) Market Days, from the closure of the subscription list. A written confirmation of the credit will be sent to the Applicants within two (02) Market Days of crediting the CDS account, by ordinary post to the address provided by each Applicant.

The Company will submit to the CSE a 'Declaration' on direct upload to CDS on the Market Day immediately following the day on which the Applicants' CDS accounts are credited with the Debentures. Trading of the new Debentures on the secondary market will commence on or before the third (3^{rd}) Market Day from the receipt of the declaration by the CSE as per the CSE Listing Rules.

7.0 COMPANY INFORMATION

7.1 OVERVIEW

Over the last two decades People's Leasing & Finance PLC has been the pioneer in providing value-added financial services to Sri Lankans. With over 100 branches island-wide and a strong team of dedicated employees, Company has strengthened the offering in satisfying all the customers through a wide range of products and services in leasing, loans, Islamic products, deposits, margin trading and factoring.

As a subsidiary of People's Bank (PB), one of the key state banks in the country, PLC has a unique position of enjoying the flexibility and efficiencies of the private sector along with the strength and stability available through Government patronage.

PLC successfully faces the stiff competition existing in the industry by offering tailor-made services to customers which has enabled PLC to have a diverse range of customers across the country ranging from individuals to SMEs to blue chip companies and has contributed significantly towards the country's economic growth and the quality of life of millions of Sri Lankans.

7.2 STATED CAPITAL

Stated Capital	As at 31 March 2026	As at 30 June 2026 *
Balance (LKR)	20,512,332,417	20,512,332,417
Number of Shares	2,209,867,246	2,209,867,246

*Unaudited

7.3 MAJOR SHAREHOLDERS

Major shareholders of the company as at 30th June 2026 are as follows:

Name of the Shareholder	No. of Shares	%
People's Bank	1,657,400,425	75.00
Employee's Provident Fund	119,943,071	5.43
National Savings Bank	61,081,787	2.76
Mr. D.P. Pieris	20,556,182	0.93
Bank Of Ceylon No. 1 Account	16,020,970	0.72
Perera And Sons Bakers Pvt Limited	16,000,000	0.72
Deutsche Bank Ag As Trustee To Assetline Income Plus Growth Fund	14,146,177	0.64
Union Assurance PLC-Universal Life Fund	13,869,075	0.63
Deutsche Bank Ag Trustee To Lynear Wealth Dynamic Opportunities Fund	12,742,137	0.58
Invenco Capital Private Limited	10,776,131	0.49

Mrs. E.M. Pieris	9,734,439	0.44
Sri Lanka Insurance Corporation General Limited	8,808,497	0.40
DFCC Bank PLC A/C No .02	8,074,794	0.37
Seylan Bank PLC/ Sarath Kumarawijekoon	7,478,649	0.34
Sri Lanka Insurance Corporation Life Ltd Share Holder Portfolio A/C 0	6,493,208	0.29
Bank Of Ceylon A/C Ceybank Unit Trust	5,420,277	0.25
Mr.J.D. Pieris	5,220,121	0.24
Lynear Wealth Management/Mr. Hanif Yusoof	4,650,196	0.21
Sampath Bank PLC/Senthilverl Holdings (Pvt) Ltd	4,664,461	0.21
Assetline Finance Limited/S.K.Wijekoon	4,403,074	0.20

7.4 BOARD RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

The Board established the Board Related Party Transactions Review Committee in terms of Section 9 of the Listing Rules of the Colombo Stock Exchange. The Board Related Party Transactions Review Committee, appointed by the Board of Directors, currently consists of the following members;

Board Related Party Transaction Review Committee Members As at 30.06.2026	**Executive/Non – Executive/Independent**
Ms.P.G.U. Gallage (Chairperson)	Non-Executive, Independent Director
Mr. S. Sudarshan	Non-Executive, Independent Director
Dr. I.N. Manawadu	Non-Executive, Independent Director
Prof. S. M. A. K. Samarakoon	Non–Executive, Independent, Director
Mr. P. D Samarasinghe	Non - Executive, Non- Independent Director

8.0 FINANCIAL INFORMATION

8.1 FINANCIAL STATEMENTS & FINANCIAL SUMMARY

The following financial information is hosted on the Company's website, www.plc.lk and CSE website, www.cse.lk;

- Interim financial statements of People's Leasing & Finance PLC for the year ended 30 June 2026.
- Audited financial statements of People's Leasing & Finance PLC as at 31 March 2026.
- Summarized financial statement for the five years ended 31 March 2021 to 31 March 2025 preceding the date of the application stating the accounting policies adopted by the Company certified by the Auditors and Qualifications carried in any of the Auditors Reports covering the period in question and any material changes in accounting policies during the relevant period.

8.2 FINANCIAL YEAR

The financial year of the Company commences on 01 April and ends on 31 March.

8.3 PARTICULARS OF LOAN CAPITAL

The outstanding borrowings of People's Leasing & Finance PLC as at 30 June 2026 comprise the following categories of borrowings;

Type of Borrowing)	As at 30 June 2026* (LKR Mn)
Term Loan	75,199
Debentures	5,173
Asset Backed loans	3,542
Overdrafts	394
Subordinated loan (unsecured)	10,447
Total	**94,755**

* Unaudited

*People's Leasing and Finance PLC does not hold any convertible debt in issue.

8.4 OTHER DEBENTURES IN ISSUE – AS AT THE DATE OF THE PROSPECTUS

The Company does not have any outstanding debentures as at the date of this Prospectus.

8.5 KEY FINANCIAL RATIOS

	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	2026 JUNE*
Core Capital Ratio (%)	18.77%	25.76%	30.00%	22.94%	15.25%	14.32%
Total Risk Weighted Capital Ratio (%)	19.68%	26.61%	29.70%	22.68%	18.88%	17.85%
Debt / Equity Ratio (Times)	0.75	0.61	0.32	0.39	1.99	1.96
Interest Cover Ratio (Times)	1.61	1.24	1.31	1.48	1.44	1.29
Net Interest Margin NIM (%)	8.10%	7.35%	7.69%	8.64%	8.94%	7.96%

*Unaudited

Core Capital ratio

$$\frac{\text{Core equity capital}}{\text{Total risk-weighted assets (RWA).}}$$

Total Risk Weighted capital ratio

$$\frac{\text{Total capital (Tier I capital+ Tier 2 capital)}}{\text{Total risk-weighted assets (RWA).}}$$

Debt/Equity

$$\frac{\text{(Liabilities on Other Financial liabilities due to Customer + Interest bearing loans \& Borrowings + Due to related companies + Bank Overdraft)}}{\text{Total Equity}}$$

Interest Cover ratio

$$\frac{\text{Profit before Interest \& Taxes}}{\text{Interest Expense}}$$

Net Interest margin

$$\frac{\text{Net Interest Income}}{\text{Total earning Assets}}$$

8.6 DEBT SERVICING DETAILS OF PEOPLE'S LEASING & FINANCE PLC

Details of the Debenture interest payments made during the past five years are given below:

Description	2021/22 LKR '000'	2022/23 LKR '000'	2023/24 LKR '000'	2024/25 LKR '000'	2025/26 LKR '000'
Gross Interest due on Debentures	1,875,532	1,555,403	920,896	595,538	432,732
Debenture interest paid on or before due date	1,875,532	1,555,403	920,896	595,538	432,732
Debenture interest paid after due date	-	-	-	-	-
Debenture interest not paid as of to date	-	-	-	-	-

8.7 LITIGATION, DISPUTES AND CONTINGENT LIABILITIES

- Litigation and disputes

Apart from legal proceedings in the normal course of its business, the Company and its subsidiaries are not a party to any litigation, mediation or arbitration proceedings and is not aware of any pending or threatened litigation or arbitration that, if decided adversely to the Company, would have a significant effect upon the Company's financial position/ profitability nor has it been a party to any such proceedings in the recent past.

- Contingent Liabilities of the Company as 30 June 2026 are as follows:

Description of contingent liabilities	LKR '000
Contingent liabilities	960,919
Commitments	36,177,761

*Unaudited

There were no material changes in the composition of contingent liabilities during the latest interim financial period that would affect current and future profits of the Entity.

