



AN INITIAL ISSUE OF UP TO FIFTY MILLION (50,000,000) DEBENTURES OF BASEL III COMPLIANT TIER 2 LISTED RATED UNSECURED SUBORDINATED REDEEMABLE FIVE-YEAR DEBENTURES (2023/2028) WITH NON-VIABILITY CONVERSION OF THE PAR VALUE OF SRI LANKAN RUPEES ONE HUNDRED (LKR 100/-) EACH BY SEYLAN BANK PLC WITH AN OPTION TO ISSUE UP TO A FURTHER TWENTY MILLION (20,000,000) OF THE SAID DEBENTURES IN THE EVENT OF AN OVERSUBSCRIPTION OF THE INITIAL ISSUE TO RAISE UPTO A MAXIMUM OF SEVENTY MILLION (70,000,000) OF SAID DEBENTURES IN TOTAL

**TO BE LISTED ON THE COLOMBO STOCK EXCHANGE
Rated BBB(lka) on Rating Watch Negative by Fitch Ratings Lanka Limited**

(Please note that this is the minimum rating that is allowed by the CSE for listing debentures. Furthermore, should the rating go below the regulatory requirement of the CSE at a point of time prior to listing, the debenture will not be listed. Should the rating go down post listing, the instrument will be subject to enforcement actions as set out in the listing rules)

ISSUE OPENS ON 20 APRIL 2023

ISSUE IS LIMITED FOR "QUALIFIED INVESTORS" AS DEFINED HEREIN

MANAGERS TO THE ISSUE



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 Bank since the date of this Prospectus. If any material change in the affairs of the Bank occurs subsequent to the Prospectus date and before the Issue Opening, same will be notified by way of an addendum.

By acquiring any Debentures, each Debenture Holder who applied for such debentures irrevocably consents to the principal amount of the Debenture and any accrued and unpaid interest thereon being deemed paid in full by the issuance of ordinary voting shares upon occurrence of a Trigger Event and the resulting Non-viability Conversion required to be effected by the Issuer, Seylan Bank PLC (“The Bank”).

Upon a Non-Viability Conversion:

- i. The Trustee shall not be required to take any further directions from holders/ beneficial owners of the Debentures under the Trust Deed and**
- ii. The Trust Deed shall impose no duties upon the Trustee whatsoever with respect to conversion of the Debentures into ordinary voting shares upon a Trigger Event**
- iii. Upon the occurrence of a Trigger Event, up to the outstanding Debenture of this issue will be converted, on a full and permanent basis**

We advise you to read the contents of the Prospectus carefully prior to investment.

If you are in any doubt regarding the contents of this document or if you require any clarification or advice in this regard, you should consult your Stock Broker, Bank Manager, Lawyer or any other Professional Advisor.

Cautionary Statement

“This investment instrument is riskier than a bank deposit”.

These Debentures with a Non-Viability Conversion are complex products and have provision for loss absorption in the form of Non-viability Conversion as set out in the Prospectus. This means that following the occurrence of a Trigger Event as may be determined by the Central Bank of Sri Lanka, the Bank will convert the Debentures into ordinary voting shares. An investor will be deemed paid in full the principal plus accrued and unpaid interest due on Basel III compliant Debentures, upon such conversion. The number and value of Ordinary Shares to be received on a Non - viability Conversion may be worth significantly less than the par value of the Debentures and can be variable.

Please refer to the ‘Risk Factors Section’ of the Prospectus for further details.

Each potential Qualified investor of these debentures must determine the suitability of investment in light of its own circumstances. In particular, each potential investor may wish to consider, either on its own or with the help of its financial and other professional advisers, whether the investor:

- i. has sufficient knowledge and experience to make a meaningful evaluation of these Debentures, the merits and risks of investing in the Debentures and the information contained or incorporated by reference in this Prospectus;**
- ii. has access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in these Debentures and the impact the Debentures will have on its overall investment portfolio;**
- iii. has sufficient financial resources and liquidity to bear all of the risks of an investment in these Debentures;**
- iv. understands thoroughly the terms of these Debentures, including the provisions relating to the Non- viability Conversion of Basel III compliant Debentures, and is familiar with the behaviour of financial markets; and**
- v. is able to evaluate possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.**

A potential investor should not invest in these Debentures unless the qualified investor has the expertise (either alone or with its financial and other professional advisers) to evaluate how the Debentures will perform under changing conditions, the resulting effects on the value of the Debentures and the impact this investment will have on the potential investor’s overall investment portfolio.

PROSPECTUS

This Prospectus is dated 12 April 2023

Responsibility for the Content of the Prospectus

This Prospectus has been prepared from information provided by Seylan Bank PLC (hereinafter referred as the "Bank" or the "Issuer").

The Board of Directors of Seylan Bank PLC have seen and approved this Prospectus collectively and individually, accept full responsibility for the accuracy of the information given and confirm that after making all reasonable enquiries and to the best of their knowledge and belief, the information contained herein is true and correct in all material respects and that there are no other material facts, the omission of which would make any statement herein misleading or inaccurate.

Where representations regarding the future performance of the Bank have been given in this Prospectus, such representations have been made after due and careful enquiry of the information available to the Bank and making assumptions that are considered to be reasonable at the present point in time in their best judgment.

The Bank accepts responsibility for the information contained in this Prospectus. While the Bank has taken reasonable care to ensure full and fair disclosure of pertinent information, it does not assume responsibility for any investment decisions made by the qualified investors based on the information contained herein. In making such investment decisions, prospective investors are advised to read the Prospectus and rely on their own examination and assessment of the Bank and the terms of the Debentures issued including the risks associated.

For inquiries, please contact the Managers to the Issue, Capital Alliance Partners Limited.

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 the accuracy of the statements made, opinions expressed or reports included in the Prospectus. Moreover, the CSE does not regulate the pricing of Debentures which is decided solely by the Issuer.

REGISTRATION OF THE PROSPECTUS

A copy of the Prospectus has been delivered to the Registrar of Companies for registration in compliance with the provisions of section 40 of the Companies Act No. 7 of 2007. The following are the documents attached to the copy of the Prospectus delivered to the Registrar of Companies for registration pursuant to section 40(1) of the Companies Act.

- a) The written consent of the External Auditors and Reporting Accountants for the inclusion of their name in the Prospectus as External Auditors and Reporting Accountants to the Issue and to the Bank.
- 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 Bank.
- 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) 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 Company Secretary of the Bank for the inclusion of the name in the Prospectus as Company Secretary to the Bank.
- f) The written consent of the Managers to the Issue for the inclusion of their names in the Prospectus as Managers to the Issue.
- g) The written consent of the Registrars to the Issue for the inclusion of their name in the Prospectus as Registrars to the Issue.
- h) The written consent of the Lawyers to the Issue for the inclusion of their name in the Prospectus as Lawyers to the Issue.
- i) The declaration made and subscribed to, by each of the Directors of the Bank herein named as 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 External Auditors and Reporting Accountants to the Issue and the Bank, Trustee to the Issue, Bankers to the Issue, Rating Agency to the Issue, Managers to the Issue, Registrars to the Issue, Lawyers to the Issue and the Secretary to the Issuer 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.

Submission of the Prospectus to the Securities and Exchange Commission of Sri Lanka

A copy of the Prospectus has been delivered to the Securities and Exchange Commission of Sri Lanka prior in compliance with Section 82(2) of the Securities and Exchange Commission of Sri Lanka Act No.19 of 2021.

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 Qualified investors may be affected by the laws of the jurisdiction of their residence. Such qualified investors are responsible to comply with the laws relevant to the country of residence and the laws of Sri Lanka, when making the investment.

Representation

The Debentures are issued solely on the basis of the information contained and representations made in this Prospectus. No dealer, sales person, individual or any other outside party has been authorized to give any information or to make any representation in this 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 Bank.

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 **Section 5.11 “Risks Factors Associated with debentures”** of this Prospectus.

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 Bank 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 Bank operates and its ability to respond to them, the Bank'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 Bank.

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 Bank's present and future business strategies and the environment in which the Bank will operate in the future.

Since there may be risk and uncertainties that may cause the Bank'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 Bank and currency values of economic data or industry data in a local context will be expressed in Sri Lanka Rupees. References in the Prospectus to "LKR", "Rupees" or "Rs." is the lawful currency of Sri Lanka.

Certain numerical figures in the 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 Qualified Investors should indicate in the application for Debentures, their Central Depository Systems (Private) Limited (CDS) account number.

In the event the name, address or NIC number/passport number/company number of the Qualified Investor mentioned in the application form differs 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 Qualified Investor. Therefore, Qualified Investors 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 and Exchange Commission made under Circular No.08/2010 dated 22nd November 2010 and Circular No.13/2010 issued by the CDS dated 30th November 2010, all Debentures are required to be directly deposited in to the CDS. To facilitate compliance with this directive, all Qualified Investors are required to indicate their CDS account number.

In line with this directive, THE DEBENTURES ALLOTTED TO AN INVESTOR WILL BE DIRECTLY DEPOSITED IN THE CDS ACCOUNT OF SUCH INVESTOR, the details of which is indicated in their application form. 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. With respect to Basel III compliant debentures the Bank may require a Qualified Investor to provide such documentation as is reasonably necessary to satisfy itself that the investor is a Qualified Investor.

PLEASE NOTE THAT DEBENTURE CERTIFICATES WILL NOT BE ISSUED.

Qualified Investors who wish to open a CDS account, may do so through a Member/Trading Member of the CSE as set out in Annexure III or through any Custodian Bank as set out in Annexure V of this Prospectus.

ISSUE AT A GLANCE

Issuer	Seylan Bank PLC.
Instrument	BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures with a Non-viability Conversion (Debenture Issue 2023-2028).
Listing	The Debentures will be listed on the Colombo Stock Exchange
Number of Debentures	An initial issue of fifty million (50,000,000) fully paid, BASEL III Compliant Tier 2 Listed Rated Unsecured Subordinated Redeemable Debentures with a Non-Viability Conversion at a par value of LKR 100/- each with an option to issue up to a further twenty million (20,000,000) of such Debentures in the event of an oversubscription of the initial tranche at the discretion of the Bank and in such event, the maximum issue of Debentures totalling to Seventy million (70,000,000).
Amount to be Raised	Sri Lankan Rupees Five Billion (LKR 5,000,000,000/-) with an option to raise a further Sri Lankan Rupees Two Billion (LKR 2,000,000,000/-) in the event of an oversubscription of the first tranche at the discretion of the Bank in order to raise up to a maximum of Sri Lankan Rupees Seven Billion (LKR 7,000,000,000/-).
Issuer Rating	'A-(Ika)'/Rating Watch Negative by Fitch Ratings Lanka Limited
Issue Rating	'BBB(Ika)'/RWN by Fitch Ratings Lanka Limited
Issue Price/Par Value	LKR 100/- per Debenture

Interest Rate

Type	Interest rate (per annum)	Coupon frequency	AER	Redemption
A	28.00%	Annual	28.00%	05 Years
B	25.00%	Quarterly	27.44%	05 Years

Number of Debentures to be subscribed

Qualified Investors are allowed to invest in either:
Debentures of **Type A**, and/or
Debentures of **Type B**
Subject to the minimum subscription of 100 Debentures (amounting to LKR 10,000/-).
Provided however, the minimum subscription requirement applicable for an individual investor applying for BASEL III compliant Debt Securities shall be Rupees Five Million (LKR 5,000,000/-). Any Application in excess of the minimum

subscription requirement shall be in multiples of Rupees Ten Thousand (LKR 10,000/-).

Method of payment of Principal Interest

By cheque marked "Account Payee Only" or through an electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as SLIPS and RTGS (arranged only at the expense of the borrower). RTGS transfers however could be effected only for amounts over and above the maximum value that can be accommodated via SLIPS transfers (i.e., LKR 5,000,000/- as of the date of this Prospectus). Electronic modes of payment shall be given priority in the payment of principal sum and interest in the event accurate bank details are given.

Interest Payment Date(s)

Type A: The dates on which the interest payment shall fall due in respect of the Debentures, annually at the expiration of every one (01) year period commencing from the Date of Allotment of the Debentures and thereafter until the Date of Redemption and includes the Date of Redemption. Interest would be paid within three (03) market days from each interest payment date (Excluding such interest payment date).

Type B: The dates on which the interest payment shall fall due in respect of the Debentures, quarterly at the expiration of every three (03) months period commencing from the Date of Allotment of the Debentures and thereafter until the Date of Redemption and includes the Date of Redemption. Interest would be paid within three (03) market days from each interest payment date (Excluding such interest payment date).

Issue Date
Opening Date
Issue Closing Date

20 April 2023

11 May 2023 or such earlier date (20 April 2023);

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 70,000,000 Debentures being fully subscribed; or -
- The Board of Directors of the Bank decides to close the Issue upon the initial Issue of 50,000,000 of Debentures becoming fully subscribed

In the event the Board of Directors of the Bank decides to exercise the option to issue the further tranche of up to 20,000,000 of the Debentures (having subscribed the initial Issue of 50,000,000 of Debentures) but subsequently decides to close the subscription list upon part of further issue of 20,000,000 debentures 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

In the event the Board of Directors of the Company decides to close the Debenture Issue without the full subscription of the initial Fifty Million (50,000,000) Debentures, such decision is to be notified to the CSE on the day such decision is made by the company and the subscription list will be closed on the following Market Day (refer section 5.2).

Date of Allotment

The Date on which the Debentures will be allotted by the Bank to the investors subscribing thereto.

Basis of Allotment

In the event of an oversubscription, the basis of allotment will be decided by the Board of Directors of the Bank within seven (7) Market Days from the date of closure. However, Number of Debentures to be allotted to Qualified Investor/s of strategic importance (Identified Large scale Corporates/Banks/High Net Worth Individuals/Unit Trust/Insurance and Pension Funds), on a preferential basis or otherwise will not exceed 75% of the total number of Debentures to be issued under the proposed debt issue under any circumstances, unless there is an under subscription from other Qualified Investors. (i.e., Qualified investors who do not fall under preferential category). In the event of such undersubscription, the other qualified investors who do not fall under preferential category are to be allotted in full and any remaining debentures are to be allotted to identified qualified investors of strategic importance.

Trigger Event

Means point or event at which the Monetary Board of the Central Bank of Sri Lanka determines:

- (a) the Bank would become non-viable, without a write-down in terms of item 10(iii)(a) of the Web Based Return Code 20.2.3.1.1.1 of the Banking Act Direction No.1 of 2016 dated 29th December 2016 (as maybe amended from time to time); or
- (b) to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable in terms of item 10(iii)(b) of the Banking Act Direction No.1 of 2016 dated 29th December 2016 (as maybe amended from time to time).

Non-Viability Conversion

In the event of an occurrence of a Trigger Event as determined at the sole discretion of the Central Bank of Sri Lanka, there would be a conversion of Debentures to Ordinary Voting Shares by the Bank, in compliance with BASEL III requirements.

Upon the occurrence of a Trigger Event, up to the outstanding balance of the Debentures including the total par value of such Debentures and Debenture Interest accrued and unpaid as at that date will be converted to Ordinary Voting Shares at the Conversion Price. In the event of any Debenture Holder being entitled to a fractional allotment of an Ordinary Voting Share on such issuance and allotment, the Bank shall settle such sums in cash, based on the issue price of such share.

Conversion Price

The price based on the simple average of the daily Volume Weighted Average Price (VWAP) of an Ordinary Voting Share of the Company as published by the Colombo Stock Exchange during the three months (03) period, immediately preceding the date of the Trigger Event.

Volume Weighted Average Price (VWAP)

The Daily Volume Weighted Average Price (VWAP) of an Ordinary Voting Share as published by the Colombo Stock Exchange.

Seylan Bank ('the Bank') is a licensed commercial Bank as licensed by the Central Bank of Sri Lanka and the Bank has complied with the annual licence fee payable thereon.