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தேசிய கணக்காய்வு அலுவலகம்
NATIONAL AUDIT OFFICE

මගේ අංකය / எனது இல. / My No. INF/C/PLF/2026/14 ඔබේ අංකය / உமது இல. / Your No. දිනය / திகதி / Date 13 May 2026

Board of Directors
People's Leasing & Finance PLC

Accountants' Report - People's Leasing & Finance PLC

Introduction

This report has been prepared for the purpose of the prospectus issued in connection with the initial issue of up to Fifty Million (50,000,000), Listed, Rated, Unsecured, Subordinated Redeemable five-year (2026/2031) Debentures ("Debentures") of LKR 100/- each, to raise Sri Lankan Rupees Five Billion (LKR 5,000,000,000/-) with an option to issue up to a further Fifty Million (50,000,000) of the said Debentures in the event of an oversubscription of the initial issue to raise up to a maximum of Sri Lankan Rupees Ten Billion (LKR 10,000,000,000/-) subject to obtaining all necessary regulatory and other approval and that said debentures be listed on the Colombo Stock Exchange (CSE).

I have examined the Financial Statements of People's Leasing & Finance PLC ("Company") and the Consolidated Financial Statements of the Company and its Subsidiaries ("Group") for the years ended 31 March 2021 to 31 March 2025, and report as follows.

1. Incorporation

People's Leasing & Finance PLC is a Public Limited Liability Company incorporated on 22 August 1995 and domiciled in Sri Lanka. The Company has a primary listing on the Colombo Stock Exchange on 24 November 2011. It is a Licensed Finance Company under the Finance Business Act No. 42 of 2011.

The registered office and the principal place of the business is at No 1161, Maradana Road, Colombo 08.

2. Financial Information

2.1 Five-year Summary of Audited Financial Statements

A Summary of Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Statement of Cash flows of the Company and a summary of Consolidated Statement of Profit or Loss, Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity and Consolidated Statement of Cash flows of the Company and its Subsidiaries for the financial years ended 31 March 2021 to 31 March 2025, based on the audited financial statements, which have been audited by me, are set out on Annexure 01 of the Accountants' Report.

2.2 Audited Financial Statements for the Year Ended 31 March 2025

My audit report on the Financial Statements for the year ended 31 March 2025 together with such Financial Statements comprising Statement of Financial Position, Statement of Profit or Loss, Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows along with the accounting policies and notes thereon is available on the website of CSE, www.cse.lk where the management is responsible for the electronic presentation of the audited financial statements and to ensure the electronic version of the audited financial statements and the auditor's report on the website is identical to the final signed hard copy version.

2.3 Audit Reports

The Financial Statements of the Company and the Consolidated Financial Statements of the Company and its Subsidiaries for the years ended 31 March 2021 to 31 March 2025, have been audited by me. Unmodified audit opinions have been issued for the said financial years by my reports dated 07 June 2021, 27 June 2022, 01 June 2023,30 May 2024 and 30 May 2025 respectively.

2.4 Accounting Policies

The Financial Statements of the Company and the Consolidated Financial Statements of the Company and its Subsidiaries for the years ended 31 March 2021 to 31 March 2025 comply with Sri Lanka Accounting Standards.

The accounting policies of the Company and its Subsidiaries are stated in detail in the audited Financial Statements of People's Leasing & Finance PLC for the year ended 31 March 2025.

2.5 Dividends

2.5.1 The Company has paid dividends during the last five years as follows.

Year	Dividend Paid (Rs. '000)	Dividend Per Share (Rs.)
2020/2021	976,622	0.60
2021/2022	2,179,925	1.25
2022/2023	943,598	0.50
2023/2024	2,858,638	1.40
2024/2025	3,016,126	1.40

2.6 Events after Reporting Date

There were no material circumstances that have arisen since the reporting date, which require adjustment to or disclosure in the Financial Statements.

3. **Restriction on Use**

This report is made solely for the purpose of the Board of Directors of People's Leasing & Finance PLC in usage in the application for the purpose of prospectus issued in connection with the issue of up to Fifty Million (50,000,000), Listed, Rated, Unsecured, Subordinated, Redeemable five-year (2026/2031) Debentures ("Debentures") of LKR 100/- each, to raise Sri Lankan Rupees Five Billion (LKR 5,000,000,000/-) with an option to issue up to a further Fifty Million (50,000,000) of the said Debentures in the event of an oversubscription of the initial issue to raise up to a maximum of Sri Lankan Rupees Ten Billion (LKR 10,000,000,000/-) at the discretion of the Company.

L.S.I. Jayaratna
Auditor General

People's Leasing & Finance PLC

STATEMENT OF PROFIT OR LOSS

Year ended 31 March

For the year ended 31st March	Company 2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
Gross income	28,427,584	31,036,624	32,018,308	26,741,380	27,103,798
Interest income	26,088,017	28,853,306	30,196,588	23,881,526	24,983,445
Less: Interest expense	12,016,685	17,200,885	18,206,943	10,832,186	13,064,310
Net interest income	14,071,332	11,652,421	11,989,645	13,049,340	11,919,135
Net earned premium	-	-	-	-	-
Fee and commission income	1,756,723	1,544,820	1,265,287	1,876,524	1,818,675
Net gains/(losses) on financial assets - FVTPL	146,186	135,892	9,143	26,783	162,616
Other operating income	436,658	502,606	547,290	956,547	139,062
Total operating income	16,410,899	13,835,739	13,811,365	15,909,194	14,039,488
Less: Impairment charges for loans and receivables and other losses	(403,301)	(1,155,776)	568,485	655,425	1,043,837
Impairment charges for goodwill	-	-	-	121,611	99,209
Net operating income	16,814,200	14,991,515	13,242,880	15,132,158	12,896,442
Less: Expenses					
Personnel expenses	4,864,568	4,248,112	4,488,546	4,002,414	3,465,373
Depreciation and amortisation	682,989	669,936	698,572	700,043	722,994
Benefits, claims and underwriting expenditure	-	-	-	-	-
Other operating expenses	3,471,383	2,776,611	2,082,538	2,134,497	1,612,859
Total operating expenses	9,018,940	7,694,659	7,269,656	6,836,954	5,801,226
Operating profit before taxes on financial services	7,795,260	7,296,856	5,973,224	8,295,204	7,095,216
Less : Tax on financial services	2,006,924	1,920,924	1,631,468	1,645,111	1,222,628
Profit before income tax expense	5,788,336	5,375,932	4,341,756	6,650,093	5,872,588
Less : Income tax expense	2,184,959	1,835,435	1,324,118	1,991,084	1,839,568
Profit for the year	3,603,377	3,540,497	3,017,638	4,659,009	4,033,020
Profit attributable to					
Equity holders of the Company	3,603,377	3,540,497	3,017,638	4,659,009	4,033,020
Non-controlling interest	-	-	-	-	-
Profit for the year	3,603,377	3,540,497	3,017,638	4,659,009	4,033,020
Basic / Diluted earnings per ordinary share (Rs.)	1.67	1.64	1.48	2.47	2.37
Dividend per Ordinary share (Rs.)	1.40	1.40	0.50	1.25	0.60

Financial Statements for the last five years have been extracted from the audited financial statements.

Priyankara Gangabadage
Acting Chief Financial Officer

Sanjeewa Bandaranayake
Chief Executive Officer

People's Leasing & Finance PLC

STATEMENT OF PROFIT OR LOSS

Year ended 31 March

For the year ended 31st March	Group 2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
Gross income	35,916,302	37,552,858	39,162,645	32,630,986	33,645,265
Interest income	29,525,694	32,216,697	33,406,918	25,926,792	26,821,838
Less: Interest expense	13,065,611	18,266,659	19,270,402	11,205,126	13,375,197
Net interest income	16,460,083	13,950,038	14,136,516	14,721,666	13,446,641
Net earned premium	4,574,399	3,735,325	4,673,853	4,939,071	5,028,549
Fee and commission income	1,262,706	979,395	691,195	1,321,513	1,198,054
Net gains/(losses) on financial assets - FVTPL	182,398	124,229	4,168	86,525	228,258
Other operating income	371,105	497,212	386,511	357,085	368,566
Total operating income	22,850,691	19,286,199	19,892,243	21,425,860	20,270,068
Less: Impairment charges for loans and receivables and other losses	(383,497)	(1,354,204)	703,962	951,756	1,352,489
Impairment charges for goodwill	-	-	-	121,611	99,209
Net operating income	23,234,188	20,640,403	19,188,281	20,352,493	18,818,370
Less: Expenses					
Personnel expenses	6,448,279	5,541,660	5,731,934	4,946,747	4,354,636
Depreciation and amortisation	638,254	613,868	660,133	638,664	647,693
Benefits, claims and underwriting expenditure	2,937,798	2,668,198	3,251,671	3,228,475	2,663,347
Other operating expenses	4,222,297	3,391,028	2,540,760	2,607,480	2,048,058
Total operating expenses	14,246,628	12,214,754	12,184,498	11,421,366	9,713,734
Operating profit before taxes on financial services	8,987,560	8,425,649	7,003,783	8,931,127	9,104,636
Less : Tax on financial services	2,108,182	1,996,425	1,673,580	1,705,797	1,273,966
Profit before income tax expense	6,879,378	6,429,224	5,330,203	7,225,330	7,830,670
Less : Income tax expense	2,789,133	2,231,793	1,888,502	2,407,161	2,234,336
Profit for the year	4,090,245	4,197,431	3,441,701	4,818,169	5,596,334
Profit attributable to					
Equity holders of the Company	3,998,783	3,994,917	3,507,014	4,805,731	5,294,015
Non-controlling interest	91,462	202,514	(65,313)	12,438	302,319
Profit for the year	4,090,245	4,197,431	3,441,701	4,818,169	5,596,334
Basic / Diluted earnings per ordinary share (Rs.)	1.86	1.85	1.72	2.35	3.11

Financial Statements for the last five years have been extracted from the audited financial statements.

Priyankara Gangabadage
Acting Chief Financial Officer

Sanjeewa Bandaranayake
Chief Executive Officer

People's Leasing & Finance PLC

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March

For the year ended 31st March	Company 2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
Profit for the year	3,603,377	3,540,497	3,017,638	4,659,009	4,033,020
Other comprehensive income, net of tax					
Items to be reclassified to profit or loss in subsequent years (net of tax):					
Net gains/(losses) arising from translating the Financial Statements of the foreign subsidiary	-	-			
Net items to be reclassified to profit or loss in subsequent years	-	-			
Items not to be reclassified to profit or loss in subsequent years (net of tax):					
Net actuarial gains/(losses) on defined benefit plans					
Actuarial gains and losses on retirement benefit obligation	(134,126)	**(17,890)**	57,764	(31,732)	107,003
Deferred tax effect on actuarial gains and losses	40,238	**5,368**	(17,329)	7,616	(29,961)
Financial assets - Fair value through other comprehensive income					
Gains/(losses) on re-measuring	131,792	214,016	(195,940)	(207,831)	(15,263)
Deferred tax effect on above	(39,537)	(64,200)	58,789	49,817	
Net items not to be reclassified to profit or loss in subsequent years	(1,633)	137,294	(96,716)	(182,130)	61,779
Other comprehensive income for the year, net of tax	(1,633)	137,294	(96,716)	(182,130)	61,779
Total comprehensive income for the year	3,601,744	3,677,791	2,920,922	4,476,879	4,094,799
Attributable to:					
Equity holders of the Company	(1,633)	137,294	(96,716)	(182,130)	61,779
Non-controlling interest	-	-			-
Other comprehensive income for the year, net of tax	(1,633)	137,294	(96,716)	(182,130)	61,779
Total comprehensive income for the year	3,601,744	3,677,791	2,920,922	4,476,879	4,094,799

Financial Statements for the last five years have been extracted from the audited financial statements

....
Priyankara Gangabadage
Acting Chief Financial Officer

....
Sanjeewa Bandaranayake
Chief Executive Officer

People's Leasing & Finance PLC

STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 March

For the year ended 31st March	Group 2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
Profit for the year	4,090,245	4,197,431	3,441,701	4,818,169	5,596,334
Other comprehensive income, net of tax					
Items to be reclassified to profit or loss in subsequent years (net of tax):					
Net gains/(losses) arising from translating the Financial Statements of the foreign subsidiary	(148,962)	(625,269)	(594,615)	1,439,171	141,728
Net items to be reclassified to profit or loss in subsequent years	(148,962)	(625,269)	(594,615)	1,439,171	141,728
Items not to be reclassified to profit or loss in subsequent years (net of tax):					
Net actuarial gains/(losses) on defined benefit plans					
Actuarial gains and losses on retirement benefit obligation	(143,496)	(26,787)	67,120	(28,272)	106,891
Deferred tax effect on actuarial gains and losses	43,048	8,139	(20,136)	7,795	(27,600)
Financial assets - Fair value through other comprehensive income					
Gains/(losses) on re-measuring	83,694	329,798	(248,491)	(207,831)	(5,512)
Deferred tax effect on above	(25,108)	(97,944)	74,554	49,817	
Net items not to be reclassified to profit or loss in subsequent years	(41,862)	213,206	(126,953)	(178,491)	73,689
Other comprehensive income for the year, net of tax	(190,824)	(412,063)	(721,568)	1,260,680	215,417
Total comprehensive income for the year	3,899,421	3,785,368	2,720,133	6,078,849	5,811,751
Attributable to:					
Equity holders of the Company	(107,775)	(124,716)	(426,193)	555,132	212,979
Non-controlling interest	(83,049)	(287,347)	(295,375)	705,548	2,438
Other comprehensive income for the year, net of tax	(190,824)	(412,063)	(721,568)	1,260,680	215,417
Total comprehensive income for the year	3,899,421	3,785,368	2,720,133	6,078,849	5,811,751

Financial Statements for the last five years have been extracted from the audited financial statements.

Priyankara Gangabadage
Acting Chief Financial Officer

Sanjeewa Bandaranayake
Chief Executive Officer

People's Leasing & Finance PLC

STATEMENT OF FINANCIAL POSITION

As at 31 March

	Company				
	2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
Assets					
Cash and cash equivalents	18,696,732	9,728,132	5,844,798	4,668,830	2,703,031
Balances with banks & financial institutions	3,031,551	14,288,282	29,839,914	5,117,866	5,399,071
Financial assets -Fair value through profit or loss	275,550	1,339,867	203,975	25,140	109,787
Loans and receivables - Amortised cost	157,092,387	103,650,453	114,277,945	151,274,454	141,387,907
Insurance and reinsurance receivables	-	-	-	-	-
Financial assets - Fair value through other comprehensive income	1,292,140	1,158,669	944,653	1,333,278	309,118
Debt instrument - Amortised cost	5,161,177	18,372,055	10,903,577	9,827,221	6,994,206
Investments in subsidiaries	3,832,151	3,455,229	3,291,604	3,213,788	3,213,788
Investment property	302,000	295,465	284,961	-	-
Other assets	1,040,658	3,981,818	1,030,138	749,155	575,220
Property, plant and equipment	1,787,796	1,361,384	1,481,005	1,413,776	1,049,250
Right of use assets	1,872,168	1,360,775	1,615,939	1,972,380	2,242,444
Deferred tax assets	59,322	818,949	1,335,460	1,146,726	415,841
Goodwill and intangible assets	34,719	41,010	19,193	21,965	146,446
Current tax receivables	52,589	-			
Total assets	194,530,940	159,852,088	171,073,162	180,764,579	164,546,109
Liabilities					
Due to banks	11,436,573	2,263,494	7,724,671	11,749,332	6,439,110
Due to customers	124,529,684	97,437,726	100,935,114	103,367,904	101,502,931
Debt securities issued	5,014,652	11,032,248	16,706,049	17,244,313	13,825,553
Other financial liabilities	6,415,071	3,188,693	1,457,388	3,636,528	4,131,671
Lease Liabilities	2,236,091	1,636,537	1,753,723	2,099,050	2,286,386
Current tax liabilities	-	295,474	1,013,703	1,851,676	362,450
Other liabilities	1,486,395	1,393,241	1,016,790	1,369,054	1,069,120
Retirement Benefit Obligation	1,000,719	778,537	673,659	668,411	587,257
Total liabilities	152,119,185	118,025,950	131,281,097	141,946,268	130,204,678
Equity					
Stated capital	19,230,479	19,230,479	18,015,559	17,071,961	14,892,036
Statutory reserve fund	3,147,965	2,967,853	2,790,828	2,639,946	2,406,995
Retained earnings	19,976,739	19,884,827	19,556,826	19,481,612	17,159,777
Other reserves	56,572	(257,021)	(571,148)	(375,208)	(117,377)
Total equity attributable to equity holders of the Company	42,411,755	41,826,138	39,792,065	38,818,311	34,341,431
Non-controlling interest	-	-			
Total equity	42,411,755	41,826,138	39,792,065	38,818,311	34,341,431
Total liabilities and equity	194,530,940	159,852,088	171,073,162	180,764,579	164,546,109
Contingent liabilities and commitments	19,052,614	14,240,316	5,626,774	6,852,234	10,998,111
Net asset value per ordinary share (Rs.)	19.69	19.41	19.49	20.57	20.15

Financial Statements for the last five years have been extracted from the audited financial statements.