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1 CORPORATE INFORMATION

The Issuer	Seylan Bank PLC
Legal Form	Seylan Bank PLC was incorporated on 28th August 1987 under the provisions of the Companies Act No. 17 of 1982 and was re-registered under the Companies Act No.7 of 2007 on 30th May 2007. Seylan Bank PLC commenced its business operation as a licensed commercial bank regulated under the Banking Act No. 30 of 1988 (as amended) on 24th March 1988. It was listed on the Main Board of the Colombo Stock Exchange on 5 th January 1989.
Company Registration Number	PQ 9
Date of Incorporation	28th August 1987
Registered Address	Seylan Towers, 90, Galle Road, Colombo 03. Email: info@seylan.lk Website: www.seylan.lk Tel: +94 11 2456380/396/397, Fax: +94 11 2452584
Board of Directors	Mr W M R S Dias – Non -Independent Non-Executive Director/ Chairman Mr K P Ariyaratne - Director/Chief Executive Officer Mr S V Corea - Non-Independent Non-Executive Director Mr A S Wijesinha – Independent Non-Executive Director/Senior Director Ms S K Salgado – Independent Non-Executive Director Mr D M D K Thilakaratne – Non-Independent, Non-Executive Director Mr D R Abeysuriya – Independent Non-Executive Director Mr D M Rupasinghe - Independent, Non-Executive Director Mr L H A L Silva - Independent, Non-Executive Director Ms V G S S Kotakadeniya - Independent Non-Executive Director Ms A A Ludowyke - Independent, Non-Executive Director

Company Secretary

Mrs Saraswathie Poulraj
Seylan Bank PLC
Level 15 - Seylan Towers,
90, Galle Road
Colombo 03
Email: csy@seylan.lk
Tel: +94 11 2456551, Fax: +94 11 2452584

Auditors to the Bank

M/s KPMG,
Chartered Accountants
32A Sir Mohamed Macan Markar Mawatha,
Colombo 03
Tel: +94 115426426, Fax: +94 11 2445872

2 RELEVANT PARTIES TO THE ISSUE

Managers to the Issue

Capital Alliance Partners Limited

Level 5, "Millennium House",
46/58, Navam Mawatha,
Colombo 02.
Tel: +94 11 2317777, Fax: +94 11 2317788

Secretary to the Issuer

Mrs Saraswathie Poulraj

Company Secretary
Seylan Bank PLC
Level 15 - Seylan Towers
90, Galle Road, Colombo 03, Sri Lanka
Tel: 0094 11 2456551
Fax: 0094 11 2452584

Lawyers to the Issue

M/s Nithya Partners

No. 97A, Galle Road,
Colombo 03.
Tel: +94-11 4 712 625, +94 11 2 335 908
Fax: +94-11 2 328 817

Registrars to the Issue

SSP Corporate Services (Pvt) Ltd

No 101, Inner Flower Road,
Colombo 03.
Tel: +94 11 2573894, +94 11 2576871, Fax: +94 11 2573609

Bankers to the Issue

Seylan Bank PLC

Millennium Branch,
"Seylan Towers"
No.90, Galle Road,
Colombo 03.
Tel: +94 11 2456103, +94 11 2456135, Fax +94 11 2452506

Trustee to the Issue

Bank of Ceylon

Head Office
Bank Square
No.1, Bank of Ceylon Mawatha
Colombo 01
Tel : +94 112340890, Fax : +94 11 2340890

Auditors to the Issue

M/s KPMG,

Chartered Accountants,
32A Sir Mohamed Macan Markar Mawatha,
Colombo 03.
Tel: +94 11 5426426, Fax: +94 11 2445872

**Credit Rating Agency to
the Issue**

Fitch Ratings Lanka Ltd

No.15-04, East Tower, World Trade Centre,
Colombo 01
T: 94-11-2541900 Fax: 94-11-2501903

3 LIST OF ABBREVIATIONS

AER	Annual Effective Rate
ATS	Automated Trading System of the Colombo Stock Exchange
AWPLR	Average Weighted Prime Lending Rate
BN/Bn	Billion
CAL	Capital Alliance Partners Limited
CAR	Capital Adequacy Ratio
CBSL	Central Bank of Sri Lanka
CCB	Capital Conservation Buffer
CDS	Central Depository System (Private) Limited
CSE	Colombo Stock Exchange
DSIB	Domestic Systemically Important Bank
FCBU	Foreign Currency Banking Unit
FY	Financial Year
IIA	Inward Investment Account
KMP	Key Management Personnel
LCB	Licensed Commercial Bank
LKAS	Sri Lanka Accounting Standard
LKR/Rupees/Rs.	Sri Lankan Rupees
MN/Mn	Million
NIC	National Identity Card
POA	Power of Attorney
RGFCA	Resident Guest Foreign Currency Account
RGRCA	Resident Guest Rupee Current Account
RTGS	Real Time Gross Settlements
RWA	Risk Weighted Assets
SEC	The Securities and Exchange Commission of Sri Lanka
SIA	Securities Investment Account
SLFRS	Sri Lanka Financial Reporting Standard
SLIPS	Sri Lanka Inter Bank Payment System
Issuer/Bank	Seylan Bank PLC
IIA	Inward Investment Account
T-Bill	Treasury Bill
VWAP	Volume Weighted Average Price
VAT	Value Added Tax
WHT	Withholding Tax
YoY	Year on Year

4 GLOSSARY OF TERMS RELATED TO THE ISSUE

Applicant(s)	Any person(s) who is a Qualified Investor and who submits an Application Form under this Prospectus
Application Form / Application	The Application Form that constitutes part of this Prospectus through which an Applicant may apply for the Debentures
Bank/Issuer	Seylan Bank PLC
Basel III	A Global Regulatory Framework for More Resilient Banks and Banking System, issued by the Basel Committee on Banking Supervision of the Bank for International Settlement in December 2010 (Revised in June 2011)
Closing Date	<p>11 May 2023 or such earlier date (20 April 2023). 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.</p> <ul style="list-style-type: none">• The maximum of 70,000,000 Debentures being fully subscribed; or -• The Board of Directors of the Bank decides to close the Issue upon the initial Issue of 50,000,000 of Debentures becoming fully subscribed

In the event the Board of Directors of the Bank decides to exercise the option to issue further tranche up to 20,000,000 of the Debentures (having subscribed the initial Issue of 50,000,000 of Debentures) but subsequently decides to close the subscription list upon part of further issue of 20,000,000 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.

In the event the Board of Directors of the Company decides to close the Debenture Issue without the full subscription of the initial Fifty Million (50,000,000) Debentures, such decision is to be notified to the CSE on the day such decision is made by the company and the subscription list will be closed on the following Market Day (refer section 5.2).

Non- Viability Conversion

In the event of an occurrence of a Trigger Event as determined at the sole discretion of the Central Bank of Sri Lanka, there would be a conversion of Debentures to Ordinary Voting Shares by the Bank, in compliance with BASEL III requirements.

Upon the occurrence of a Trigger Event, up to the outstanding balance of BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable, Debentures including the total par value of the Debentures and Debenture Interest accrued and unpaid as at that date will be converted to Ordinary Voting Shares at the Conversion Price. In the event of any Debenture Holder being entitled to a fractional allotment of an ordinary voting share on such issuance and allotment, the Company shall settle such sums in cash, based on the issue price of such share.

Entitlement Date

Market Day immediately preceding the respective interest payment date or immediately preceding the 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 Bank in order to qualify for the payment of any interest or any redemption proceeds.

Date of Allotment

The date on which the Debentures will be allotted by the Bank to the Applicants subscribing thereto.

Date of Redemption

The date on which the Redemption/Maturity of the Debentures will take place as referred to in section 5.7 of this Prospectus.

Debentures

BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable 5-year Debenture (2023/28), with a Non-viability Conversion., to be issued pursuant to this Prospectus.

Debenture Holder(s)

Any Qualified Investor who is for the time being the holder of the Debentures and includes his/her respective successors in title.

Interest Payment Date(s)

Type A: The dates on which the interest payment shall fall due in respect of the Debentures, annually at the expiration of every one (01) year period commencing from the Date of Allotment of the Debentures and thereafter until the Date of Redemption and includes the Date of Redemption. Interest would be paid within three (03) market days from each interest payment date (Excluding such interest payment date).

Type B: The dates on which the interest payment shall fall due in respect of the Debentures, quarterly at the expiration of every three (03) months period commencing from the Date of Allotment of the Debentures and thereafter until the Date of Redemption and includes the Date of Redemption. Interest would be paid within three (03) market days from each interest payment date (Excluding such interest payment date).

Interest Period	<p>Type A: The one (01) year period from the date immediately succeeding a particular interest payment date and ending on the next interest payment date (inclusive of the said commencement date and end date) and shall include with respect to the first Interest Period the period commencing from the date of allotment and ending on the first interest payment date (inclusive of the said commencement date and end date) and with respect to the final Interest Period the period from the date immediately succeeding 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).</p> <p>Type B: The three (03) months period from the date immediately succeeding a particular interest payment date and ending on the next interest payment date (inclusive of the said commencement date and end date) and shall include with respect to the first interest period the period commencing from the date of allotment and ending on the first interest payment date (inclusive of the said commencement date and end date) and with respect to the final interest period the period from the date immediately succeeding 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).</p>
Issue	The offer of Debentures to Qualified Investor pursuant to this Prospectus
Issue price	LKR 100/- (Sri Lankan Rupees Hundred) per Debenture
Non-viability Conversion Price	The price based on the simple average of the daily Volume Weighted Average Price (VWAP) of an Ordinary Voting Share of the Company as published by the Colombo Stock Exchange during the three months (03) period, immediately preceding the date of the Trigger Event.
Non- Resident(s)	Persons resident outside Sri Lanka including country funds, regional funds, investment funds and mutual funds established outside Sri Lanka.
Par Value	LKR 100/- (Sri Lankan Rupees Hundred) per Debenture
Principal Sum	The product of the number of Debentures allotted and Par Value

Prospectus	This Prospectus dated 12 April 2023 issued by Seylan Bank PLC.
Qualified Investors	<ul style="list-style-type: none"> (a) A commercial bank licensed by the Central Bank of Sri Lanka in terms of the Banking Act, No. 30 of 1988 (as amended). (b) A specialized bank licensed by the Central Bank of Sri Lanka in terms of the Banking Act, No.30 of 1988 (as amended). (c) A mutual fund, pension fund, Employee Provident Fund or any other similar pooled fund. (d) A venture capital fund/ company and private equity company. (e) A finance company licensed by the Central Bank of Sri Lanka in terms of the Finance Business Act. No 42 of 2011 (as amended). (f) A company licensed by the Central Bank of Sri Lanka to carry on finance leasing business under the Finance Leasing Act, no 56 of 2000 (as amended). (g) A company licensed by the Insurance Board of Sri Lanka to carry on Insurance business in terms of the Regulation of the Insurance Industry Act, No. 43 of 2000 (as amended). (h) A corporate (listed or unlisted) which does not fall under the above categories and is incorporated under the Companies Act No.7 of 2007. (i) An investment trust or investment company. (j) A non-resident institutional investor (k) An individual with a minimum initial investment amount of Rs.5,000,000/=.
Redemption	Repayment of the Principal Sum accrued and unpaid interest (if any) with regard to a Debenture Holder by the Bank.
Registered Address	The address provided by the Debenture Holders to the CDS.
Subordinated	<p>Means the claims of the Debenture Holders shall in the event of winding up of the Bank rank after all the claims of depositors, secured creditors and other unsecured creditors of the Bank and any preferential claims under any Statutes governing the Bank but shall rank:</p> <ul style="list-style-type: none"> a) <i>pari passu</i> with any other subordinated debentures which had been issued by the Bank; (b) in priority to and over the claims and rights of the Shareholder/s of the Bank <u>unless there has been an issuance of shares to the Debenture Holders upon the occurrence of a Trigger Event in which case a Debenture Holder would cease to be a Debenture Holder and become a shareholder of the Bank to the extent of such issuance.</u>

Tier 2	Tier 2 Capital includes qualifying Tier 2 capital instruments, revaluation gains approved by CBSL and general loan loss provision of the Bank.
Trigger Event	Means a point or event at which the Monetary Board of the Central Bank of Sri Lanka determines: <ul style="list-style-type: none"> (a) the Bank would become non-viable, without a write-down in terms of item 10(iii)(a) of the Web Based Return Code 20.2.3.1.1.1 of the Banking Act Direction No.1 of 2016 dated 29th December 2016 (as maybe amended from time to time); or (b) to make a public sector injection of capital, or equivalent support, without which the Bank would have become non-viable in terms of item 10(iii)(b) of the Banking Act Direction No.1 of 2016 dated 29th December 2016 (as maybe amended from time to time).
Trust Deed	Trust Deed executed between Seylan Bank PLC and Bank of Ceylon (Trustee) on 20 March 2023.
Volume Weighted Average Price (VWAP)	The daily Volume Weighted Average Price (VWAP) of an Ordinary Voting Share as published by the Colombo Stock Exchange

5 INFORMATION RELATING TO THE ISSUE

5.1 INVITATION TO SUBSCRIBE

The Board of Directors of Seylan Bank PLC by Resolution passed on 24th January 2023 resolved to raise a maximum sum of LKR Twelve Billion (LKR 12,000,000,000/-) by the issue of a maximum of 120,000,000 Basel III Compliant Debentures of the type described below. Subsequently the Board decided to raise a sum of of LKR Five Billion (LKR 5,000,000,000/-) with an option to raise further LKR Two Billion (LKR 2,000,000,000/-) as the first tranche at the discretion of the bank, in the event of an oversubscription of the initial tranche, on the 22nd of February 2023. The issue would comprise, BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable, Debentures with a Non-viability Conversion. (With a tenure of five (05) years). Debentures would be issued at an issue price of LKR 100/- per Debenture and at an interest rate as more fully described in section 5.4 of this Prospectus.

The rights of Debentures Holders with respect to payment of the principal sum and accrued interest due for thereon upon winding up of the Bank rank after all the claims of depositors, secured creditors and other unsecured creditors of the Bank and any preferential claims under any Statutes governing the Bank but shall rank (a) *pari passu* with any other subordinated debentures which had been issued by the Bank; (b) in priority to and over the claims and rights of the Shareholder/s of the Bank. However, if there has been an issuance of Ordinary Voting Shares to the Debenture Holders upon the occurrence of a Trigger Event a Debenture Holder would cease to be a Debenture Holder and would become a Shareholder of the Bank to the extent of such issuance and will rank equal and *pari passu* with existing Ordinary Voting Shareholders.

It is the intention of the Bank to list the Debentures on the Colombo Stock Exchange. The CSE has given its approval in principle for the listing of the Debentures and any Ordinary Voting Shares which may be issued with regards to Debentures upon the occurrence of a Trigger Event on the CSE.

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.

Only Qualified Investors would be eligible to invest in the Debentures in both the primary and secondary markets, provided that an individual investor entering the market a new through the secondary market (i.e., without having invested in such Debentures through the primary offer) would also need to invest at minimum a sum of Rs.5,000,000/-. Accordingly, the secondary market trading of the Debentures is limited to the Qualified Investors.

As set out in Rule 2.2.1 (m) of the CSE Listing Rules, only Qualified Investors would be eligible to invest in these Debentures. Further, as set out in Rule 3.3.5 (ii) (a) (ii) of the CSE Listing Rules, the secondary trading of these Debentures shall also be limited to Qualified Investors. Accordingly, the primary and secondary market investments of the Debentures are limited to the Qualified Investors.

5.2 SUBSCRIPTION LIST

Subject to the provisions contained below, the subscription list for the Debentures will be open at 9.30 a.m. on 20 April 2023 and shall remain open for fourteen (14) Market Days until closure at 4.30 pm 11 May 2023.

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 70,000,000 Debentures being fully subscribed; or -
- The Board of Directors of the Bank decides to close the Issue upon the initial Issue of 50,000,000 of Debentures becoming fully subscribed

In the event the Board of Directors of the Bank decides to exercise the option to issue further tranche up to 20,000,000 of the Debentures (having subscribed the initial Issue of 50,000,000 of Debentures) but subsequently decides to close the subscription list upon part of further issue of 20,000,000 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.

In the event the Board of Directors of the Company decides to close the Debenture Issue without the full subscription of the initial Fifty Million (50,000,000) Debentures, such decision is to be notified to the CSE on the day such decision is made by the company and the subscription list will be closed on the following Market Day (refer section 5.2).

Application may be made forthwith in the manner set out under the Procedure for Application in section 6.0 of this Prospectus and will be accepted at any one of the collection points set out in Annexure III of this Prospectus.

5.3 OBJECTIVES OF THE ISSUE

The primary objectives of the issue of the Debentures are:

- (a) to strengthen the Tier 2 Capital base of the Bank as per BASEL III requirements by the issue of subordinated debentures; and
- (b) Grow the lending portfolio, especially in segments such as Small and Medium Enterprises (SME) and Export oriented industries.
- (c) Reduce Maturity gaps in the Assets and Liabilities of the Bank.

The pursuance of the primary objectives of the Debenture issue would not be a major transaction as contemplated by Section 185 of the Companies Act. The Bank estimates that a minimum amount of LKR 5.0 billion is required to be raised by 30 April 2023 via BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable, Debentures with a Non-viability Conversion in order to improve its Capital Adequacy Ratio.

Until such credit demands are fully met during the financial year 2023, the proceeds would be invested in government securities which are risk free investments until they are utilized for lending purposes. They would be invested at the interest rates prevailing at such time in the market.

The monthly average disbursement of funds in loans and advances (excluding overdrafts, revolving imports loans and short-term loans) during the last 12 months ended 31 December 2022 was approximately LKR 29.7 billion. It should be mentioned that the Bank experienced a gross loan growth of LKR 24.5 billion for the year 2022 (2021 LKR 56.6 billion), the cost associated with the Debenture would be compensated by the income generated from the funds raised and the benefits derived from having a strong regulatory capital.

Present status of the Bank with respect to Capital Adequacy under BASEL III

The Bank is required to comply with the Banking Act Direction No 01 of 2016 dated 29th December, 2016 on Capital Requirements under BASEL III which is effective from 1st July 2017.

Table 01 below prescribes the minimum capital ratios that are required to be maintained by licensed commercial banks in accordance with the Banking Direction No. 1 of 2016 and the Total Capital Ratios of the Bank as at 31st December 2022.

Table: 01

Components of Capital including Capital Conservation Buffer	Regulatory Capital Requirements for licensed banks		Capital Ratios of the Bank
	Ratio to be maintained by Non-DSIBs <i>(applicable to Seylan Bank)</i>	Ratio to be maintained by DSIBs	Bank's Ratio as at 31 st December 2022 (Audited)
Common Equity Tier 1	7.00%	7.00%+HLA	10.69%
Total Tier 1	8.50%	8.50%+HLA	10.69%
Total Capital Ratio	12.50%	12.50%+HLA	13.59%

(LCBs which are determined as Domestic Systemically Important Banks (DSIBs) from time to time, are required to maintain Higher Loss Absorbency (HLA) requirements as specified by the Monetary Board in the form of Common Equity Tier I (CET I).

In spite of the bank being in compliance with the capital adequacy requirements, as per the Capital Augmentation Plan, Expected Growth Targets etc. of the bank, it will be unable to meet or will be marginally above the statutory ratios without infusing new capital (minimum expected is LKR 5 Bn).

The Bank's total asset base as at 31 December, 2022 was approximately LKR 672.805 billion (as per Audited Financial Statements).

The position of the CAR of the Bank in terms of BASEL III as at 28.02.2023 and the expected CAR pursuant to the Debenture issue are as follows.

Components of Capital including Conservation Buffer	Minimum CAR requirement to be maintained as at 31.03.2023 as per the Banking Act Direction No. 01 of 2016.	Bank's Ratio as at 28 th February 2023 (Unaudited)	Minimum amount of funds the Bank is required to raise from the Debenture Issue which will have a convertible feature in compliance with BASEL III requirements to meet the CAR requirement as at 31/03/2023	Expected CAR position to be achieved by the Bank, subsequent to the Debenture Issue which will have a convertible feature in compliance with BASEL III requirements as at 31.03.2023	
				LKR 5.0 Bn	LKR 7.0 Bn
Total Tier 1 Capital Ratio	8.50%	10.98%	-	10.55%	10.55%
Total Capital Ratio	12.50%	13.78%	-	14.25%	14.70%

Approval has been sought from the Central Bank of Sri Lanka to include the Basel III Compliant Debentures as Tier 2 Capital of the Bank. Strengthening the Tier 2 Capital will facilitate the Bank's envisaged asset growth whilst maintaining its Capital Adequacy at satisfactory levels.

Further, the Bank has obtained the shareholder approval by way of a Special Resolution for the issuance of Ordinary Voting Shares which may be occasioned by the occurrence of a 'Trigger Event' with regards to BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable, Debentures. Further as per the Rule 2.2.1 (I) of the CSE Listing Rules, the Bank has also obtained the Shareholder approval by way of a Special Resolution at the Extraordinary General Meeting of the Bank held on 14th of March 2023 for the issuance of the Basel III compliant Debentures.

The Bank will disburse the proceeds of the Issue in the ordinary course of business. 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 Rules and the Bank's Policy and Procedures on Related Party Transactions and Conflicts of Interest which has taken into consideration the provisions and guidelines of the Banking Act and its Directions.

The Bank has utilized the proceeds of all previous Debenture Issues towards achieving the objectives of the respective Issues.

Seylan Bank PLC intends to issue a total of 120,000,000 debentures, and this issuance of fifty million (50,000,000) fully paid, BASEL III Compliant Tier 2 Listed Rated Unsecured Subordinated Redeemable Debentures with a Non Viability Conversion at a par value of LKR 100/- each with an option to issue up to a further twenty million (20,000,000) of such Debentures in the event of an oversubscription of the initial tranche at the discretion of the Bank and in such event, the maximum issue of Debentures totalling to Seventy million (70,000,000), is the first issuance under the same.

Utilisation 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 Bank from the issue opening date until the objective of the Debenture Issue with respect to the utilization of the proceeds are achieved. The disclosure would contain the information as per following template:

Debenture Issue proceeds utilization as at dd-mm-yyyy

Objective number	Objective as per Prospectus	Amount allocated as per prospectus in LKR	Proposed date of utilization as per Prospectus	Amount allocated from proceeds in LKR (A)	% Of total proceeds	Amount utilized in LKR (B)	% Of Utilized against allocation (B/A)	Clarification if not fully utilized including whether the funds are invested (e.g., whether lent to related party/s)
1								
2								
3								

In the event the debentures have been issued, the number, class and consideration received and the reason for the issue will be disclosed in the annual reports and accounts.

In the event that there is a material change in the use of funds raised through the debenture issue, the company will disclose the fact that there has been a material change in the use of proceeds in its annual reports and accounts.

In the event the proceeds raised are fully utilized in terms of the objectives disclosed in the Prospectus prior to submission of the company's next immediate financial statements (i.e., either the Interim Financial Statements or the Annual Report), the company will disclose the fact that proceeds have been utilized in its entirety as per the above template.

Note:

Based on past experience, there is strong growth in the advance portfolio of the Bank. As such, there is no specific risk for the Bank not being able to invest the funds raised within the specified timelines to meet the key objective of credit lending. However, the proceeds would be invested in government securities which are risk free investments until they are utilized for lending purposes. They would be invested at the interest rates prevailing at such time in the market. Please refer last paragraph of "Risks relating Risks relating to the objectives of the Debenture Issue".

Risks relating to the objectives of the Debenture Issue;

As the primary objective of the Bank is to carry on the business of lending or advancing of money, the business of lending to customers whether they are related parties or not, are recurrent transactions carried out in the ordinary and usual course of business of the Bank. Nevertheless, the Bank has an internal threshold on exposure to related parties against its regulatory capital and therefore the exposure will be limited to such threshold limit.

Since the proposed Debenture Issue is to raise up to a maximum of Rs. 7.0 billion and as there is a demand for credit there is no specific risk factor that may lead to non-achievement of the objective of the Issue. In the event the objective of raising Tier 2 capital is not achieved fully, the Bank would have to restrict itself to a slower growth in the future. However, the Bank would be able to supplement this requirement to a certain degree with retention of expected profits.

The risk of under subscription of the Debenture Issue will be greatly mitigated through appointing experienced Financial Advisors and Managers to the Issue, pre-marketing and building a pipeline of potential investors. However, if the Bank is unable to lend these funds by 31 December 2023 due to subdued credit growth, the funds that would be raised would be invested in Government Securities at zero default risk until credit demands are fully met. Further, Bank does not identify any specific risk factor that may lead to non-achievement of expanding the loans and advances portfolio through diverse lending products within the specified time line with the proceeds of the Issue up to a maximum of Rs.7.0 Bn.

In the event the Bank does not utilize the funds raised for the stated objectives and proposes to utilize the same for another objective or objectives, it will issue an announcement to that effect and take steps to seek Shareholder's approval prior to such utilization.

Processes including regulatory requirements to be followed by the Bank if any of the above risks get materialized and if so whether any approvals are required and the disclosures to be made until the Objectives of the Debenture Issue are achieved.

In the event of an under-subscription, it is likely that Bank may resort to drawdown on the CCB based on the provisions in the Banking Act Directions No. 04 of 2022 on "Regulatory Requirements Amidst Prevailing Extraordinary Macroeconomic Conditions" (as amended in accordance with Banking act directions No. 04 of 2022).

5.4 INTEREST ON THE DEBENTURES

The Debentures will carry a rate of interest as described in the table below.

Type of Debentures	Coupon Payment Frequency	Interest Rate
Type A:	Payable annually	28.00% p.a.
Type B:	Payable quarterly	25.00% p.a.

The interest rate has been determined giving consideration to the Seylan Bank PLC rating as Issuer, the instrument rating, market conditions and features of the instrument, including the 'convertible feature'.

The interest calculation will be based upon the actual number of days (irrespective of the holidays) in each interest payment period (Actual / Actual) and will be paid not later than Three (03) Market Days from each Interest Payment Date for each type of debentures.

Payment of the interest on the Debenture will be made after deducting any taxes and charges thereon (if any) in Sri Lankan Rupees as per the applicable law prevalent at the time of interest payment to the Debenture Holders.

In order to accommodate the Debenture interest cycles in the CDS, the Debenture Holders to whom interest shall be paid shall be those holding Debentures in their CDS accounts as of the Entitlement Date.

Upon the occurrence of the 'Trigger Event', the Bank shall be required and entitled to issue and within twenty (20) days to allot Ordinary Voting Shares of the Company ranking equal and *pari-passu* with the existing Ordinary Voting Shares, to the Debentures Holders up to the outstanding balance of such Debentures including the total par value of the Debentures and Debenture Interest. Upon issuance of Ordinary Voting Shares as above, the Debenture will cease to exist and accordingly, no interest will be accrued on the Debentures thereafter.

5.5 PAYMENT OF PRINCIPAL AND INTEREST

The Bank will redeem the Debentures on the date of redemption as specified in Section 5.7 and the interest payments will be made as specified in this section.

The payment of the principal sum and interest will be made either by electronic fund transfer mechanism recognized by the banking system of Sri Lanka such as RTGS in the event accurate bank account details are provided or by cheque/s marked "Account Payee Only" dispatched to the address provided by the Debenture Holders to the CDS at the risk of the Debenture Holders. RTGS transfers however could be effected only for amounts over and above the maximum value that can be accommodated via SLIPS transfers (i.e., LKR 5,000,000/- as of the date of this Prospectus).

However, in the event such payment is over the maximum amount that can be accommodated through electronic fund transfer mechanism recognized by the banking system of Sri Lanka or if the Debenture Holder has not provided to the CDS accurate and correct details of his/her bank account for the payment of Principal Sum and Interest, such payment to the Debenture Holder will be made by way of a cheque and sent by post at the risk of the Debenture Holder.

The payment of Principal Sum and Interest will be made in Sri Lanka Rupees in favor of the respective Debenture Holders as of the Entitlement Date. In the case of joint Debenture Holders, the payment of Principal Sum and Interest will be made to the one whose name stands first in the register of Debenture Holders.

5.6 APPLICATION OF TAX ON INTEREST PAYMENTS

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

Statutory taxes and/or dues which are applicable at the time of the interest payment will be deducted. Qualified Investors are advised to obtain clarifications in this regard from their tax advisors.

5.7 REDEMPTION

Debentures are redeemable at maturity on the expiry of five (05) years respectively from the Date of Allotment in accordance with the provisions contained in the Trust Deed.

Debentures shall not be redeemed by the Bank prior to maturity for any reason whatsoever except due to the occurrence of an Event of Default as contemplated in Clause 10 in the trust deed. If at any time prior to the occurrence of an Event of Default as contemplated in Clause 10 hereunder, redemption is to be done before maturity, it will be done subject to the prior written approval from the Director of Bank Supervision of the Central Bank of Sri Lanka and the approval of the Basel III compliant Debenture Holders representing three fourths ($\frac{3}{4}$) of the nominal value of such of Debentures. However, if a Trigger Event occurs prior to maturity or at the point of maturity, Basel III compliant Debentures will get converted to ordinary voting shares ranking equal and pari passu with the existing ordinary voting shares of the Bank.

Debenture holders shall not have any right or option to call for redemption of the Debentures before the Date of Redemption of such Debentures, except in the circumstances where the respective Debentures have become immediately payable in terms of Clause 10 of the Trust Deed respectively.

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 not later than three (03) market days from such date, the principal sum of the Debentures which ought to be redeemed and interest (if any) remaining unpaid up to the date immediately preceding the Date of Redemption of the Debentures, unless a Trigger as more fully described in this prospectus occurs prior to such date.

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 (inclusive of all intervening non-Market Days).

Occurrence of a Trigger Event

Upon the occurrence of the Trigger Event as determined by the Monetary Board of the Central Bank of Sri Lanka, the Bank shall be required and entitled to issue and within twenty (20) days to allot Ordinary Voting Shares of the Bank ranking equal and pari passu with the existing Ordinary Voting Shares to Debentures Holders as of the date of the Trigger Event, up to the outstanding balance of such Debentures including the total par value of the Debentures and Debenture Interest at an issue price for such Ordinary Voting Shares which will be based on the simple average of the daily Volume Weighted Average Price of an Ordinary Voting Share of the Bank during the three months (03) period, immediately preceding the date of the Trigger Event.

The CDS upload pertaining to Ordinary Voting Shares will be completed within 10 market days from the date of allotment of such shares. In the event of any Debenture Holder being entitled to a fractional allotment of an Ordinary Voting Share on such issuance and allotment, the Bank shall settle such sums in cash, based on the issue price of such share within fourteen (14) market days from the date of allotment of the said Ordinary Voting Shares.

Market Announcements

The Bank on receipt of a Trigger Event notification from the CBSL will immediately make a market announcement of the same and further announce the “price” and “dates” (i.e., Trigger Event date, date of allotment and CDS upload date) pertaining to such conversion of Debentures to Ordinary Voting Shares.

Conversion Price

Outstanding balance of Debentures including the total par value of the Debentures and Debenture Interest, at an issue price for such Ordinary Voting Shares which will be based on the simple average of the daily Volume Weighted Average Price (VWAP) of an Ordinary Voting Share of the Company as published by the Colombo Stock Exchange during the three months (03) period, immediately preceding the date of the Trigger Event (Any reference in this document to VWAP would carry the same meaning as explained herein).

Averaging out of the VWAP over a period of 3 months preceding the Trigger Event as opposed to a shorter window closer to the Trigger Event, is aimed at smoothing out price effects. and the consequent conversion price would be fair and equitable to the Bank and to the existing Shareholders.

If the prevailing 3-month Volume Weighted Average Share Price at the time of the Trigger Event is low, it would result in a comparatively higher number of Ordinary Voting Shares being issued to the Debenture Holders. Alternately, a higher 3-month Volume Weighted Average Share Price at the time of the Trigger Event would result in a comparatively lower number of Ordinary Voting Shares being issued to Debentures Holders.

Issuance of Ordinary Voting Shares upon occurrence of a Trigger Event

Based on above conversion mechanism up to the outstanding balance of the Debentures including the total par value of the Debentures plus accrued and unpaid Debenture Interest (if any) as at that date, will be permanently converted to Ordinary Voting Shares. In the event of any Debenture Holder being entitled to a fractional allotment of an Ordinary Voting Share on such issuance and allotment, the Bank shall settle such sums in cash, based on the issue price of such share. If a Trigger Event occurs and thereafter a Conversion to Ordinary Voting Shares takes place, the Debentures will cease to exist.