Priyankara Gangabadage
Acting Chief Financial Officer

Sanjeewa Bandaranayake
Chief Executive Officer

The Board of Directors is responsible for these Financial Statements.
Approved and signed for and on behalf of the Board by;

Prof. Ajantha Samarakoon
Chairman

Dr. I.N Manawadu
Director

People's Leasing & Finance PLC

STATEMENT OF FINANCIAL POSITION

As at 31 March

	Group 2025 Rs. '000	2024 Rs. '000	2023 Rs. '000	2022 Rs. '000	2021 Rs. '000
Assets					
Cash and cash equivalents	19,583,402	10,636,505	6,316,003	5,407,587	3,844,694
Balances with banks & financial institutions	5,694,273	17,362,955	34,224,917	9,529,518	8,231,101
Financial assets -Fair value through profit or loss	1,290,581	1,451,613	345,093	849,298	1,281,753
Loans and receivables - Amortised cost	170,451,843	116,919,950	125,277,904	163,320,846	149,342,332
Insurance and reinsurance receivables	1,608,354	1,586,697	1,498,065	1,322,528	1,024,461
Financial assets - Fair value through other comprehensive income	1,827,482	1,720,475	1,372,962	1,632,941	735,494
Debt instrument - Amortised cost	11,561,272	23,826,514	15,839,672	16,013,525	8,593,386
Investment property	1,375,175	1,305,512	1,200,317	820,664	820,664
Other assets	1,065,584	4,166,268	1,281,022	831,826	932,018
Property, plant and equipment	4,281,701	3,779,689	3,971,219	4,090,682	4,034,265
Right of use assets	1,553,402	1,287,033	1,272,423	1,539,484	1,591,297
Deferred tax assets	26,560	829,351	1,419,836	1,444,813	394,495
Goodwill and intangible assets	172,532	185,304	137,436	139,603	265,506
Total assets	220,582,288	185,257,866	194,376,869	206,938,315	181,291,466
Liabilities					
Due to banks	10,828,983	7,181,365	11,068,522	15,300,361	9,003,873
Due to customers	130,088,713	103,843,054	107,979,956	111,453,750	103,743,716
Debt securities issued	5,014,652	11,032,248	18,504,956	17,303,223	13,684,516
Other financial liabilities	8,187,438	5,926,092	1,709,574	4,042,322	4,130,795
Insurance liabilities and reinsurance payable	3,458,788	5,508,693	5,206,622	5,903,363	5,015,885
Lease Liabilities	1,778,592	1,554,027	1,477,875	1,588,115	1,614,660
Current tax liabilities	326,594	536,436	1,406,648	2,098,784	885,900
Other liabilities	1,337,036	1,632,764	1,282,218	1,399,030	1,156,822
Retirement Benefit Obligation	1,155,916	897,353	756,320	748,944	657,778
Deferred tax liabilities				323,621	297,568
Total liabilities	170,556,914	136,112,038	147,372,691	159,962,513	140,169,513
Equity					
Stated capital	19,230,479	19,230,479	18,015,559	17,071,961	14,892,036
Statutory reserve fund	3,325,935	3,107,595	2,905,660	2,729,351	2,464,951
Retained earnings	24,431,095	23,976,101	23,248,550	23,122,882	20,682,106
Other reserves	633,005	431,456	349,380	897,111	421,319
Total equity attributable to equity holders of the Company	47,620,514	46,745,631	44,519,149	43,821,275	38,460,412
Non-controlling interest	2,404,860	2,400,197	2,485,029	3,154,527	2,661,541
Total equity	50,025,374	49,145,828	47,004,178	46,975,802	41,121,953
Total liabilities and equity	220,582,288	185,257,866	194,276,869	206,938,315	181,291,466
Contingent liabilities and commitments	19,250,948	14,402,895	5,750,578	6,899,223	11,045,100
Net asset value per ordinary share (Rs.)	22.18	21.70	21.80	23.22	22.56

Financial Statements for the last five years have been extracted from the audited financial statements.

Priyankara Gangabadage
Acting Chief Financial Officer

Sanjeewa Bandaranayake
Chief Executive Officer

The Board of Directors is responsible for these Financial Statements.
Approved and signed for and on behalf of the Board by;

Prof. Ajantha Samarakoon
Chairman

Dr. LN Manawadu
Director

05 May 2026
Colombo

People's Leasing & Finance PLC

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March

			Other Reserves			
Company	Capital	Statutory Reserve Fund	Regulatory loss allowance	Fair Value Reserve	Retained Earnings	Total Equity
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2020	13,915,414	2,205,344		(102,114)	14,227,988	30,246,632
Total comprehensive income for the year						
Profit/(loss) for the year				-	4,033,020	4,033,020
Other comprehensive income (net of tax)				(15,263)	77,042	61,779
Total comprehensive income for the year				(15,263)	4,110,062	4,094,799
Transactions with equity holders, recognised directly in equity						
Transfers to reserves		201,651		-	(201,651)	-
Dividend paid - Interim		-		-	(162,770)	(162,770)
- Final	976,622	-		-	(813,852)	162,770
Total transactions with equity holders	976,622	201,651	-	-	(1,178,273)	
Balance as at 31st March 2021	14,892,036	2,406,995		(117,377)	17,159,777	34,341,431
Balance as at 1st April 2021	**14,892,036**	**2,406,995**	-	**(117,377)**	**17,159,777**	**34,341,431**
Total comprehensive income for the year						
Profit/(loss) for the year	-	-	-	-	4,659,009	4,659,009
Other comprehensive income (net of tax)	-	-	-	(207,831)	25,701	(182,130)
Total comprehensive income for the year	-	-	-	(207,831)	4,684,710	4,476,879
Transactions with equity holders, recognised directly in equity						
Transfers to reserves	-	232,950	-	(50,000)	(182,950)	-
Dividend paid - Interim	2,179,925	-	-	-	(2,179,925)	-
Total transactions with equity holders	2,179,925	232,950	-	(50,000)	(2,362,875)	-
Balance as at 31st March 2022	17,071,961	2,639,945	-	(375,208)	19,481,612	38,818,310
Balance as at 1st April 2022	**17,071,961**	**2,639,945**	-	**(375,208)**	**19,481,612**	**38,818,310**

Total comprehensive income for the year						
Profit/(loss) for the year	-	-	-	-	3,017,638	3,017,638
Other comprehensive income (net of tax)	-	-	-	(195,940)	99,224	(96,716)
Total comprehensive income for the year	-	-	-	**(195,940)**	**3,116,862**	**2,920,922**
Transactions with equity holders, recognised directly in equity						
Transfers to reserves	-	150,882	-	-	(150,882)	-
Dividend paid - Final	943,598	-	-	-	(943,598)	-
Total transactions with equity holders	**943,598**	**150,882**	-	-	**(1,094,480)**	-
Balance as at 31st March 2023	**18,015,559**	**2,790,827**	-	**(571,148)**	**19,556,827**	**39,792,065**
Balance as at 1st April 2023	18,015,559	2,790,828	-	(571,148)	19,556,826	39,792,065
Total comprehensive income for the year						
Profit/(loss) for the year	-	-	-	-	3,540,497	3,540,497
Other comprehensive income (net of tax)	-	-	-	214,016	(76,722)	137,294
Total comprehensive income for the year	-	-	-	214,016	3,463,775	3,677,791
Transactions with equity holders, recognised directly in equity						
Transfers to reserves	-	177,025	100,111	-	(277,136)	-
Dividend paid - Scrip	1,214,920	-	-	-	(1,429,319)	(214,399)
- Cash	-	-	-	-	(1,429,319)	(1,429,319)
Total transactions with equity holders	1,214,920	177,025	100,111	-	(3,135,774)	(1,643,717)
Balance as at 31st March 2024	19,230,479	2,967,853	100,111	(357,132)	19,884,827	41,826,138
Balance as at 1st April 2024	**19,230,479**	**2,967,853**	**100,111**	**(357,132)**	**19,884,827**	**41,826,138**
Total comprehensive income for the year						
Profit/(loss) for the year	-	-	-	-	3,603,377	3,603,377
Other comprehensive income (net of tax)	-	-	-	131,792	(133,426)	(1,634)
Total comprehensive income for the year	-	-	-	**131,792**	**3,469,951**	**3,601,743**
Transactions with equity holders, recognised directly in equity						
Transfers to reserves	-	180,112	181,801	-	(361,913)	-
Dividend paid - Scrip	-	-	-	-	-	-
- Cash	-	-	-	-	(3,016,126)	(3,016,126)
Total transactions with equity holders	-	**180,112**	**181,801**	-	**(3,378,039)**	**(3,016,126)**
Balance as at 31st March 2025	19,230,479	3,147,965	281,912	(225,340)	19,976,739	42,411,755

Financial Statements for the last five years have been extracted from the audited financial statements.