Applicable timelines

Upon the occurrence of the Trigger Event as determined by the Monetary Board of the CBSL, the Bank shall be required and entitled to issue and within twenty (20) days to allot Ordinary Voting Shares of the Bank ranking equal and pari-passu with the existing Ordinary Voting Shares to the Debenture Holders as of the Trigger Date, up to the outstanding balance of such Debentures including the total par value of the Debentures plus accrued and unpaid Debenture Interest (if any) as at that date at an issue **price for such Ordinary Voting Shares which will be based on the Conversion Price.**

The CDS upload pertaining to Ordinary Shares will be completed within 10 Market Days from the date of allotment of such shares. In the event of any Debenture Holder being entitled to a fractional allotment of an Ordinary Voting Share on such issuance and allotment, the Bank shall settle such sums in cash, based on the issue price of such share within fourteen (14) Market Days from the date of allotment of the said Ordinary Voting Shares.

Compliance with applicable laws and regulations

Issue of any new Ordinary Voting Shares due to occurrence of a Trigger Event, would be carried out in compliance with the applicable laws and regulations of Sri Lanka, including any regulations applicable on 'material interest that a shareholder may hold' in terms of the Banking Act.

Non-Occurrence of a Trigger Event

Debentures will be redeemed after the expiry of the respective tenures of the Debentures, i.e., Five (05) years from the Date of Allotment of such Debentures and the principal sum and unpaid and accrued interest (if any) payable on the redemption of Debentures will be paid not later than three (03) Market Days from the Date of Redemption, unless otherwise a 'Trigger Event' occurs as detailed herein.

5.8 TRUSTEE TO THE ISSUE

Bank of Ceylon has been appointed as the Trustee to this Debenture Issue. who will act as Trustee to the Issue and who is in compliance with the requirements Rule 2.2.1 (k) (ii), (iii) and (iv) of the CSE Listing Rules. The Bank and the Trustee have executed a Trust Deed. In the application form for subscription of Debentures the Applicants are required to irrevocably authorize the Trustee, subject to any overriding clauses in the Trust Deed to act as their agent in entering in to such deeds, writing and

instruments with the Bank and to act as Trustee for the benefit of and interest of the Debenture Holders on the terms and conditions contained in the said Trust Deed.

The rights and the 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. There is no conflict of interest arising between the Trustee or its Board of Directors and the Bank. 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.

The Trustee is a holder of 5.62% of the ordinary voting shares of the Bank.

5.9 RIGHTS OF THE DEBENTURE HOLDERS

- a) Debenture Holders are entitled to the following rights and other rights which are set out in the Trust Deed:
- i. Receive the interest on the Interest Payment Dates at the interest rates set out in Section 5.5 of this Prospectus and the principal sum on the Date of Redemption as set out in Section 5.7 of this Prospectus, subject to the provisions contained in this Prospectus regarding the occurrence of a Trigger Event.
 - ii. To call a Debenture Holders meeting, receive notice and attend the meetings of Debenture Holders in accordance with the provisions contained in the Trust Deed.
 - iii. Receive a copy of the Annual Report within 5 months from the financial year end at the same time and in the same manner as an Ordinary Voting Shareholder would receive the same.

In the event of the Bank being subject to a winding up, the claims of Debenture Holders will rank after all the claims of the secured and unsecured creditors of the Bank and the preferential claims under section 365 of the Companies Act No.07 of 2007, but in priority to and over the claims and rights of the Shareholders of the Bank, unless there has been an issuance of Ordinary Shares to the Debenture Holders upon the occurrence of a Trigger Event in which case, Such Debenture Holder would cease to be a Debenture Holder and would become a Shareholder of the Bank to the extent of such issuance and will rank equal and *pari passu* with existing Ordinary Voting Share Holders.

- b) Debenture Holders are not entitled for the following;
- Attending and voting at the meetings of holders of Shares and other Debentures issued by the Bank.
 - Sharing in the profit of the Bank.
 - Participating in any surplus in the event of liquidation.
 - Calling for redemption before maturity, subject to provisions stated in the Trust Deed.
 - Convert the Debentures into Ordinary Shares at their option

However, in the event of Debenture Holders become Shareholders of the Bank, due to the occurrence of Trigger Event there would be an entitlement to exercise such rights as are exercisable by the Shareholders of the Bank.

When making payment of the principal sum and Interest on the Debentures, the Bank shall always act on the information furnished by the CDS and it shall be the responsibility / obligation of each Debenture Holder to update all information in respect of such Debenture Holder in the CDS. Each Debenture Holder shall absolve the Bank, CDS and CSE from any responsibility or liability in respect of any error or absence of necessary changes initiated by the Debenture Holders in the information recorded with the CDS.

5.10 INSPECTION OF DOCUMENTS

Certified copies of the Articles of Association of the Bank, the audited financial statements of the Bank for the last five years ending 31st December - , 2018, 2019, 2020 , 2021 and 2022 Rating Report, Trust Deed and all other documents pertaining to the Bank including material contracts and management agreements entered into by the bank (if any) to which references are made in this Prospectus could be inspected by the public during normal business hours at the Registered Office of Seylan Bank PLC from the date hereof, until the Date of Maturity of the Debentures issued.

In terms of Rule 3.3.13 (b) of the CSE Listing Rules; the Prospectus, Articles of Association of the Bank and the Trust Deed are hosted in the Bank's website, www.seylan.lk, and the CSE website, www.cse.lk, from the date of opening of the subscription list until the Date of Redemption of the Debentures.

Audited financial statements of the Entity / Group made up to 31st December, 2022, Accountants' Report and the five-year summary of financial statements will be available on the web site of CSE www.cse.lk and the website of the Bank, www.seylan.lk.

Furthermore, the hard copies of the Prospectus and Application Form will be made available free of charge from the collection points as set out in Annexure III, from seven market (07) days prior to the date of opening of the subscription list.

5.11 RISK FACTORS ASSOCIATED WITH DEBENTURES

Subscribers to Debentures will be exposed to the following risks:

(a) Interest Rate Risk

The price of a typical Debenture will change in the opposite direction to a change in the market interest rates, assuming all other factors are equal. "Market Interest Rate" refers to the interest rate expected by investors for investments with a similar maturity and risk profile. As market interest rates rise, price of the Debentures may fall and as market interest rates fall, the price of the Debenture may rise. If an investor sells a Debenture prior to maturity when market interest rate is higher than on the Debenture interest rates, the investor may incur a capital loss. Similarly, if an investor sells a Debenture prior to maturity when market interest rate is lower than on the Debenture interest rate, then the investor may receive a capital gain. This uncertainty is known as "interest rate risk".

(b) Reinvestment Risk

The Bank shall pay interest on the Debentures annually and quarterly. The investor may decide to reinvest this interest payment and earn interest on interest. Depending on the prevailing market interest rates, the Debenture Holder may be able to reinvest the paid interest at a higher or lower interest rate than that is offered by these Debentures. This uncertainty is known as “reinvestment risk”.

(c) Default Risk

Default risk also known as credit risk, refers to the risk that the Issuer of the debentures may default, i.e., the Issuer will be unable to pay interest and principal when due. It is advisable for prospective Seylan Bank PLC Debenture investors to take into account past earnings and asset growth performance of the Bank as reflected in the Balance Sheet of the Bank, its Risk Management Policies and the skills and experience of the Directors and Senior Management Team when forming an opinion on Default Risk.

This risk is gauged in terms of rating assigned by different rating agencies. Fitch Ratings Lanka Limited has assigned a National Long-Term rating of ‘BBB (lka)′/RWN to BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable Debentures and will be periodically reviewing the same as set out in the Annexure I.

(d) Liquidity Risk

Liquidity risk depends on the ease with which Debentures can be sold after the initial placement. As the Debentures will be listed on the CSE, investors will be able to trade the instrument in the secondary market and convert it to cash, mitigating liquidity risk. However, transaction price or bid-ask spread will be dependent upon the marketability, demand, supply and other macro factors such as market interest rates. Furthermore, it should be noted that the secondary debt market is not as developed as the secondary equity market in Sri Lanka.

(e) Duration Risk

Duration is a measure of the price sensitivity of fixed income investments, to a change in interest rates based on the time to maturity of principal and coupon payments. The higher the duration, the greater the price volatility or duration risk, while a lower duration carries a lower risk.

(f) Call Risk

Call risk refers to the risk that the issuer will retire the principal value of the debentures before maturity. The risk to an investor is that the timing of the call is not known and investor will be faced with a reinvestment risk in the event the call is made at a time when the market interest rates have declined.

Since these Debentures are not embedded with a call option, the Debenture would not be redeemed by the Bank prior to maturity for any reason whatsoever except due to unforeseen circumstances beyond the control of the Bank which would be directed and approved by the Central Bank of Sri Lanka.

(g) Subordination Risk

Debentures will be the Bank's direct unsecured obligations which, if the Bank becomes insolvent or is wound-up (prior to the occurrence of a Trigger Event), will rank equal with the Bank's other subordinated indebtedness and will be subordinated in right of payment to the claims of the Bank's depositors and other unsubordinated creditors. Therefore, if, prior to the occurrence of a Trigger Event, the Bank becomes insolvent or is wound-up, the assets of the Bank would first be applied to satisfy all rights and claims of holders of senior indebtedness. If the Bank does not have sufficient assets to settle claims of such senior indebtedness holders in full, the claims of the holders of the Debentures will not be settled and, as a result, the holders will lose the entire amount of their investment in Debentures. The Debentures will share equally in payment with claims under other subordinated indebtedness if the Bank does not have sufficient funds to make full payments on all of them, as applicable. In such a situation, holders could lose all or part of their investment.

In addition, holders should be aware that, upon the occurrence of a Trigger Event, all the Bank's obligations under the Debentures shall be deemed paid in full by the issuance of Ordinary Voting Shares upon a Non-viability Conversion, and each holder will be effectively further subordinated due to the change in their status following such a conversion from being the holder of a debt instrument ranking ahead of holders of Ordinary Shares to being the holder of Ordinary Shares. As a result, upon Non-viability Conversion, the holders could lose all or part of their investment in the Debentures irrespective of whether the Bank has sufficient assets available to settle what would have been the claims of the holders of the Debentures or other securities subordinated to the same extent as the Debentures, in proceedings relating to an insolvency or winding-up.

ADDITIONAL RISKS APPLICABLE FOR BASEL III COMPLIANT, TIER 2, LISTED, RATED, UNSECURED, SUBORDINATED, REDEEMABLE, DEBENTURES WITH NON -VIABILITY CONVERSION INSTRUMENT.

Risks arising from Non-viability Conversion features

(i). Conversion Risk

It is the risk of the Bank issuing Ordinary Voting Shares to the Debenture Holders in lieu of the Debenture Capital and Interest earned and unpaid as at a particular date upon the occurrence of a Trigger Event. In such a situation, Such Debenture Holders would become Shareholders of the Bank and will rank equal and pari passu with existing Ordinary Voting Shareholders. The Bank being a systemically important Bank and the strong performances portrayed since the inception will mitigate the risk of the occurrence of a Trigger Event.

Upon the occurrence of a Trigger Event the Bank shall convert such Debentures into Ordinary Voting Shares and any accrued but unpaid Interest will be added to the par value of the

Debentures and such accrued but unpaid Interest, together with the principal amount of the Debentures will be deemed paid in full by the issuance of Ordinary Voting Shares. Upon conversion the Debenture Holders shall have no further rights and the Bank shall have no further obligations to holders of the Debentures under the Trust Deed. Moreover, a Non-viability Conversion upon the occurrence of a Trigger Event is not an event of default under the terms of the Debenture or the Trust Deed.

Potential investors in Basel iii compliant Debentures should understand that, if a Trigger Event occurs and Debentures are converted into Ordinary Voting Shares, Investors are obliged to accept the Ordinary Voting Shares even if they do not at the time consider such Ordinary Voting Shares to be an appropriate investment for them and despite any change in the financial position of the Bank since the issue of the Debentures or any disruption to the market for those Ordinary Voting Shares or to capital markets generally.

(ii). The number and value of Ordinary Voting Shares to be received on a Non- viability Conversion may be worth significantly less than the par value of the Debentures and can be variable.

Upon the occurrence of Non-viability Conversion even though Ordinary Voting Shares of equivalent value would be initially issued at the VWAP, yet there is no certainty of the value of such Ordinary Voting Shares to be received by the holders of the Debentures being maintained at such levels and the value of such Ordinary Voting Shares could eventually be significantly less than the par value of the Debentures.

Moreover, there may be an illiquid market, or no market at all, in Ordinary Voting Shares received upon the occurrence of a Non-viability Trigger event, and investors may not be able to sell the Ordinary Voting Shares at a price equal to the value of their investment and as a result may suffer significant loss.

(iii). Basel III Compliant Debentures are loss-absorption instruments that involve risk and may not be a suitable investment for all investors

These Debentures are loss-absorption financial instruments designed to comply with applicable banking regulations and involve certain risks. Each potential investor of the Debentures must determine the suitability (either alone or with the help of a financial advisor) of the investment in light of its circumstances. In particular, each potential investor should understand thoroughly the terms of the Debentures, such as the provisions governing the Non-viability Conversion, including under what circumstances a Trigger Event could occur.

A potential investor should not invest in Basel iii compliant Debentures unless he/she has the knowledge and expertise (either alone or with the financial advisor) to evaluate how the Debentures will perform under changing conditions, the resulting effects on the likelihood of the Non-viability Conversion into Ordinary Voting Shares and the value of the Debentures, and the impact this investment will have on the potential investor's overall investment portfolio. Prior to making an investment decision, potential investors should consider carefully, in light

of their own financial circumstances and investment objectives, all the information contained in this Prospectus.

(iv). Uncertainty regarding the Trigger Event

Because of the inherent uncertainty regarding the determination of when a Trigger Event may occur, it will be difficult to predict when, if at all, the Basel iii compliant Debentures will be converted into Ordinary Voting Shares. In addition, investors in the Debentures are likely not to receive any advance notice of the occurrence of a Non-viability Trigger Event. As a result of its uncertainty, trading behavior in respect of these Debentures is not necessarily expected to follow trading behavior associated with other types of convertible and exchangeable securities. Any indication, whether real or perceived, that the Bank is trending towards a Trigger Event can be expected to have an adverse effect on the market price of the Debentures and the Ordinary Voting Shares, whether or not such Trigger Event actually occurs. Therefore, in such circumstances, investors may not be able to sell their Debentures easily or at prices that will provide them with a yield comparable to other types of subordinated Debentures, including the Bank's other subordinated debt securities. In addition, the risk of a Non-Viability Conversion could drive down the price of Ordinary Voting Shares and have a material adverse effect on the market value of Ordinary Voting Shares received upon Non-Viability Conversion.

(v). Following a Non-viability Conversion, investor will no longer have rights as a creditor and will only have rights as a holder of Ordinary Voting Shares

Upon a Non-viability Conversion, the rights, terms and conditions of the Basel iii compliant Debentures, including with respect to priority and rights on liquidation, will no longer be relevant as all such Debentures will have been converted on a full and permanent basis into Ordinary Voting Shares ranking pari passu with all other outstanding Ordinary Voting Shares. If a Non-viability Conversion occurs, then the interest of depositors, other creditors of the Bank, and holders of Bank securities which are not contingent instruments will all rank in priority to the holders of contingent instruments, including the Debentures.

Given the nature of the Non-viability Trigger Event, a holder of Basel iii compliant Debentures will become a holder of Ordinary Voting Shares at a time when the Bank's financial condition has deteriorated. If the Bank were to become insolvent or wound-up after the occurrence of a Non-viability Trigger Event, as holders of Ordinary Voting Shares investors may receive substantially less than they might have received had the Debentures not been converted into Ordinary Voting Shares.

(vi). A Qualified investor's remedies for the Bank's breach of its obligations under the Debenture are limited

In an Event of Default (which shall occur if the Bank becomes insolvent or bankrupt, the Bank goes into liquidation either voluntarily or under an order of a court of competent jurisdiction,

or the Bank otherwise acknowledges its insolvency), the Trustee and holders of Debentures shall not be entitled to declare the principal amount of the Debentures due and payable under any circumstance. As a result, the qualified investor will have no right of acceleration in the event of a non-payment of interest or a failure or breach in the performance of any other covenant of the Bank, although legal action could be brought to enforce any covenant given by the Bank.

(h) Acknowledgement of the CBSL Resolution Powers

The CBSL retains full discretion regarding the determination that a Trigger Event has occurred;

As the resolution authority of banks in Sri Lanka, the CBSL has resolution powers through statute. The Monetary Board determines the Trigger Event and effects a conversion after considering the other bail-in alternatives available to the bank. Further, Section 30 and 30(9) of the Monetary Law Act No.58 of 1949 (as amended) and Part VII (A) and Part VIII of the Banking Act No.30 of 1988 (as amended) specify certain events upon which Monetary Board can exercise its resolution mechanism. In view of the above, based on the statutory authority of the Monetary Board, CBSL retains full discretion to choose or not to choose to trigger for non-viability as has been provided for in the Banking Act Direction No.1 of 2016 on Capital Requirements under Basel III for Licensed Commercial Banks and Licensed Specialized Banks.

As the CBSL retains full discretion to choose not to trigger Non-viability Conversion notwithstanding a determination that the Bank has ceased, or is about to cease to be viable, under such circumstances, the holders of the Basel iii compliant Debentures may be exposed to losses through the use of other resolution tools under applicable statutes.

Generic risks

(i) The ability to transfer the Debentures may be limited by the absence of an active trading market, and there is no assurance that any active trading market will develop for the Debentures

In Sri Lanka the secondary trading activity in the corporate debt market is limited. The Debentures are a new issue of securities and have no established secondary trading market. Further, the secondary market trading in respect of Debentures is only limited to Qualified Investors as defined in the Prospectus. There can be no assurance that an active secondary trading market will develop. If the Debentures are traded after their initial issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Bank.

Even if an active secondary trading market does develop, it may not be liquid and may not continue. Therefore, investors may not be able to sell their Debentures easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. If the secondary market for the Debentures is limited, there may be few buyers for the Debentures and this may significantly reduce the relevant market price of the Debentures.

(ii) Credit ratings may not reflect all risks associated with an investment in the Debentures

A credit rating reflects a relative ranking of credit risk and does not reflect the potential impact of all risks related to the structure, market, additional factors discussed herein, and other factors that may affect the value of the Debentures.

(iii) A Downgrade, suspension or withdrawal of the rating assigned by any rating agency to the Debentures could cause the liquidity or market value of the Debentures to decline

Rating initially assigned to the Debentures may be lowered or withdrawn entirely by the Rating Agency if, in the Rating Agency's judgment, circumstances relating to the basis of the rating, such as adverse changes to the Bank's business, so warrant. If the rating agency lowers or withdraws its rating, such event could reduce the liquidity or market value of the Debentures. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the Rating Agency at any time.

(iv) Changes in law, or changes in regulatory classification may affect the rights of holders as well as the market value of the Debentures

The regulatory regime in connection to these instruments is evolving. Changes in law may include change in statutory, tax and regulatory regimes during the life of the Debentures, which may have an adverse effect on the investment in the Debentures.

5.12 BENEFITS OF INVESTING IN THE DEBENTURES

- Provides the Qualified investor with a regular cash inflow of interest payments.
- Opportunity to realize capital gain according to interest rate fluctuations in the financial markets.
- Capacity to exit from the investment at any time, after the Debentures are listed on the CSE.
- Can be used as collateral to obtain credit facilities from banks and financial institutions other than the Bank
- Provides the investor with an opportunity to invest in Debentures issued by a Commercial Bank in Sri Lanka.

5.13 TRANSFER OF DEBENTURES

- a) These Debentures are limited to Qualified Investors 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.
- b) The Debentures shall be transferable and transmittable amongst Qualified Investors as long as the Debentures are listed in the CSE. to provisions contained in the Trust Deed, the Bank may register without assuming any liability or any transfer of Debentures, which are in accordance with the statutory requirements, rules and regulations in force for the time being as laid down by the CSE, SEC and the CDS.

- (c) 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 recognised by the Issuer as having any title to his/her Debentures.
- (d) Any qualified investor 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 Bank 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 Bank, CDS, CSE and SEC.
- (e) No change of ownership in contravention of the above conditions will be recognised by the Bank.

5.14 LISTING

It is the intention of the Bank to list the Debentures in the Colombo Stock Exchange upon the allotment thereof. Therefore, an application has been made to the CSE for permission to obtain a listing for the BASEL III compliant tier 2 listed rated unsecured subordinated redeemable debentures with a non-convertibility conversion and a further application has been made for the listing of any Ordinary Voting shares which may be issued upon the occurrence of a Trigger Event in respect of BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable, debentures. The CSE has granted its approval in-principle for the same. 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.

The CSE however, assumes no responsibility for the correctness of the statements made or opinions expressed or reports included in this Prospectus. Admission to the official listing is not to be taken as an indication of the merits of the Seylan Bank PLC or of its Debentures.

5.15 RATING OF THE DEBENTURES

Fitch Ratings Lanka Limited has assigned a National Long-Term Rating of 'BBB (lka)'/RWN to BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable, Debentures. Fitch Rating Lanka rates the proposed Tier 2 instrument two notches below the bank's National Long-Term Rating of 'A-(lka)'/RWN (from 'A(lka)'/RWN) to reflect the notes' subordinated status and higher loss-severity risks relative to senior unsecured instruments.

The Board of directors undertake to keep the trustee and CSE informed of any changes to the credit rating of the debentures if any of the directors are aware/being notified of any changes to the rating.

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/banks/fitch-rates-seylan-bank-proposed-basel-iii-sub-debt-bbb-exp-lka-03-03-2022>

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

5.16 COST OF THE ISSUE

The Directors estimate that the total cost of the Issue including the Listing fees, Trustee fees, Brokerage, Printing, Marketing, Managers and Registrars fees and other costs connected with the Issue will be approximately LKR 40.5 Million and will be funded by Seylan Bank PLC.

5.17 BROKERAGE & FEES

Brokerage at the rate of 0.15% of the nominal value of the Debentures will be paid in respect of the number of Debentures allotted, on applications bearing the original stamp of any bank operating in Sri Lanka or a member/ trading member of the CSE or Capital Alliance Partners Limited or any agent appointed by the Bank involved in marketing of the Issue.

5.18 UNDERWRITING

The Debenture Issue is not underwritten. In the event the Issue is not fully subscribed and the objective of raising Tier 2 capital is not achieved fully, the Bank would have to manage the credit growth and its composition. However, the Bank would be able to supplement this requirement to a certain degree with retention of expected profits. The risk of under subscription of the Debenture Issue will be greatly mitigated through appointing experienced Financial Advisors and Managers to the Issue, pre-marketing and building a pipeline of potential investors.

6 PROCEDURE FOR APPLICATION

6.1 ELIGIBLE APPLICANTS

Applications are invited from Qualified Investors for the subscription of Debentures from the following categories of Qualified Investors.

- a) A commercial bank licensed by the Central Bank of Sri Lanka in terms of the Banking Act, No. 30 of 1988 (as amended).
- b) A specialized bank licensed by the Central Bank of Sri Lanka in terms of the Banking Act, No.30 of 1988 (as amended).
- c) A mutual fund, pension fund, Employee Provident Fund or any other similar pooled fund.
- d) A Venture Capital fund/ Company and private equity company.
- e) A finance company licensed by the Central Bank of Sri Lanka in terms of the Finance Business Act. No 42 of 2011 (as amended).
- f) A company licensed by the Central Bank of Sri Lanka to carry on finance leasing business under the Finance Leasing Act, No 56 of 2000 (as amended)
- g) A company licensed by the Insurance Board of Sri Lanka to carry on Insurance business in terms of the Regulation of the Insurance Industry Act, No. 43 of 2000 (as amended)
- h) A corporate (listed or unlisted) which does not fall under the above categories and is incorporated under the Companies Act No.7 of 2007.
- i) An investment trust or investment company
- j) A non-resident institutional investor
- k) An individual with a minimum initial investment amount of Rs. 5,000,000/-.

Applicant would be determined as a qualified investor as per the information provided in the Application Form in line with the conditions stipulated herein.

Applications will not be accepted from individuals under the age of eighteen (18) years, or in the names of sole proprietorships, unincorporated trusts or non-corporate bodies.

In view of the above secondary trading of BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable, Debentures on the CSE will also be limited to Qualified Investors.

“Residency” will have the same meaning as in the order published under Section 31 of the Foreign Exchange Act No.12 of 2017 and published in Gazette Extraordinary No. 2213/35 dated 3rd February 2021.

When permitting Non-residents to invest in the Debentures, the Bank will comply with the Foreign Exchange Act and the Regulations published thereunder including those contained in the Government Gazette (Extraordinary) No. 2213/35 dated 3rd February 2021 with regard to the issue and transfer of Debentures of Companies incorporated in Sri Lanka to persons residents outside Sri Lanka.

6.2 HOW TO APPLY

- (a) Applications must be made on the Application Forms issued with this Prospectus. Applications are also permitted on photocopies of the Application Forms issued with the Prospectus. Applicants using photocopies are requested to inspect the Prospectus, which is available for inspection and also issued free of charge at the Registered Office of the Bank and the Collection Points listed in Annexure III. Prospectus and Application Forms could also be downloaded from the website of the Bank (www.seylan.lk) or from the web site of the CSE (www.cse.lk). **Applications that do not strictly conform to such instructions and the other instructions set out below or which are illegible may be rejected.**
- (b) Applicants are allowed to invest in Debentures subject to the minimum subscription. A minimum of One hundred (100) Debentures (LKR10,000/-) and Applications exceeding the minimum subscription should be in multiples of 100 debentures (LKR10,000/-).
Provided however, the minimum subscription requirement applicable for an individual investor with regards to BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable, Debentures shall be Rupees Five Million (LKR 5,000,000/-).
- (c) Joint applications may be made. However, an Applicant of a joint application will not be eligible to send a separate application individually or jointly with another party for the same type of debentures. Only one application should be made for the benefit of any person or corporate body. The interest cheques will be drawn in favour of the principal Applicant as given in the Application Form.
- (d) In the case of corporate Applicants, **the common seal of such entity** should be affixed and attested if required by the Articles of Association or such other constitutional documents of such Applicants or as per the statutes governing them. In 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.
- (e) **A Sri Lankan citizen must state his / her National Identity Card (NIC) number on the Debenture Application Form. The Passport number can be given only when the NIC number is not available. In the case of a corporate entity, the company registration number must be given. A foreign citizen must state his / her passport number in the space provided.**

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.

- (f) The Application Forms may be signed by any person 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.**
- (g) Applicants who wish to apply through their Margin Trading Account should submit the application in the name of the "Margin Provider / Applicants Name" signed by the margin provider. A copy of the Margin Trading Agreement should be attached with the Application Form. Please note that the margin provider can apply under its own name and such Applications will not be construed as multiple Applications. Photo copy of the Margin Trading Agreement must be submitted along with the Application.
- (h) As per the Directive of the SEC made under Circular No. 08/2010, dated 22 November 2010 and Circular No. 13/2010 issued by the CDS dated 30th November 2010, all Debentures allotted must be directly uploaded to the CDS accounts. **As such, all Applicants should indicate their CDS account number in the Application Form.**

Applicants who do not have a CDS account are advised to open a CDS account prior to submitting the Application, in order to facilitate the uploading of allotted Debentures to their CDS account. A CDS account can be opened through any Member/ Trading Member of the CSE or through a Custodian Bank. (Annexure III & V)

Please note that upon the allotment of Debentures under this issue the allotted Debentures would be credited to the Applicant's CDS account indicated. **Please note that Debenture certificates shall not be issued. Applications which do not carry the CDS account number, which is not opened at the time of the closure of the subscription list or which indicate an incorrect / inaccurate CDS account number shall be rejected, and no allotment will be made.**

It should be noted that in the event the Applicant's CDS Account number is correctly stated in the Application Form, all correspondence with such Applicant will be sent to the address given to the CDS by such Applicant.

Further, in the event the name or the address of the Applicant mentioned in the Application Form differ from the name or address given to the CDS by such Applicant in respect of the CDS Account mentioned in the Application Form, the name and the address given to the CDS by such Applicant in respect of the CDS Account mentioned in the Application Form will be considered as the name and address of such Applicant.

- (i) Foreign Investors and Non-Resident Investors may be affected by the laws of the jurisdiction of their residence. It is the responsibility of such investors to comply with the laws relevant to their country of residence and the Laws of Sri Lanka, when making an application for subscription of the Debentures.
- (j) Application Forms properly filled in accordance with the instructions thereof together with the remittance (cheque, bank draft, RTGS or bank guarantee as the case may be) for the full amount

payable on application should be enclosed in an envelope marked “**Seylan Bank PLC Debenture Issue 2023**” on the top left-hand corner in capital letters and dispatched by post or delivered by hand to the Registrars to the Issue at the following address:

SSP Corporate Services (Pvt) Limited
Registrars to Seylan Bank PLC Debenture Issue
No. 101, Inner Flower Road, Colombo 3
Tel: +94(011) 2573894

In the alternative, Application Forms could also be handed over to any of the Collection Points set out in Annexure III.

- (k) Applications sent by post or delivered to any places mentioned in Annexure III (Collection Points) **by 4.30 p.m. on the closing date should reach the office of the Registrars to the Issue at least by 4.30 p.m. on the following working day upon the closure of the subscription list.** Applications received after the said period will be rejected even though they have been delivered to any of the Collection Points prior to the Closing Date or carry a post mark dated prior to the Closing Date.

Please note that Applicant information such as full name, address, NIC number/passport number/ company number and residency will be downloaded from the database of CDS, based on the CDS account number indicated in the Application Form. Such information will take precedence over information provided in the Application Form.

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

Applications that do not strictly conform to such instructions and additional conditions set out hereunder or which are illegible may be rejected.

PLEASE NOTE THAT ALLOTMENT OF DEBENTURES WILL ONLY BE MADE IF THE APPLICANT HAS A VALID CDS ACCOUNT AT THE TIME OF SUBMISSION OF APPLICATION.

Please note that upon the allotment of Debentures under this issue, the allotted Debentures would be credited to the Applicant’s CDS account so indicated.

Hence, **DEBENTURE CERTIFICATES SHALL NOT BE ISSUED.**

6.3 MODE OF PAYMENT

- (a) Payment for the total value of Debentures applied for should be made separately in respect of each Application either by cheque/s, bank draft/s, bank guarantee drawn upon any licensed commercial bank operating in Sri Lanka or RTGS transfer directed through any licensed commercial bank operating in Sri Lanka.
- (b) Payments for Applications for values above and inclusive of Sri Lankan Rupees One Hundred Million (LKR 100,000,000/-) should be supported by either,
- Multiple bank drafts drawn upon any licensed commercial bank operating in Sri Lanka, each of which should be for a value less than LKR 100,000,000/- or
 - Bank guarantee issued by a licensed commercial bank operating in Sri Lanka, or
 - RTGS transfer with value on the date of submission of application or opening of the Issue whichever is later, or

Multiple bank drafts/cheques, bank guarantees or RTGS transfers will not be accepted for Applications valued below Sri Lankan Rupees One Hundred Million (LKR 100,000,000/-)

- (c) Cheques or Bank Drafts should be drawn upon any commercial bank in Sri Lanka and crossed "**Account Payee Only**" and made payable to "**Seylan Bank PLC Debenture Issue 2023**".
- (d) In case of bank guarantees, such bank guarantees should be in a manner acceptable to the Bank, issued by any licensed commercial bank in Sri Lanka, payable on demand to "**Seylan Bank PLC**" and be valid up to minimum of 14 days from the closing date of Issue. It is advisable that the Applicants discuss with their respective bankers the matters with regard to the issuance of bank guarantees and all charges involved. All expenses with regard to such bank guarantees should be borne by the Applicants.
- (e) In case of RTGS transfers (only for application values above and inclusive of Sri Lankan Rupees One Hundred Million (LKR 100,000,000/-), such transfers should be made to the credit of "**Seylan Bank PLC Debenture Issue 2023**" bearing the **account number 0860-13472391-001 at Seylan Bank, Millennium Branch** with value on the date of submission of Application or opening of the Issue whichever is later.
- (f) The Applicant should obtain a confirmation from the Applicant's bank, to the effect that arrangements have been made to transfer funds for the total value of Debentures applied for, to the credit of "**Seylan Bank PLC Debenture Issue 2023**" bearing the account number **0860-13472391-001 at Seylan Bank PLC, Millennium Branch** with value on the date of submission of application or opening of the Issue whichever is later (i.e. the funds to be made available to the above account on date of submission of Application or opening of the Issue whichever is later) and should be attached with the Application.