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Priyankara Gangabadage
Acting Chief Financial Officer

....
Sanjeewa Bandaranayake
Chief Executive Officer

People's Leasing & Finance PLC

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March

Group	Capital	Statutory Reserve Fund	Other Reserves: Regulatory loss allowance reserve	Other Reserves: Fair Value Reserve	Other Reserves: Foreign currency translation reserve	Retained Earnings	Total	Non-controlling Interest	Total Equity
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Balance as at 1st April 2020	13,915,414	2,235,077	-	(116,005)	401,108	16,517,824	32,953,418	2,356,784	35,310,202
Total comprehensive income for the year									
Profit/(loss) for the year						5,294,015	5,294,015	302,319	5,596,334
Other comprehensive income (net of tax)				(5,512)	141,728	76,763	212,979	2,438	215,417
Total comprehensive income for the year				(5,512)	141,728	5,370,778	5,506,994	304,757	5811751
Transactions with equity holders, recognized directly in equity									
Transfers to reserves		229,874	-	-	-	(229,874)			
Dividend paid - Interim		-	-	-	-	(162,770)	(162,770)	-	(162,770)
Final	976,622	-	-	-	-	(813,852)	162,770	-	162770
Total transactions with equity holders	976,622	229,874	-	-	-	(1,206,496)	-	-	-
					-				
Balance as at 31st March 2021	14,892,036	2,464,951		(121,517)	542,836	20,682,106	38,460,412	2,661,541	41,121,953
Balance as at 1st April 2021	14,892,036	2,464,951	-	(121,517)	542,836	20,682,106	38,460,412	2,661,541	41,121,953
Total comprehensive income for the year									
Profit/(loss) for the year	-	-	-	-	-	4,805,731	4,805,731	12,438	4,818,169
Other comprehensive income (net of tax)	-	-		(207,831)	733,623	29,340	555,132	705,548	1,260,680
Total comprehensive income for the year	-	-	-	(207,831)	733,623	4,835,071	5,360,863	717,986	6,078,849

People's Leasing & Finance PLC

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March

Transactions with equity holders, recognised directly in equity									
Transfers to reserves	-	264,401	-	(50,000)	-	(214,401)	-	-	-
	-	-	-	-	-	-	-	-	-
Dividend paid - Interim	2,179,925	-	-	-	-	(2,179,925)	-	(225,000)	(225,000)
Total transactions with equity holders	2,179,925	264,401	-	(50,000)	-	(2,394,326)	-	(225,000)	(225,000)
Balance as at 31st March 2022	17,071,961	2,729,352	-	(379,348)	1,276,459	23,122,851	43,821,275	3,154,527	46,975,802
Balance as at 1st April 2022	17,071,961	2,729,352	-	(379,348)	1,276,459	23,122,851	43,821,275	3,154,527	46,975,802
Adjustment for Surcharge Tax levied under Surcharge Tax Act No. 14 of 2022	-	-	-	-	-	(2,382,947)	(2,382,947)	(110,146)	(2,493,093)
Adjusted balance as at 1st April 2022	17,071,961	2,729,352	-	(379,348)	1,276,459	20,739,904	41,438,328	3,044,381	44,482,709
Movement due to change in ownership	-	-	-	-		-	-	74,764	74,764
Total comprehensive income for the year									
Profit/(loss) for the year	-	-	-	-	-	3,507,014	3,507,014	(65,313)	3,441,701
Other comprehensive income (net of tax)	-	-	-	(248,491)	(299,240)	121,538	(426,193)	(295,375)	(721,568)
Total comprehensive income for the year	-	-	-	(248,491)	(299,240)	3,628,552	3,080,821	(285,924)	2,794,897
Transactions with equity holders, recognised directly in equity									
Transfers to reserves	-	176,310	-	-	-	(176,310)	-	-	-
Dividend paid - Final	943,998	-	-	-	-	(943,998)	-	(273,428)	(273,428)
Total transactions with equity holders	943,998	176,310	-	-	-	(1,119,908)	-	(273,428)	(273,428)
Balance as at 31st March 2023	18,015,559	2,905,662	-	(627,839)	977,219	23,248,548	44,519,149	2,485,029	47,004,178
Balance as at 1st April 2023	18,015,559	2,905,660	-	(627,839)	977,219	23,248,548	44,519,149	2,485,029	47,004,178
Total comprehensive income for the year									
Profit/(loss) for the year	-	-	-	-	-	3,994,917	3,994,917	202,514	4,197,431
Other comprehensive income (net of tax)	-	-		300,852	(318,887)	(106,681)	(124,716)	(287,347)	(412,063)
Total comprehensive income for the year	-	-	-	300,852	(318,887)	3,888,236	3,870,201	(84,833)	3,785,368

People's Leasing & Finance PLC

STATEMENT OF CHANGES IN EQUITY

Year ended 31 March

Transactions with equity holders, recognised directly in equity									
Transfers to reserves	-	201,936	100,111	-	-	(302,047)	-	-	-
Dividend paid - Scrip	1,214,920	-	-	-	-	(1,429,319)	(214,399)	-	(214,399)
-Cash	-	-	-	-	-	(1,429,319)	(1,429,319)	-	(1,429,319)
Total transactions with equity holders	1,214,920	201,936	100,111	-	-	(3,160,685)	(1,643,718)	-	(1,643,718)
Balance as at 31st March 2024	19,230,479	3,107,596	100,111	(326,987)	658,332	23,976,101	46,745,632	2,400,196	49,145,828
Balance as at 1st April 2024	**19,230,479**	**3,107,596**	**100,111**	**(326,987)**	**658,332**	**23,976,101**	**46,745,632**	**2,400,196**	**49,145,828**
Movement due to change in ownership	-	-	-	-		-	-	150,555	150,555
Total comprehensive income for the year									
Profit/(loss) for the year	-	-	-	-	-	3,998,783	3,998,783	91,462	4,090,245
Other comprehensive income (net of tax)	-	-	-	95,719	75,971	127,523	(107,775)	(83,049)	(190,824)
Total comprehensive income for the year	-	-	-	**95,719**	**75,971**	**3,871,260**	**3,891,008**	**158,968**	**4,049,976**
Transactions with equity holders, recognised directly in equity									
Transfers to reserves	-	218,339	181,801	-	-	(400,140)	-	-	-
Dividend paid - Scrip	-	-	-	-	-	-	-	(154,304)	(154,304)
-Cash	-	-	-	-	-	(3,016,126)	(3,016,126)	-	(3,016,126)
Total transactions with equity holders	-	**218,339**	**181,801**	-	-	**(3,416,266)**	**(3,016,126)**	**(154,304)**	**(3,170,430)**
Balance as at 31st March 2025	**19,230,479**	**3,325,935**	**281,912**	**(231,268)**	**582,361**	**24,431,095**	**47,620,514**	**2,404,860**	**50,025,374**

Financial Statements for the last five years have been extracted from the audited financial statements.