- (g) For RTGS transfers above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-), the Applicants are entitled to an interest at 10.00% p.a. from the date of transfer up to the date of Allotment. For such RTGS transfers, entire interest earned by investing such money (on actual/actual basis) will be paid from the date of such transfer up to the Date of Allotment. However, no interest will be paid if the RTGS transfers are not affected before the end of the Closing Date. Furthermore, even if such RTGS transfers are affected prior to the Issue opening date, no interest will be paid for the period prior to the Issue opening date.

Cash and SLIPS/CEFTS transfers will not be accepted as a mode of payment.

- (h) Payments for the Debentures by Non-residents should be made only out of funds received as inward remittances or available to the credit of **“Inward Investment Account” (IIA)** maintained with any licensed commercial bank in Sri Lanka in accordance with directions given by Director Department of Foreign Exchange in that regard to the licensed commercial banks. An endorsement by way of a letter by the 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 has been made out of the funds available in IIA. The IIA is the successor to the Securities Investment Account (SIA) under the Exchange Control Act and accordingly if any investor has an SIA the payment for the Debentures could be made from such an account. Such accounts would be re-designated as IIA with effect from 1st January 2018.
- (i) Non-Residents should have obtained necessary internal approvals as provided by their internal approval procedures at the time of applying for the Debentures and may be affected by the laws of the jurisdiction of their residence.

If the Non-Resident Applicants 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.

Application Forms properly filled in accordance with the instructions thereof together with the remittance for the full amount payable on Application should be enclosed in an envelope marked “SEYLAN BANK PLC DEBENTURE ISSUE 2023” on the top left-hand corner in capital letters and dispatched by post or courier or delivered by hand to the Registrars to the Issue or collection points mentioned in Annexure III.

Applications sent by post or courier or delivered to any collection point set out in Annexure III by 4.30 p.m. on the closing date should reach the office of the Registrars to the Issue, SSP Corporate Services (Pvt) Ltd, No 101, Inner Flower Road Colombo 03 at least by 4.30 p.m. on the following Market Day immediately upon the Closing Date.

Applications received after the said period will be rejected even though they have been delivered to any of the said collection points prior to the Closing Date or carry a postmark dated prior to the Closing Date. Applications delivered by hand to the Registrars to the Issue after the Closing Date of the Issue will also be rejected.

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

6.4 REJECTION OF APPLICATIONS

- (a) Application Forms and the accompanying remittance mode (Cheque / Bank Draft / Bank Guarantee/RTGS) which are illegible or incomplete in any way and / or are not in accordance with the terms, conditions and instructions set out in this Prospectus will be rejected at the sole discretion of the Bank.
- (b) Applications from individuals under the age of eighteen (18) years or in the names of Sole Proprietorships, Partnerships or Unincorporated Trusts will also be rejected.
- (c) An Applicant of a Joint Application will not be eligible to submit another application either individually or jointly under the same Debenture type. Only one Application should be made by any person or entity under the same Debenture type. Multiple Applications will be rejected.
- (d) Applications which do not carry a valid CDS account number at the time of the closure of the subscription list or which indicate an incorrect / inaccurate CDS account number shall be rejected, and no allotment will be made. Application Forms stating third party CDS account numbers, instead of their own CDS account numbers, except in the case of Margin Trading Accounts, will also be rejected.
- (e) Any application forms a non-Qualified Investor applying for BASEL III Compliant, Tier 2, Listed, Rated, Unsecured, Subordinated, Redeemable, Debentures will be rejected.
- (f) Any Application Form with more than three (03) natural persons as joint Applicants for any type of Debentures will be rejected.
- (g) Any Application Form which does not state the NIC, Passport or Company Registration number, as the case may be, will be rejected.
- (h) In the event that cheques are not realized within two (2) Market Days from the closure of the subscription list and realized 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.
- (i) Applications delivered by hand to the Registrars to the Issue, or to any place / institution discussed in Annexure III (Collection Points) after the subscription list is closed will be rejected. Application received by post or courier after 4.30 pm on the Market Day immediately following the closing date, will be also rejected even if they carry a post mark dated prior to the Closing date.

- (j) Applications delivered to any place / institution discussed in Annexure III (Collection Points) by 4.30 pm on the closing date should also reach the office of the Registrars to the Issue at least by 4.30 pm on the following market day immediately upon the closure of the Subscription List. Applications received after the said duration will be rejected even though they have been delivered to any of the Collection Points prior to the Closing Date or carry a post mark dated prior to the Closing Date.

6.5 BASIS OF ALLOTMENT

The basis of Allotment will be decided by the Board of Directors of Seylan Bank PLC before the expiry of Seven (07) Market Days from the closure of the Issue and will be announced to the CSE.

Further, the Board reserves the right to allocate up to 75% of the Issue value on a preferential basis, to Investor/(s) of strategic importance with whom they might partner with in future endeavours. These benefits could be such as being able to tap into a non-conventional investor base, being able to build confidence among other investors due to the investment decision of strategic investors and being able to get the Issue subscribed with the larger quantum pledged.

Number of Debentures to be allotted to investors of strategic importance (Identified Large scale Corporates/Banks /High Net Worth Individuals/Unit Trust/Insurance and Pension Funds), on a preferential basis or otherwise will not exceed 75% of the total number of debentures to be issued under the proposed debt issue under any circumstances, unless there is an under subscription from other qualified investors. (i.e., qualified investors who do not fall under preferential category). In the event of such undersubscription, the other qualified investors who do not fall under preferential category are to be allotted in full and any remaining debentures are to be allotted to identified qualified investors of strategic importance

The successful Applicants will be informed of the allotment within Ten (10) Market Days from the closure of the Subscription List.

The allotment of Debentures as above will be done subject to the provisions in 3.3.5 (ii) (a) (i) & (ii) of the CSE Listing Rules.

The Board of Directors of the Bank reserves the right to refuse any Application or to accept any Application or part only, without assigning any reason therefore.

6.6 ACCEPTANCE & REFUNDS

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

Refunds due on Applications fully or partially accepted will be paid within eight (08) Market Days excluding the date of closure of the Subscription List. Applicants will be entitled to receive interest at

the rate of last quoted Average Weighted Prime Lending Rate (AWPLR) published by the Central Bank of Sri Lanka plus 5% for the delayed period on any refunds not made within this period.

If the Applicant has provided accurate and complete details of his/her bank account in the Application Form, the Bankers to the Issue will make refund payments applicable up to and inclusive of Sri Lankan Rupees Five Million (LKR 5,000,000/-) to the bank account specified by the applicant, through SLIPS.

In the event of refunds over Rupees Five Million (LKR 5,000,000/-), refunds will be made via RTGS. In the event where the Applicant has not provided accurate and correct details of the bank account in the Application Form, the Bank will make such refund payments to the Applicant by way of cheque and sent by post at the risk of the Applicant.

Refunds sent through post will be made by crossed cheques and sent by register post to the registered address. In the case of a Joint Application, a "crossed cheque" will be drawn in favour of the Applicant whose name appears first in the Application Form.

It is the responsibility of Non-Residents/Foreign Investors to ensure that their IIA details are accurately provided on the application Form to forward the refund to IIA through which the application was made.

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/>

6.7 CDS LODGEMENTS AND TRADING OF DEBENTURES

- (a) If the Applicant's CDS Account number is correctly stated in the Application Form the Debentures allotted will be directly uploaded to the CDS account stated in the Application Form before the expiry of **twelve (12) market days**, from the date of closure of the subscription list. A written confirmation in this regard will be sent to the Applicant within **two (02) market days** of crediting the CDS account, by ordinary post to the registered address of such Applicant.
- (b) The Bank shall submit to the CSE a 'Declaration' as set out in the Listing Rules of the CSE on the Market Day immediately following the day on which the investors' CDS Accounts are credited with the Debentures and secondary trading of the Debentures will commence on or before the third (03rd) Market Day upon receipt of the declaration by the CSE.

7 SEYLAN BANK PLC

7.1 CORPORATE BACKGROUND

Seylan Bank PLC is a commercial bank regulated by the Central Bank of Sri Lanka and was incorporated on 28th August 1987. It commenced business on 24th March 1988.

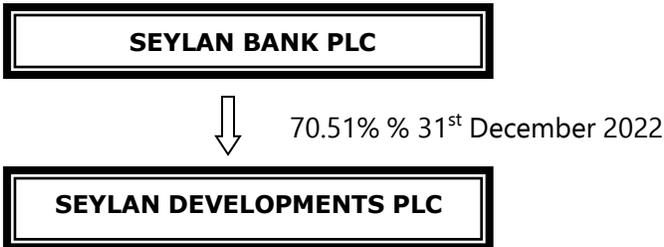
Seylan bank PLC operates under the authority of the licence issued by Monetary Board of Central Bank of Sri Lanka. The licence issued is a continuous licence and doesn't have an expiry date.

The Bank offers banking products and services ranging from savings accounts, current accounts, foreign currency services, deposits and investments, credit cards, loan facilities, leasing, E-commerce and personal financial planning services. Apart from the above, the Bank offers personal banking facilities, trade finance, remittances, offshore banking, and pawning services.

Seylan Banks' network comprises of 171 Banking Centres, 215 ATMs and 98 Student Savings Centres and has overseas presence in many countries. They undertake remittance business on behalf of Sri Lankan expatriates in these countries while promoting the Bank's other products to them. From the inception, the Bank presented itself as a flexible, customer-friendly alternative, delivering the promise of its motto - '*The Bank with a Heart*'.

Seylan Bank PLC owns 70.51% stake in Seylan Developments PLC, a quoted subsidiary formed in 1992 for the purpose of constructing the head office building of the Bank and presently is involved in property development/management.

7.2 GROUP STRUCTURE



7.3 STATED CAPITAL AND SHARES IN ISSUE

Stated Capital and the Shares in issue as at 31st March 2023 were as follows:

Stated Capital	-	LKR 19,926,453,430.01
Shares Issued	-	282,704,760 Ordinary Voting Shares
		295,071,313 Ordinary Non-voting Shares

The public holding of the Bank as at 31st December 2022 was as follows:

Criteria	31 December 2022
Float adjusted market capitalization	LKR 4,900 Million
Public Holding Percentage	54.85%
Number of public shareholders	10,056
Option	4

7.4 MAJOR SHAREHOLDING

Top twenty (20) Ordinary Voting Shareholders of the Bank as at 31st March 2023 were as follows:

NO	SHAREHOLDER'S NAME	NO OF SHARES HELD	PERCENTAGE (%)
1	Brown & Company PLC A/C No. 1	29,618,949	10.48
2	Sri Lanka Insurance Corporation Ltd - General Fund	28,270,471	10.00
3	Employees Provident Fund	27,867,655	9.86
4	Mr K D D Perera	26,836,320	9.49
5	Sampath Bank PLC/LOLC Investments Ltd	26,451,501	9.36
6	National Development Bank PLC	24,665,595	8.72
7	Seylan Bank PLC A/C No. 04 - Employees Gratuity Trust Fund	18,427,894	6.52
8	Bank Of Ceylon No. 1 Account	15,902,140	5.62
9	Sri Lanka Insurance Corporation Ltd – Life Fund	14,135,233	5.00
10	Peoples Leasing & Finance PLC/Don and Don Holdings (Pvt) Ltd	10,803,234	3.82
11	Sampath Bank PLC/Brown and Company PLC	9,606,146	3.40
12	Employees Trust Fund Board	6,011,538	2.13
13	NDB Capital Holdings Limited A/C No.02	2,863,435	1.01
14	Sisil Investment Holdings (Pvt) Ltd	2,673,563	0.95
15	Finco Holdings (Pvt) Ltd	2,656,221	0.94
16	Asiri Hospital Holdings PLC	2,099,988	0.74
17	Mr M J Fernando	1,427,558	0.50
18	Mr R R Leon	1,337,803	0.47
19	Mr K R B Fernando	1,223,238	0.43
20	J. B. Cocoshell (Pvt) Ltd	975,855	0.35

Note:

* Brown & Company PLC and LOLC Investments Ltd collectively hold 3.42% of the issued capital of the Bank. This joint shareholding limit has been approved by the Central Bank vide their letter dated 14th September 2011, subject to the joint holding of Brown & Company PLC A/C and LOLC Investments Ltd being reduced from 23.42% to 15% within a period of 15 years from 13th October 2009.

The Board decided at its meeting held on 15th April 2020 to limit the voting rights of Brown & Co PLC's shareholding in Seylan Bank PLC to 9.55% with effect from 31st March 2020 in compliance with the direction issued by the Monetary Board vide Director – Bank Supervision's letter dated 6th April 2020. The Bank has made relevant disclosures via its annual reports since 2020 to date.

Related party relationships of the Ordinary voting shareholders of the Bank as at 31st March 2023 are as follows:

Shareholders (voting)	Relationship/ % of equity capital held	Common Directors /KMPs
Sri Lanka Insurance Corporation Ltd (Life Fund and General Fund)	15%	Directors, Mr W M R S Dias and Mr S V Corea are nominated to the Board by SLIC
Brown & Company PLC A/C No. 1	10.48%	<u>Common Directors</u> Ms V G S S Kotakadeniya
Sampath Bank PLC/Brown and Company	3.40%	
Sampath Bank PLC/LOLC Investments Ltd	9.36 %	<u>Common Directors of LOLC Holdings PLC</u> Mr D M D K Thilakaratne Ms V G S S Kotakadeniya
LOLC Investments Ltd	0.19% subsidiary of LOLC Holdings PLC	
Seylan Bank PLC A/C No. 04 - Employees Gratuity Trust Fund	6.52% Employees Gratuity Trust Fund of the Bank	<i>The following Directors of the Bank are Trustees of the Fund –</i> <i>Mr W M R S Dias</i> <i>Mr K P Ariyaratne</i> <i>Mr A S Wijesinha</i> <i>Mr D M D K Thilakaratne</i> <i>Mr D R Abeyseriya</i> <i>The following senior management of the Bank are Trustees of the Fund –</i> <i>Mr J Amarasinghe</i> <i>Mrs C Dodanwela</i> <i>Mr R J Jayasekara</i> <i>Mrs V A Paranagama</i>

Top twenty (20) Ordinary Non-voting shareholders of the bank as at 31st March 2023 were as follows:

NO	SHAREHOLDER'S NAME	NO OF SHARES HELD	PERCENTAGE (%)
1	LOLC Holdings PLC	152,262,646	51.60
2	Employees Provident Fund	15,738,986	5.33
3	Sri Lanka Insurance Corporation Ltd - Life Fund	9,882,823	3.35
4	Don and Don Holdings (Pvt) Ltd	9,874,165	3.35
5	Akbar Brothers Pvt Ltd A/C No. 1	6,337,096	2.15
6	Pershing LLC S/A Averbach Grauson & Co.	4,053,725	1.37
7	Peoples Leasing & Finance PLC/Don and Don Holdings (Pvt) Ltd	4,008,997	1.36
8	Employees Trust Fund Board	3,522,251	1.19
9	Merrill J Fernando & Sons (Pvt) Limited	3,277,637	1.11
10	Mr R R Leon	2,706,900	0.92
11	LOLC Technology Services Limited	2,576,643	0.87
12	Mr. N. Balasingam	2,308,455	0.78
13	Sri Lanka Insurance Corporation Ltd - General Fund	2,083,833	0.71
14	Mr. R. Gautam	1,665,410	0.56
15	Mr M J Fernando	1,615,464	0.55
16	Dr S Yaddehige	1,387,883	0.47
17	Ms S Durga	1,371,362	0.46
18	Mr D N N Lokuge	1,361,938	0.46
19	J B Cocoshell (Pvt) Ltd	1,246,205	0.42
20	Askold (Pvt) Ltd	1,202,899	0.41

Related party relationships of the Ordinary non-voting shareholders of the Bank as at 31st March 2023 are as follows:

Shareholders (non-voting)	Relationship	Common Directors /KMPs
LOLC Holdings PLC	51.60%	<u>Common Directors</u> Mr D M D K Thilakaratne Ms V G S S Kotakadeniya
Sri Lanka Insurance Corporation Ltd (Life fund)	3.35%	Directors, Mr W M R S Dias and Mr S V Corea are nominated to the Board by SLIC
Sri Lanka Insurance Corporation Ltd (General fund)	0.71%	Directors, Mr W M R S Dias and Mr S V Corea are nominated to the Board by SLIC
LOLC Technology Services Ltd	0.87% Subsidiary of LOLC Holdings PLC	<u>Common Directors of LOLC Holdings PLC</u> Mr D M D K Thilakaratne Ms V G S S Kotakadeniya

7.5 DEBT SERVICING DETAILS OF THE BANK

Description (year ended)	2018	2019	2020	2021	2022
	LKR '000				
Gross interest due on Debentures	1,758,411	1,979,670	2,474,558	2,261,775	2,589,596
Debenture interest paid on or before due date	1,758,411	1,979,670	2,474,558	2,261,775	2,589,596
Debenture interest paid after due date			-		-
Debenture interest not paid as of due date			-		-

7.6 LITIGATION, DISPUTES AND CONTINGENT LIABILITIES

Contingent Liabilities of the bank as at 28th February 2023 are as follows (unaudited):

Description	LKR '000
Acceptances	10,075,141
Standby Letters of Credit	375,256
Guarantees	65,764,251
Documentary Credit	5,389,570
Bills for Collection	6,011,685

These balances are excluding Net Forward Exchange Contracts.

In the normal course of business, the Bank is involved in various types of litigation with borrowers or others who have asserted or threatened claims/counter claims against the Bank such as those provided in Note 48 (pages 258 to 261) in the Annual Report for the year ended 31st December 2022. These cases are on-going matters as at date and the Bank cannot quantify the potential impact until such litigation is concluded and therefore, they are not disclosed as a contingent liability. Further the Bank is of the opinion that the outcome of any action will not have a material effect on the financial position of the Bank.

7.7 PARTICULARS OF DEBT AND LOAN CAPITAL

The outstanding borrowings of the Bank as at 28th February 2023 are as follows (unaudited):

Description	LKR '000
Due to Banks	
Refinance Borrowing	6,405,147
Borrowings from Local Banks	479
Borrowings from Foreign Banks	5,849,853
Total Due to Banks	12,255,479
Debt Securities Issued – Debentures at Amortized Cost	21,929,506
Other Borrowings - Refinance Borrowing (Other Institutions)	8,450

Note: The Bank does not have long term borrowings, other than debentures & long-term foreign borrowing of USD 15.12 Mn.

7.8 DEBT SECURITIES

Details of the Listed Debentures in issue as at the day of the prospectus are as follows:

BASEL III COMPLIANT TIER 2 LISTED RATED UNSECURED SUBORDINATED REDEEMABLE FIVE-YEAR DEBENTURES (LKR 000')			
	Amount	Interest rate	Maturity Date
2016 PUBLIC ISSUE			
SEMI ANNUAL (SEVEN YEAR FIXED)	3,272,280	13.75%	14/07/2023
	3,272,280		
2018 PUBLIC ISSUE			
SEMI ANNUAL (SEVEN YEAR FIXED)	715,000	13.20%	28/03/2025
SEMI ANNUAL (TEN YEAR FIXED)	1,609,000	13.50%	28/03/2028
	6,234,000		
2019 PUBLIC ISSUE			
ANNUAL (FIVE YEAR FIXED)	3,773,400	15.00%	17/04/2024
SEMI ANNUAL (FIVE YEAR FIXED)	1,226,600	14.50%	17/04/2024
	5,000,000		
2021 PUBLIC ISSUE			
ANNUAL (FIVE YEAR FIXED)	5,352,020	9.75%	12/04/2026
QUARTERLY (FIVE YEAR FIXED)	647,980	9.25%	12/04/2026
TOTAL	6,000,000		

Seylan Bank PLC has complied with the main objectives stated in the Prospectus' of its Debentures issues allotted in 2016, 2018 and 2019 which are listed in the Colombo Stock Exchange. There was no deviation from the objectives for which the Debentures were issued.

Objectives of the 2016 Debenture Issue (Listed Unsecured Subordinated Rated Redeemable Debentures) of Rs.5,000,000,000/-

- To increase the capital base and the Bank's total capital adequacy ratio
- To match the Asset Liability mis-match
- Minimise the Interest Rate Risk and gap exposure in the Bank's asset/liability portfolio

(Objectives of the 2018 Debenture Issue (BASEL III Compliant, Tier 2, Listed Rated, Unsecured, Subordinated, Redeemable Debentures with a Non-Viability Conversion) of Rs.6,234,000,000/-

- To increase the Tier 2 Capital base of the Bank in accordance with BASEL III requirements
- To grow the loans and advances portfolio through diverse lending products

(Objectives of the 2019 Debenture Issue (BASEL III Compliant, Tier 2, Listed Rated, Unsecured, Subordinated, Redeemable Debentures with a Non-Viability Conversion) of Rs.5,000,000,000/-

- To strengthen the Tier 2 Capital base of the Bank as per BASEL III requirements; and
- To meet the current credit demand (loans and advances) of the Bank.

Objectives of the 2021 Debenture Issue (BASEL III Compliant, Tier 2, Listed Rated, Unsecured, Subordinated, Redeemable Debentures with a Non-Viability Conversion) of Rs.6,000,000,000/-

- To strengthen the Tier 2 Capital base of the Bank as per BASEL III requirements; and
- To meet the current credit demand (loans and advances) of the Bank.

Debenture Holders of BASEL III Compliant, Tier 2, Listed Rated, Unsecured, Subordinated, Redeemable Debentures with a Non-Viability Conversion do not have the following rights;

- Sharing in the profits of the Bank
- Participating in any surplus in the event of liquidation or any special rights

The above-mentioned Debenture Holders are at any event not barred from being shareholders of the Bank and if they are shareholders, they will enjoy the rights and privileges entitled to shareholders.

However, In the event of liquidation or winding up, the claims of the above mentioned subordinated Debenture Holders will be ranked after all the claims of the senior debt holders of the Bank and the preferential claims under Section 365 of the Companies Act No.7 of 2007 but in priority to the claims and rights of the Shareholders of the Bank.

There were no outstanding convertible debt securities other than BASEL III, convertible to equity as at 31 December 2021.

Fitch Ratings Lanka Limited has downgraded the National Long-Term Rating of Seylan Bank PLC to 'A-(lka)'/Rating Watch Negative (from 'A(lka)'/Rating Watch Negative) due to the recalibration of the Sri Lankan National Rating Scale. The outstanding Sri Lankan Rupee denominated Subordinated Debt of the Bank was also revised two notches below the National Rating, i.e. 'BBB(lka)'/RWN from 'BBB+(lka)'/RWN. A market announcement in this regard was made to the Colombo Stock Exchange on 18th January 2023.

7.9 KEY FINANCIAL RATIOS (Audited)

Description	31 Dec 2018	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022
Interest Cover (times)	3.64	3.11	2.67	3.37	3.56
Debt (D) to Equity(E) ratio	0.47	0.45	0.35	0.42	0.40
Total Capital Adequacy Ratio (%)	13.30	14.84	14.30	14.11	13.59
Statutory Liquid Assets Ratio (%) for Domestic Banking Operations (Minimum Requirement - 20%)	21.44	21.4	31.31	22.84	25.16
Statutory Liquid Assets Ratio (%) for Foreign Currency Banking Operations (Minimum Requirement - 20%)	22.08	21.81	22.47	23.30	25.02

<p>1. Interest cover (times) $\frac{\text{Profit before Interest \& Tax}}{\text{Interest}}$</p>	<p>2. Debt to Equity (times) $\frac{\text{Long Term Debt}}{\text{Equity}}$</p>
<p>3. Capital Adequacy Ratio (%) Total Capital Adequacy Ratio as per CBSL Directions $\frac{\text{Total Capital (Tier 1\& Tier 2)}}{\text{Total Risk Weighted Assets}}$</p>	<p>4. Statutory Liquid Assets Ratio (%) - Domestic Banking Operations - Foreign Currency Banking Operations $\frac{\text{Statutory Liquid Assets as per the CBSL directions/ Banking Act}}{\text{Total Liability Base as per CBSL Directions}}$</p>

7.10 THE COVID 19 IMPACT ON THE BANK AND ITS BUSINESS OPERATIONS

The socio-economic impact of the Corona Virus Disease (Covid 19) pandemic situation has a direct bearing on the Bank's normal business/operations to a certain extent. The Bank has strictly complied with the guidelines and directives issued in this regard by the Government, the Central Bank of Sri Lanka and other regulators, while also closely monitoring its working capital to balance the cash inflow and outflow measurements.

Due to the limitation on the business activities due to the Covid-19 pandemic, potential impact of moratoriums and increase in non-performing loans will have an adverse impact on the profitability of the Bank which in turn will impact its capital. Capital augmentation activities such as Debenture issues and rights issues are vital in such circumstances to bridge the gaps in generating internal capital while strengthening the long-term capital requirement.

Agile strategic planning and execution of strategic decisions were taken by the Bank to respond to the situation and its subsequent impact on Bank's business. The Bank will continue to take necessary protocols and actions to cope with the situation.

7.11 RELATED PARTY TRANSACTION REVIEW COMMITTEE

The “Related Party Transactions Review Committee” was established as a Board Sub-committee with the main objective of reviewing Related Party Transactions as required by the Listing Rules of the Colombo Stock Exchange (CSE) (and any amendment from time to time) and the Code of Best Practice on Related Party Transactions issued by the Securities & Exchange Commission of Sri Lanka (SEC).

Members of the Related Party Transactions Review Committee are as follows:

Mr D R Abeyesuriya (Independent Director/Chairman of the Committee)
Mr S V Corea (Non-executive Director)
Mr A S Wijesinha (Independent Director/Senior Director)
Ms A A Ludowyke (Independent Director)

The Chief Executive Officer, the Compliance Officer and other members of the Senior Management attend the meeting on invitation.

8 SENIOR MANAGEMENT

Name	Designation
Mr Ramesh Jayasekara	Deputy Chief Executive Officer
Mr Jayantha Amarasinghe	Deputy General Manager, Human Resources
Mrs Champika Dodanwela	Chief Financial Officer
Mr Harsha Wanigathunga	Chief Information Officer
Mr Malik Wickramanayake	Deputy General Manager – Operations
Mr Shanaka Perera	Deputy General Manager Treasury
Mr Aruna Fernando	Deputy General Manager/Chief Risk Officer
Mr Varuna Koggalage	Deputy General Manager/Head of Audit
Mrs Sharon Fonseka	Deputy General Manager – Corporate Credit Branches
Mr Ranil Dissanayake	Deputy General Manager –Branch Credit
Mr Eranga Lankatilaka	Deputy General Manager – Recoveries
Mr Eugene Seneviratne	Deputy General Manager – Retail Banking
Mr Wasantha Karunaratne	Assistant General Manager, Services
Mr Kapila Rathnayaka	Assistant General Manager, Premises Maintenance
Mr Nuwan Jayawardena	Assistant General Manager - IT Infrastructure
Ms Chaya Peshala Amarakoon Gunarathne	Head of Compliance
Mr Shanuka Jayarathna	Assistant General Manager – Finance
Mr Sampath Fernando	Assistant General Manager – IT
Mr Ruwan Fernando	Assistant General Manager, Branches II
Ms Vayoma Paranagama	Assistant General Manager - Legal
Mr Dilan Wijegoonawardena	Assistant General Manager – International
Mr Gamika De Silva	Assistant General Manager – Marketing & Sales
Ms Nilanthie De Meral	Assistant General Manager – Corporate Banking
Mr Dimuth Sigera	Assistant General Manager – Branches I
Ms Saraswathie Poulraj	Company Secretary

9 STATUTORY DECLARATION

9.1 DECLARATION BY THE DIRECTORS

We, the undersigned who are named herein as Board of Directors of Seylan Bank PLC hereby declare and confirm that we have read the provisions of the Listing Rules of the Colombo Stock Exchange (CSE) and of the Companies Act No. 7 of 2007 and any amendments thereto relating to the Issue of this Prospectus and those provisions have been complied with.

This Prospectus has been seen and approved by the Directors of Seylan Bank PLC and they collectively and individually accept full responsibility for the accuracy of the information given and confirm that provisions of the Companies Act No. 07 of 2007 and the Listing Rules of the CSE and any amendments to it from time to time have been complied with, and after making all reasonable enquiries and 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 Seylan Bank PLC have been given in the Prospectus, such representations have been made after due and careful enquiry of the information available to the Seylan Bank PLC and making assumptions that are considered to be reasonable at the present point in time in the best judgment of the Directors.

The parties to the Issue have submitted declarations to the Bank declaring that they have complied with all regulatory requirements applicable to such parties, and that such parties have no conflict of interest with the Bank.

An application has been made to the Colombo Stock Exchange for permission to deal in and for a listing of Debentures issued by Seylan Bank PLC and those Debentures which are the subject of this Issue. Such permission will be granted when Debentures are listed in the Colombo Stock Exchange. The Colombo Stock Exchange assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports included in this Prospectus. Listing on the Colombo Stock Exchange is not to be taken as an indication of the merits of Seylan Bank PLC or the Debenture Issue.

Signed at Colombo on this 10 April 2023

Name of Director	Designation	Signature
Mr W M R S Dias	Non-Independent Non-Executive Director/ Chairman	Signed
Mr K P Ariyaratne	Director/Chief Executive Officer	Signed
Mr S V Corea	Non-Independent Non-Executive Director	Signed
Mr A S Wijesinha	Independent Non-Executive Director/Senior Director	Signed

Mrs S K Salgado	Independent Non-Executive Director	Signed
Mr D M D K Thilakaratne	Non-Independent Non-Executive Director	Signed
Mr D R Abeyesuriya	Independent Non-Executive Director	Signed
Mr D M Rupasinghe	Independent Non-Executive Director	Signed
Mr L H A L Silva	Independent Non-Executive Director	Signed
Ms V G S S Kotakadeniya	Non-Independent Non-Executive Director	Signed
Ms A A Ludowyke	Independent Non-Executive Director	Signed

9.2 DECLARATION BY THE MANAGERS TO THE ISSUE

We, Capital Alliance Partners Limited, of Level 5, Millennium House, 46/58, Navam Mawatha, Colombo 02 being Managers to the Issue of Seylan Bank PLC, hereby declare and confirm to the best of our knowledge and belief that the Prospectus constitutes full and true disclosure of all material facts about the Issue and about Seylan Bank PLC, whose Debentures are being listed.

Signed by two directors of Capital Alliance Partners Limited, being duly authorised thereto, at Colombo on 12 April 2023.

Signed

Director

Jeevan William

Signed

Director

Ajith Fernando

10 FINANCIAL INFORMATION

The following financial information of Seylan Bank PLC is available on the website of The Colombo Stock Exchange (www.CSE.lk) and the website of the Seylan bank PLC (www.seylan.lk).

- Audited financial statements of the Bank for the year ended 31 December 2022.
- Summarized financial statements for the five-year preceding the date of the application (i.e., for the financial years ending 31st December 2018 -31st December 2022) the Accountant's Report stating the accounting policies adopted by the Entity certified by the Auditors.



Marinda Wickramasinghe
Country Head M&CS

FitchRatings

Fitch Assigns Seylan Bank's Basel III Subordinated Debt Final 'BBB(lka)'/RWN

Fitch Ratings - Colombo/Mumbai - 28 Mar 2023: Fitch Ratings has assigned Seylan Bank PLC's (A-(lka)/Rating Watch Negative (RWN)) proposed Sri Lankan rupee-denominated Basel III-compliant subordinated debentures of up to LKR7 billion a final National Long-Term Rating of 'BBB(lka)'/RWN.