....
Priyankara Gangabadage
Acting Chief Financial Officer

....
Sanjeewa Bandaranayake
Chief Executive Officer

People's Leasing & Finance PLC

STATEMENT OF CASH FLOWS

Year ended 31 March

For the year ended 31st March	2025 Rs.'000	2024 Rs.'000	Company 2023 Rs.'000	2022 Rs.'000	2021 Rs.'000
Cash flows from operating activities					
Income from cash and cash equivalent	724,963	532,545	877,597	159,743	73,753
Payments to loans and receivables	(166,432,887)	(82,001,794)	(49,479,703)	(123,938,484)	(147,847,269)
Receipts from loans and receivables	141,513,583	118,689,051	108,112,701	137,034,283	78,976,592
Investment in balances with banks & financial institutions	(8,987,388)	(83,467,033)	(96,735,533)	(30,785,830)	(28,145,286)
Receipts from balances with banks & financial institutions	21,097,377	101,913,162	34,982,057	31,510,851	22,294,433
Investment in debt instrument at amortized cost	(30,660,972)	(64,224,591)	(40,967,052)	(31,590,600)	(22,598,347)
Receipts from debt instrument at amortized cost	48,062,787	57,374,968	42,620,849	29,316,856	20,089,756
Payment of due to customers	(141,572,835)	(130,632,152)	(164,570,652)	(122,737,129)	(99,054,813)
Receipts from due to customers	157,217,301	111,782,579	147,334,387	118,799,179	83,652,982
Receipt from other income	3,946	14,285	4,258	2,079	1,711
Investment in financial assets - fair value through profit or loss	(6,000,000)	(1,200,000)	(189,797)	(4,573,220)	(3,881,716)
Proceeds from financial assets - fair value through profit or loss	7,210,503	200,000	1,616	4,684,650	9,966,264
Receipt from Financial assets - fair value through OCI	81,846	81,549	313,654	3,756	-
Investment in Financial assets - fair value through OCI	-	-	-	(1,150,081)	-
Payment for personnel expenses	(4,918,235)	(4,158,811)	(4,724,920)	(3,709,482)	(3,575,458)
Payment for operating lease liability	(711,509)	(658,199)	(651,359)	(667,068)	(655,969)
Payment for other operating activities	(5,170,064)	(4,567,545)	(3,796,402)	(3,444,374)	(872,388)
Dividend income from investments	4,757	257,556	345,930	711,841	-
Gratuity paid	(70,168)	(88,387)	(92,658)	(33,471)	(30,353)
Income tax paid	(1,685,532)	(1,836,478)	(4,256,539)	(1,175,310)	(3,349,938)
Net cash generated from/(used in) operating activities	**9,707,433**	**18,018,912**	**9,126,431**	**(3,601,901)**	**4,263,914**
Cash flows from investing activities					
Purchase of property, plant and equipment	(585,981)	(168,935)	(253,253)	(385,714)	(104,690)
Proceeds from the sale of property, plant and equipment	726	236,008	39,867	14,005	54,832
Purchase of intangible assets	(4,384)	(30,248)	(7,684)	(10,325)	(360)
Dividends received from investments	-	-	-	-	110,673
Net cash (used in)/generated from investing activities	**(589,639)**	**36,825**	**(221,070)**	**(382,034)**	**60,455**
Cash flows from financing activities					
Payment for due to banks	(15,954,862)	(8,598,526)	(7,618,774)	(1,946,889)	(3,886,355)
Borrowing from due to banks	24,500,000	-	2,800,000	7,000,000	1,000,000
Payment for debt securities issued	(6,613,134)	(6,594,697)	(2,893,667)	(8,456,772)	(6,589,468)
Borrowing from debt securities issued	-	-	-	10,000,000	-
Dividend paid to shareholders	(3,006,809)	(1,426,208)	17	80	(1,345)
Dividend paid to non-controlling interest	-	-	-	-	-
Net cash (used in)/generated from financing activities	**(1,074,805)**	**(14,619,431)**	**(7,712,424)**	**6,596,419**	**(9,477,168)**
Net (decrease) in cash & cash equivalents	**8,042,989**	**3,428,306**	**1,192,937**	**2,612,484**	**(5,152,799)**
Cash and cash equivalents at the beginning of the year	9,220,384	5,792,078	4,599,141	1,986,657	7,139,456
Cash and cash equivalents at the end of the year	**17,263,373**	**9,220,384**	**5,792,078**	**4,599,141**	**1,986,657**
Cash and cash equivalents	18,696,731	9,728,132	5,844,798	4,668,831	2,703,031
Bank overdraft	(1,433,358)	(507,748)	(52,720)	(69,690)	(716,374)
Cash and cash equivalents at the end of the year	17,263,373	9,220,384	5,792,078	4,599,141	1,986,657

Financial Statements for the last five years have been extracted from the audited financial statements

Priyankara Gangabadage
Acting Chief Financial Officer

Sanjeewa Bandaranayake
Chief Executive Officer

People's Leasing & Finance PLC

STATEMENT OF CASH FLOWS

Year ended 31 March

For the year ended 31st March	2025	2024	Group 2023	2022	2021
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Cash flows from operating activities					
Income from cash and cash equivalent	727,193	562,002	884,528	176,535	183,507
Payments to loans and receivables	(175,731,375)	(92,368,567)	(96,532,319)	(128,649,697)	(50,862,600)
Receipts from loans and receivables	153,231,820	128,330,292	116,824,867	139,838,872	81,166,978
Investment in balances with banks & financial institutions	(10,986,869)	(85,239,739)	(102,232,584)	(34,428,160)	(26,225,919)
Receipts from balances with banks & financial institutions	24,607,215	105,971,828	81,747,062	34,065,096	25,405,664
Investment in debt instrument at amortized cost	(39,051,120)	(98,672,625)	(45,092,821)	(27,483,431)	(23,741,050)
Receipts from debt instrument at amortized cost	55,509,300	61,324,640	47,916,827	31,022,471	20,339,756
Payment of due to customers	(147,375,385)	(135,582,552)	(169,175,292)	(124,719,248)	(97,571,015)
Receipts from due to customers	163,951,468	115,507,546	150,395,668	124,371,380	83,317,190
Receipt from other income	204,750	184,865	184,223	219,288	216,256
Investment in financial assets - fair value through profit or los	(6,924,544)	(1,200,000)	(286,151)	(5,221,552)	(18,028,730)
Proceeds from financial assets - fair value through profit or lo	7,267,974	217,709	794,525	5,740,332	18,173,826
Receipt from Financial assets - fair value though OCI	178,574	103,589	566,386	156,328	979,028
Investment in Financial assets - fair value through OCI	-	-	(452,428)	(1,175,931)	(264,333)
Payment for personnel expenses	(6,422,964)	(5,419,653)	(5,986,957)	(4,655,596)	(4,377,522)
Payment for operating lease liability	(593,020)	(436,000)	(438,364)	(385,273)	(409,587)
Payment for other operating activities	(5,681,396)	(5,073,934)	(4,577,398)	(3,623,313)	(885,891)
Premium received from customers	4,462,741	3,646,083	4,498,318	4,641,005	5,199,821
Claims paid	(2,987,704)	(2,390,120)	(3,948,434)	(2,340,996)	(2,712,682)
Dividend income from investments	5,430	9,772	7,854	6,216	-
Gratuity paid	(91,517)	(107,313)	(100,821)	(39,309)	(13,148)
Income tax paid	(1,968,527)	(2,142,485)	(3,317,964)	(1,958,933)	(3,554,648)
Net cash generated from/(used in) operating activities	**10,327,024**	**17,290,162**	**9,738,503**	**(4,841,735)**	**6,294,995**
Cash flows from investing activities					
Purchase of property, plant and equipment	(783,457)	(206,483)	(234,426)	(347,456)	(152,324)
Proceeds from the sale of property, plant and equipment	17,304	256,152	88,898	191,604	210,359
Purchase of intangible assets	(15,768)	(64,610)	(12,781)	(32,835)	(11,661)
Dividends received from investments	-	-	-	-	918
Net cash (used in)/generated from investing activities	**(781,921)**	**(14,941)**	**(158,309)**	**(188,687)**	**47,292**
Cash flows from financing activities					
Payment for due to banks	(18,138,301)	(8,041,178)	(9,082,471)	(2,504,664)	(5,315,691)
Borrowing from due to banks	26,823,963	2,581,519	2,799,279	7,250,000	1,500,000
Payment for debt securities issued	(6,613,134)	(6,450,482)	(2,077,567)	(8,440,722)	(6,576,514)
Borrowing from debt securities issued	-	-	-	10,000,000	-
Dividend paid to shareholders	(3,006,809)	(1,426,208)	17	80	(1,343)
Dividend paid to non-controlling interest	(3,750)	-	(123,900)	(150,000)	-
Net cash (used in)/generated from financing activities	**(938,031)**	**(13,336,349)**	**(8,484,642)**	**6,154,694**	**(10,387,550)**
Net (decrease) in cash & cash equivalents	**8,607,072**	**3,938,872**	**1,095,552**	**1,124,272**	**(4,045,263)**
Cash and cash equivalents at the beginning of the year	9,111,511	5,172,639	4,077,087	2,952,815	6,998,078
Cash and cash equivalents at the end of the year	**17,718,583**	**9,111,511**	**5,172,639**	**4,077,087**	**2,952,815**
Cash and cash equivalents	19,583,401	10,636,506	6,316,003	5,402,587	3,844,694
Bank overdraft	(1,864,818)	(1,524,995)	(1,143,364)	(1,325,500)	(891,879)
Cash and cash equivalents at the end of the year	17,718,583	9,111,511	5,172,639	4,077,087	2,952,815

Financial Statements for the last five years have been extracted from the audited financial statements.

Priyankara Gangabadage
Acting Chief Financial Officer

Sanjeewa Bandaranayake
Chief Executive Officer

9.0 STATUTORY DECLARATIONS

9.1 STATUTORY DECLARATION BY THE DIRECTORS

We, the undersigned who are named in the Prospectus issued by People's Leasing & Finance PLC 'The Company' in connection with its Issue of up to 100,000,000 Listed, Rated, Unsecured, Subordinated, Redeemable Debentures ('The Prospectus'), as Directors of the Company, hereby declare and confirm that we have seen and read the provisions under the Companies Act No. 07 of 2007 and the Listing Rules of CSE relating to the Issue of the Prospectus, and that the relevant provisions have been complied with.

This Prospectus has been seen, read and approved by the Directors of the Entity and they, collectively and individually, accept full responsibility for the accuracy and completeness of the information given and confirm that the provisions of the CSE Listing Rules, the Companies Act No. 07 of 2007 and any amendments to it from time to time have been complied with, and after making all reasonable enquiries, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement herein misleading or inaccurate. Where representations regarding the future performance of the Entity have been given in the Prospectus, such representations have been made after due and careful enquiry of the information available to the Entity and making assumptions that are considered to be reasonable at the present point in time, in the best judgement of the Directors.

An application has been made to the Colombo Stock Exchange for permission to deal in, and for a listing of all securities in a particular class issued by the Entity and those Securities of the same class which are the subject of this Issue. Such permission will be granted when the Securities are listed on the Colombo Stock Exchange. The Colombo Stock Exchange assumes no responsibility for the correctness of any of the statements made, opinions expressed, reports included or omitted statements/ undisclosed information in this Prospectus. Listing on the Colombo Stock Exchange is not to be taken as an indication of the merits of the Entity or of the Securities issued.

Name of the Director	Position	**Signature**
Prof. S.M.A.K. Samarakoon	Chairman/ Non-Executive, Independent Director	Sgd.
Mr. K.C.J.C. Fonseka	Non- Executive, Non-Independent Director	Sgd.
Mr. P.D. Samarasinghe	Non-Executive, Non-Independent Director	Sgd.
Mr. K.J.D.G. Perera	Non- Executive, Non-Independent Director	Sgd.
Ms. P.G.U. Gallage	Non- Executive, Independent Director	Sgd.
Mr. P.G.A.C. Perera	Non- Executive, Non- Independent Director	Sgd.
Mr. S. Sudarshan	Non- Executive, Independent Director	Sgd.
Ms. K.S.R.Senaratne Loku Kaluge	Non - Executive, Non - Independent Director	Sgd.
Mr. M.J. Thilakarathne	Non- Executive, Non-Independent Director	Sgd.
Dr. I.N. Manawadu	Non- Executive, Independent Director	Sgd

9.2 STATUTORY DECLARATION BY THE JOINT MANAGERS TO THE ISSUE

We, People's Bank Investment Banking Unit, People's Tower, 18th Floor, No. 374, Dr. Colvin R. de Silva Mawatha Colombo 02 who are named in the Prospectus as the Joint Managers to the Issue of People's Leasing & Finance PLC, hereby declare and confirm to the best of our knowledge and belief based on the information provided to us by People's Leasing & Finance PLC, the Prospectus constitutes full and true disclosure of all material facts about the Issue and People's Leasing & Finance PLC, whose Debentures are being listed.

We hereby confirm that People's Bank owns 75% of total shareholding of People's Leasing & Finance PLC and there are common Directors in the two entities

The common seal of People's Bank affixed on the 03 September 2026 at Colombo, in the presence of Chairman and Secretary to the Board of People's Bank.

Sgd.	**Sgd.**
Chairman	Secretary to the Board

We, HNB Investment (Private) Limited of No. 53, Dharmapala Mawatha, Colombo 03, who are named in the Prospectus as the Joint Managers to the Issue hereby declare and confirm that to the best of our knowledge and belief based on the information provided to us by People's Leasing & Finance PLC, the Prospectus constitutes full and true disclosure of all material facts about the Issue and People's Leasing & Finance PLC whose debentures are being listed. Signed by two Directors of HNB Investment Bank (Private) Limited, being duly authorized thereto, at Colombo on this 02 September 2026

Sgd.	**Sgd.**
Director	Director

ANNEXURE I: CREDIT RATING REPORT

Country Head

FitchRatings

RATING ACTION COMMENTARY

Fitch Assigns People's Leasing's Proposed Subordinated Debt Final 'BBB+(lka)'

Mon 07 Sep, 2026 - 5:21 AM ET

Fitch Ratings - Singapore/Colombo - 07 Sep 2026: Fitch Ratings has assigned Sri Lanka-based People's Leasing & Finance PLC's (PLC, A(lka)/Stable) proposed Sri Lankan rupee-denominated subordinated listed debenture issue of up to LKR10 billion a final National Long-Term Rating of 'BBB+(lka)'.

KEY RATING DRIVERS

The proposed debentures will mature in five years and will be listed on the Colombo Stock Exchange. The company plans to use the proceeds to further strengthen its Tier 2 capital base and to maintain capital adequacy compliance.

The proposed debentures are rated two notches below PLC's National Long-Term Rating. This reflects our baseline notching for loss severity for this debt class and our expectation of poor recoveries in the event of default.

We applied our Bank Rating Criteria to rate the proposed debentures, as we believe the prudential capital framework of Sri Lankan finance companies is close to that for banks. There is no additional notching for non-performance risk, as the proposed debentures do not contain going-concern loss-absorption features.

The final rating is the same as the expected rating assigned on 8 May 2026 and follows the receipt of documents conforming to information already received.

PLC's National Long-Term Rating was upgraded to 'A(lka)' from 'A-(lka)' on 24 January 2025 following the upgrade of its parent, People's Bank (Sri Lanka) (PB), to 'AA-(lka)' from 'A(lka)'. PLC's rating reflects Fitch's expectation of extraordinary support from PB, if needed, based on the parent's majority shareholding, PLC's synergistic role and shared branding, offset by the subsidiary's significant size relative to PB. Please refer to our commentary, Fitch Upgrades 10 Sri Lankan NBFIs' Ratings, Affirms 8 Following National

Scale Recalibration, published 24 January 2025, for details on PLC's key rating drivers and sensitivities.

RATING SENSITIVITIES

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

A downgrade of PLC's National Long-Term Rating would lead to a downgrade of the subordinated debt rating.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

An upgrade of PLC's National Long-Term Rating would lead to an upgrade of the subordinated debt rating.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

PUBLIC RATINGS WITH CREDIT LINKAGE TO OTHER RATINGS

PLC's rating is linked to PB's National Long-Term Rating.

RATING ACTIONS

ENTITY / DEBT ⇕	RATING TYPE ⇕	RATING ⇕	RATING ACTION ⇕	PRIOR ⇕
People's Leasing & Finance PLC				
subordinated	Natl LT	BBB+(lka)	New Rating	BBB+(EXP)(lka)

VIEW ADDITIONAL RATING DETAILS

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PARTICIPATION STATUS

The rated entity (and/or its agents) or, in the case of structured finance, one or more of the transaction parties participated in the rating process except that the following issuer(s), if any, did not participate in the rating process, or provide additional information, beyond the issuer's available public disclosure.

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APPLICABLE CRITERIA

National Scale Rating Criteria (pub. 22 Dec 2020)

Non-Bank Financial Institutions Rating Criteria (pub. 01 Feb 2025) (including rating assumption sensitivity)

Bank Rating Criteria (pub. 09 May 2026) (including rating assumption sensitivity)

ADDITIONAL DISCLOSURES

Solicitation Status

Endorsement Policy

Potential Conflicts Resulting from Revenue Concentrations

ENDORSEMENT STATUS

People's Leasing & Finance PLC	EU Endorsed, UK Endorsed

DISCLAIMER & DISCLOSURES

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Copies of the Prospectus and the Application Form can be obtained free of charge from the following collection points.

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Registrar to the Issue Central Depository System Ground Floor M&M Center 341/5, Kotte Road Rajagiriya Tel: +94 11 2356456 / +94 11 7 420 400	**Bankers to the Issue** People's Bank – Union Place Branch People's Tower, 18th Floor No. 374, Dr. Colvin R. de Silva Mawatha Colombo 02. Tel : +94 11 2327151 Fax : +94 11 2328319

Trading Participants of the CSE

Asha Securities Ltd. No.60, 5th Lane, Colombo 03. +94 11 2 429 100 +94 11 2 429 199 asl@ashasecurities.net http://www.ashasecurities.net	Asia Securities (Pvt) Ltd. 4th Floor, Lee Hedges Tower, No.349, Galle Road, Colombo 3. +94 11 7 722 000 +94 11 2 584 864 inquiries@asiasecurities.lk https://www.asiasecurities.lk
ACS Capital (Private) Limited No.44, Guilford Crescent, Colombo 07. Tel: +94 11 789 8302 E-mail: info@acscapital.lk https://www.acscapital.lk	ACAP Stock Brokers (Private) Limited No. 17, Lauries Place, Colombo 04. Tel: +94 704 779 500 E-mail: info@acapstockbrokers.lk acapstockbrokers.lk
Almas Equities (Pvt) Ltd. 3rd Floor, Tower B, Sino Lanka Towers, No. 409, Sri Jayawardenapura Mawatha, Rajagiriya. Tel: +94 707 144 551 Fax: +94 11 2 673 908 info@almasequities.com https://www.almasequities.com	Ambeon Securities (Private) Limited No.100/1, 2nd Floor, Elvitigala Mawatha, Colombo 08. Tel: +94 11 5 328 100 Fax: +94 11 5 328 177 E-mail: info@ambeonsecurities.lk www.taprobane.lk
Bartleet Religare Securities (Pvt) Ltd Level "G", "Bartleet House", 65, Braybrooke Place, Colombo 2. +94 11 4 221 000 +94 11 2 434 985 info@bartleetreligare.com http://www.bartleetreligare.com	Capital Alliance Securities (Pvt) Ltd. 6th Floor, M2M Veranda Offices, No. 34, W. A. D. Ramanayake Mawatha, Colombo 02 Tel: +94 11 2 317 777 Fax: +94 11 2 317 788 info@cal.lk https://cal.lk
Capital Trust Securities (Private) Limited 42, Sir Mohamed Macan Markar Mawatha, Colombo 03. Tel: +94 11 2 174 174/ +94 70 5 666 777	CT Smith Securities (Pvt) Ltd 4-14, Majestic City, 10, Station Road, Colombo 4. Tel. +94 11 2 552 290 - 4 +94 11 2 552 289

Fax: +94 11 2 174 173 E-mail: inquiries@capitaltrust.lk http://www.capitaltrust.lk	info@ctclsa.lk http://www.ctclsa.lk
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First Capital Equities (Pvt) Ltd. Level 12, Vallible Property Building, No. 480, Galle Road, Colombo 03. Tel: +94 11 2 123 901 equity@firstcapital.lk http://www.firstcapital.lk/	First Guardian Equities (Pvt) Ltd. 32nd Floor, East Tower, World Trade Centre, Colombo 1. Tel: +94 11 446 4400 info@fge.lk http://www.fge.lk

HNB Stockbrokers (Pvt) Ltd. No. 53, Dharmapala Mawatha, Colombo 3. Tel: +94 11 2 206 206 Fax: +94 11 2 206 298 / 9 sales@hnbstockbrokers.com http://www.hnbstockbrokers.lk/	**J B Securities (Pvt) Ltd.** 150, St. Joseph Street, Colombo 14. Tel: +94 11 2 490 900 Fax: +94 11 2 430 070 jbs@jb.lk https://www.jbs.lk
John Keells Stock Brokers (Pvt) Ltd. 186, Vauxhall Street, Colombo 2. Tel: +94 11 2 306 250 Fax: +94 11 2 342 068 jkstock@keells.com http://www.jksb.com/	**Lanka Securities (Pvt) Ltd.** 3rd Floor, "M2M Veranda Offices", No 34, W.A.D Ramanayeke Mawatha, Colombo 2. +94 11 4 706 757/ 2 554 942 +94 11 4 706 767 info@lankasec.com http://www.lankasecurities.com
LOLC Securities Limited No.481, T.B. Jayah Mawatha, Colombo 10.	**Nestor Stock Brokers (Pvt) Ltd** The Landmark Building, No 385, Galle Road, Colombo 03.

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NDB Securities (Private) Ltd. Level 2, NDB Capital Building, No. 135, Bauddhaloka Mawatha, Colombo 4. Tel: +94 11 2 131 000 Fax: +94 11 2 314 181 mail@ndbs.lk http://www.ndbs.lk	**Richard Pieris Securities (Pvt) Ltd.** No.310, High Level Road, Nawinna, Maharagama. Tel: +94 11 4 310 500 Fax: +94 11 2 802 385 communication@rpsecurities.com http://www.arpico.com/
Senfin Securities Limited 4th Floor, No.180, Bauddhaloka Mawatha, Colombo 04. Tel: +94 72 949 9400 E-mail: info@senfinsecurities.com senfinsecurities.com	**Softlogic Stockbrokers (Pvt) Ltd.** Level 16, One Galle Face Tower, Colombo 02. Tel: +94 11 7 277 000 Fax: +94 11 7 277 099 info@softlogicstockbrokers.lk https://softlogicstockbrokers.lk/
Sampath Securities (Pvt) Ltd. 5th Floor, 26 B, Alwis Place, Colombo 3. Tel: +94 11 4 711 000 / +94 11 47 11 001 Fax: +94 11 2 394 405 itdivision@sampathsecurities.lk http://www.sampathsecurities.lk	**Somerville Stockbrokers (Pvt) Ltd.** 410/95/1, Bauddhaloka Mawatha, Colombo 07. Tel: +94 11 2 502 858 /+94 11 2 502 862 Fax: +94 11 2 502 852 contact@somerville.lk http://www.somerville.lk
Wealthtrust Securities Limited No. 102/1, Dr. N.M. Perera Mawatha, Colombo 3. Tel: +94 11 2 675 091 – 4 Fax: +94 11 2 689 605 E-Mail: info@wealthtrust.lk www.wealthtrust.lk	**Seylan Bank PLC** Level 3, Seylan Towers 90, Galle Road, Colombo 03 Tel: +94-11 2 456 300 Fax: +94 11 2 452 215 E-mail : info@seylan.lk www.seylan.lk

ANNEXURE III – CUSTODIAN BANKS

Bank of Ceylon (Head Office) 11th Floor, 04, Bank of Ceylon Mawatha Colombo 01. T: +94 11 2 448 348	**Citi Bank, N A** 65 C, Dharmapala Mawatha Colombo 07. T: +94 11 4 794 733
Commercial Bank of Ceylon PLC Commercial House 21, Sir Razik Fareed Mawatha Colombo 01. T: +94 11 2 486 000	**Deutsche Bank AG** Level 21, One Galle Face Tower, No. 1A, Centre Road, Galle Face, Colombo 02. T: +94 11 4 791 103
Hatton National Bank PLC HNB Towers 479, T. B. Jayah Mawatha Colombo 10. T: +94 77 7 712 406	**The Hong Kong and Shanghai Banking Corporation Limited** 24, Sir Baron Jayathilake Mawatha Colombo 01. T: +94 11 4 451 275
People's Bank (Head Office) Treasury, People's Tower, 18th Floor No. 374, Dr. Colvin R. de Silva Mawatha Colombo 02. Tel : +94 11 374 1845	**Standard Chartered Bank** 37, York Street Colombo 01. T: +94 11 2 480 450
Sampath Bank PLC 110, Sir James Peiris Mawatha Colombo 02. T: +94 11 5 406 939	**Seylan Bank PLC** Level 7, Seylan Towers 90, Galle Road Colombo 03. T: +94 11 2 456 701, 2 456 764
Union Bank of Colombo PLC 64, Galle Road Colombo 03. T: +94 11 2 374 205	**Nations Trust Bank PLC** No. 46/58, Nawam Mawatha, Colombo 02. T: +94 11 4 313 131
Pan Asia Banking Corporation PLC (Head Office) 450, Galle Road Colombo 03. T: +94 11 2 565 565	**National Development Bank PLC** No.40, Navam Mawatha, Colombo 02 T: +94 (0) 11 2 448 448
DFCC Bank PLC No.73/5, Galle Road, Colombo 03. T: +94 11 2 442 031	**State Bank of India** No. 16, Sir Baron Jayathilake Mawatha, P O Box 93, Colombo 01. T: +94 11 4 622 350