The final rating is the same as the expected rating assigned on 8 March 2023 and follows the receipt of documents conforming to information already received.

The debentures, which have maturities of five years, will be listed on the Colombo Stock Exchange. The bank plans to use the proceeds to strengthen its Tier 2 capital base as well as to meet demand for credit.

The bank expects the proposed debentures to qualify as Basel III-compliant regulatory Tier 2 capital. The debentures include a non-viability clause whereby they will convert to ordinary voting shares subject to the occurrence of a trigger event, as determined by the Monetary Board of Sri Lanka.

KEY RATING DRIVERS

Fitch rates the proposed Basel III Tier 2 notes two notches below the bank's National Long-Term Rating of 'A-(lka)'/RWN. This reflects Fitch's baseline notching for loss severity for this type of debt, and our expectations of poor recoveries. There is no additional notching for non-performance risks, as the notes do not incorporate going-concern loss-absorption features.

Seylan's National Long-Term Rating is used as the anchor rating for this instrument because the rating reflects the bank's standalone financial strength and best indicates the risk of the bank becoming non-viable.

The RWN on the subordinated debt stems from the RWN on the corresponding National Long-Term Rating. Fitch downgraded Seylan's National Long-Term Rating on 12 January 2023 to 'A-(lka)', from 'A(lka)', following the national scale recalibration and maintained the rating on RWN. The RWN reflects the potential for the bank's creditworthiness relative to other entities on the Sri Lankan national ratings scale to further deteriorate amid the likelihood of capital and funding stress as the default risk on domestic debt increases while access to foreign-currency funding remains constrained.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to negative rating action/downgrade:

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

Factors that could, individually or collectively, lead to positive rating action/upgrade:

An upgrade of the bank's National Long-Term Rating will lead to an upgrade of the subordinated debt rating. However, there is limited scope for upward rating action given the RWN.

DATE OF RELEVANT COMMITTEE

10 January 2023

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.

RATING ACTIONS

ENTITY / DEBT #	RATING #	PRIOR #
<input type="text"/>	<input type="text"/>	<input type="text"/>
Seylan Bank PLC		
subordinated	Natl LT BBB(kk)	New Rating
		BBBEXP(kk)

PREVIOUS Page 1 of 1 10 rows NEXT

[VIEW ADDITIONAL RATING DETAILS](#)

Additional information is available on www.fitchratings.com

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.

APPLICABLE CRITERIA

- [National Scale Rating Criteria \(pub. 22 Dec 2020\)](#)
- [Bank Rating Criteria \(pub. 08 Sep 2022\) \(including rating assumption sensitivity\)](#)

ADDITIONAL DISCLOSURES

- [Solicitation Status](#)
- [Endorsement Policy](#)
- [Potential Conflicts Resulting from Business Concentrations](#)

ENDORSEMENT STATUS

Seylan Bank PLC -

DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.fitchratings.com/understandingcreditratings>. In addition, the following

[READ MORE](#)

SOLICITATION STATUS

The ratings above were solicited and assigned or maintained by Fitch at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

ENDORSEMENT POLICY

Fitch's international credit ratings produced outside the EU or the UK, as the case may be, are endorsed for use by regulated entities within the EU or the UK, respectively, for regulatory purposes, pursuant to the terms of the EU CRA Regulation or the UK Credit Rating Agencies (Amendment etc.) (EU Exit) Regulations 2019, as the case may be. Fitch's approach to endorsement in the EU and the UK can be found on Fitch's [Regulatory Affairs](#) page on Fitch's website. The endorsement status of international credit ratings is provided within the entity summary page for each rated entity and in the transaction detail pages for structured finance transactions on the Fitch website. These disclosures are updated on a daily basis.

ANNEXURE – II BRANCH NETWORK

	Name of the Branch	Address	Email Address	Tel 1	Fax
1.	Akkaraipatthu	Zakir City, Pothuvil Road, Akkaraipatthu.	akkaraiipattu.bmg@seylan.lk	067 - 22 79 781	067 - 22 79 783
2.	Akuressa	No.119, Deniyaya Road, Akuressa.	akuressa.bmg@seylan.lk	041 - 22 84 951	041 - 22 89 450
3.	Aluthgama	No.295A, Senaro Building, Galle Road, Aluthgama	aluthgama.bmg@seylan.lk	034 - 22 93 501-3	034- 22 93 504
4.	Ambalangoda	No. 24A, Galle Road, Ambalangoda.	ambalangoda.bmg@seylan.lk	091 - 22 58 010	091 - 22 58 011
5.	Ambalantota	154, Tissa Road, Ambalantota	ambalantota.bmg@seylan.lk	047 - 22 25 482	047 - 22 25 484
6.	Ampara	129, D.S. Senanayaka Street, Ampara	ampara.bmg@seylan.lk	063 - 22 24 897	063 - 22 24 897
7.	Anuradapura	No.250, Maithreepala Senanayake Mw, Anuradapura	anuradhapura.bmg@seylan.lk	025 - 22 24 649	025 - 22 23 116
8.	Aralaganwila	No.14/82, Kolongas Junction, Aralaganwila.	aralaganwila.bmg@seylan.lk	027 - 22 57 274	027 - 22 57 273
9.	Athurugiriya	No 111/2, Borella Road, Athurugiriya.	athurugiriya.bmg@seylan.lk	011 - 27 62 849	011 - 2762 867
10.	Attidiya	No. 214, Main Road , Attidiya, Dehiwala	attidiya.bmg@seylan.lk	011 - 27 29 696	011 - 27 22 967
11.	Awissawella	No. 71, Rathnapura Road, Awissawella	awissawella.bmg@seylan.lk	036 - 22 22 007	036 - 22 22 009
12.	Badulla	No. 10, Cocowatta Road, Badulla	badulla.bmg@seylan.lk	055 - 22 22 073	055 - 22 22 884
13.	Baduraliya	No 92, Ratnapura Rd, Baduraliya.	baduraliya.bmg@seylan.lk	034 - 22 46 716	034 - 22 46 733
14.	Balangoda	123, Barns Ratwattay, Balangoda	balangoda.bmg@seylan.lk	045 - 22 87 107	045 - 22 87 344
15.	Bambalapitiya	122.124, Galle Road, Colombo 04.	bambalapitiya.bmg@seylan.lk	011 - 25 06 295	011 - 25 06 291
16.	Bandaragama	No, 17A, Horana Rd, Bandaragama	bandaragama.bmg@seylan.lk	038 - 22 90 706	038 - 22 91 125
17.	Bandarawela	No. 240, Badulla Rd, Bandarawela	bandarawela.bmg@seylan.lk	057 - 22 23 144	057 - 22 22 964
18.	Battaramulla	No.119A, Pannipitiya Road, Battaramulla	battaramulla.bmg@seylan.lk	011 - 28 76 102	011 - 28 76 104
19.	Batticaloa	No. 06, Lloyds Av, Batticaloa	batticaloa.bmg@seylan.lk	065 - 22 24 419	065 - 22 24 353
20.	Beliatte	NO.73, Tangalle Rd, Beliatte.	beliatta.bmg@seylan.lk	047 - 22 43 619	047 - 22 43 619
21.	Beruwala	No 82, Galle Rd, Beruwala	beruwala.bmg@seylan.lk	034 - 22 79 887	034 - 22 79 888
22.	Bogawantalawa	No 79, Main Street, Bogawantalawa	bogawantalawa.bmg@seylan.lk	052 - 22 67 576	052 - 22 67 576
23.	Boralesgamuwa	No 24 Kesbewa Rd, Boralesgamuwa	boralesgamuwa.bmg@seylan.lk	011 - 25 17 548	011 - 25 09 526
24.	Borella	No 1119, Maradana Rd, Borella	borella.bmg@seylan.lk	011 - 26 78 190	011 - 26 81 194
25.	Bowatta	No.476/2, Kurunegala Road, Bowatta, Bingiriya.	bowatta.bmg@seylan.lk	032 - 22 45 771	032 - 22 45 772
26.	Chankanai	Mallakkam Junction, Main St, Chankanai	chankani.bmg@seylan.lk	021 - 22 50 025	021 - 22 50 025
27.	Chavakachcheri	No.179, 181, 183, & 185 Kandy Road, Chavakachcheri.	chavakachcheri.bmg@seylan.lk	021 - 22 70 525	021 - 22 70 527
28.	Chenkalady	Main Street, Chenkalady.	chenkalady.bmg@seylan.lk	065 - 22 41 522	065 - 22 41 511
29.	Chilaw	No 46, Kurunegala Rd, chilaw	chilaw.bmg@seylan.lk	032 - 22 22 121	032 - 22 23 279
30.	Cinnamon Gardens	No 4, Baptist Chappel Rd, Colombo 07.	cinnamongardens.bmg@seylan.lk	011 - 26 94 966	112 - 68 37 25
31.	Colombo Fort Branch	No 69, Janadhipathi Mw, Colombo 01	colombofort.bmg@seylan.lk	011 - 24 45 840	011 - 24 47 990
32.	Colombo Gold Centre	Shop No.47 & 51, Colombo Gold Centre, Central Super Market, Pettah.	colombogoldcentre.bmg@seylan.lk	011 - 23 39 840	011 - 23 39 842
33.	Wellawatta	No 30, Galle Rd, Colombo 06	wellawatte.bmg@seylan.lk	011 - 25 93 405	011 - 25 93 406

34.	Dam Street	No 203, Dam Street, Colombo 11	damstreet.bmg@seylan.lk	011 - 23 90 980	011 - 23 47 138
35.	Dambulla	No 601, Anuradhapura Rd, Dambulla.	dambulla.bmg@seylan.lk	066 - 22 83 022	066 - 22 83 023
36.	Dankotuwa	No 20, Negombo Road, Dankotuwa	dankotuwa.bmg@seylan.lk	031 - 22 65 535	031 - 22 65 538
37.	Dehiattakandiya	No 83/84, Main Street, Dehiattakandiya	dehiattakandiya.bmg@seylan.lk	027 - 22 50 034	027 - 22 50 268
38.	Dehiwala	No 166D, Galle Rd, Dehiwala	dehiwela.bmg@seylan.lk	011 - 27 26 395	011 - 27 39 128
39.	Dummalasuriya	No 128, Main Street, Dummalasuriya	dummalasooriya.bmg@seylan.lk	032 - 22 42 221	032 - 22 42 224
40.	Embilipitiya	New Town Rd, Embilipitiya	embilipitiya.bmg@seylan.lk	047 - 22 30 340	047 - 22 30 342
41.	Eppawala	No.114/B, TalawaRoad,Eppawala.	eppawala.bmg@seylan.lk	025 - 22 49 923	025 - 22 49 922
42.	Galenbidunuwewa	KahatagasdigiliyaRoad,Galenbidunuwewa.	galenbidunuwewa.bmg@seylan.lk	025 - 22 58 778	025 - 22 58 777
43.	Galle	No34,1st cross Street,, Talbot Town, Galle.	galle.bmg@seylan.lk	091 - 22 32 242	091 - 22 34 642
44.	Gampaha	No 01J, Buddhaloka Mw, Gampaha	gampaha.bmg@seylan.lk	033 - 22 22 618	033 - 22 22 934
45.	Gampola	No 44, Kandy Rd, Gampola	gampola.bmg@seylan.lk	081 - 23 52 741	081 - 23 52 740
46.	Ganemulla	No 4/2,Kirindiwita Rd, Ganemulla	ganemulla.bmg@seylan.lk	033 - 22 60 230	033 - 22 60 737
47.	Godagama	No.157/A,High Level Road,Godagama	godagama.bmg@seylan.lk	011 - 28 95 741	011 - 28 95 743
48.	Gothatuwa (Kotikawatte)	No 31,Gothatuwa New Town , Angoda.	gothatuwa.bmg@seylan.lk	011 - 24 10 985	011 - 24 10 986
49.	Godakawela	No 54/B, Main Street Godakawela	godakawela.bmg@seylan.lk	011-28 30 365/ 011-28 30 501	
50.	Grandpass	No 401, Prince Of wales Av, Colombo 14	grandpass.bmg@seylan.lk	011 - 23 31 726	011 - 23 47 774 / 011 - 24 40 117
51.	Hambantota	No. 57A, Tissa Road, Hambantota.	hambantota.bmg@seylan.lk	047 - 22 20 507	047 - 22 20 519
52.	Hatton	No.42, Dunbar Rd, Hatton.	hatton.bmg@seylan.lk	051 - 22 22 234	051 - 22 22 682
53.	Havelock Town	No 164,166, Havelock Rd, Colombo 05	havelocktown.bmg@seylan.lk	011 - 25 96 550	011 - 25 97 498
54.	Hikkaduwa	No.271,Galle Road,Hikkaduwa	hikkaduwa.bmg@seylan.lk	091 - 22 76 964	091 - 22 76 966
55.	Hingurakgoda	No 13,14, Airport Rd, Hingurakgoda	hingurakgoda.bmg@seylan.lk	027 - 22 46 242	027 - 22 46 043
56.	Homagama	No 94, High Level Rd, Homagama	homagama.bmg@seylan.lk	011 - 28 55 065	011 - 28 55 066
57.	Horana	160/1/1, Rathnapura Rd, Horana	horana.bmg@seylan.lk	034 - 22 61 176	034 - 22 63 518
58.	Ingiriya	No 23/1,Central Building, Padukka Rd, Ingiriya.	ingiriya.bmg@seylan.lk	034 - 22 69 754	034 - 22 69 900
59.	Ja-ela	No 165 2/1,Colombo Rd, Ja-Ela	jaela.bmg@seylan.lk	011 - 22 37 421	011 - 22 37 416
60.	Jaffna	No.141, 143, Stanly Road, Jaffna	jaffna.bmg@seylan.lk	021 - 22 23 755	021 - 22 23 047
61.	Kadawatha	No 28/B, Ganemulla Rd, Kadawatha	kadawatha.bmg@seylan.lk	011 - 29 25 594	011 - 29 25 596
62.	Kaduruwela	No 824A,Main Street,Kaduruwela	kaduruwela.bmg@seylan.lk	027 - 22 25 319	027 - 22 25 321
63.	Kalawanchikudy	No.225,MainStreet,Kaluwanchikudi.	kalawanchikudy.bmg@seylan.lk	065 - 22 51 536	065 - 22 51 535
64.	Kalmunai	No.159,BatticaloaRoad,Kalmunai.	kalmunai.bmg@seylan.lk	067 - 22 25 841	067 - 22 25 843
65.	Kalpitiya	No.73,MainStreet,Kalpitiya.	kalpitiya.bmg@seylan.lk	032 - 22 60 012	032 - 22 60 803
66.	Kalubowila	No 32,S De S jayasinghe MW, Kalubowila, Dehiwala	kalubowila.bmg@seylan.lk	011 - 28 22 944	011 - 28 22 870
67.	Kalutara	No 338, Main street, Kalutara	kalutara.bmg@seylan.lk	034 - 22 25 035	034 - 22 23 033
68.	Kamburupitiya	No. 05, Akuressa Road, Kamburupitiya	kamburupitiya.bmg@seylan.lk	041 - 22 92 555	041 - 22 93 555
69.	Kandy	No. 21, Dalada Veediya, Kandy	kandy.bmg@seylan.lk	081 - 22 33 763	22 32 322 - 22 34 805

70.	Kandana	No. 82, Negombo Road, Kandana.	kandana.bmg@seylan.lk	011-2234207	011-2234365
71.	Kantale	189, Agrabodhi Mw, Kanthale	kantale.bmg@seylan.lk	026 - 22 34 478	026 - 22 34 479
72.	Katharagama	No.01,NewTown,Kataragama.	katharagama.bmg@seylan.lk	047 - 22 36 247	047 - 22 36 248
73.	Kattankudy	No 230, Main Street , Kattankudy	kattankudy.bmg@seylan.lk	065 - 22 46 625	065 - 22 46 696
74.	Katugastota	No.81,Kurunegala Road, Katugastota	katugastota.bmg@seylan.lk	081 - 24 98 778	081 - 22 12 871
75.	Katunayaka	No 32, DhammalokaMw,Averiyawatte,Ka tunayake.	katunayake.bmg@seylan.lk	011 - 22 52 566	011 - 22 52 567
76.	Katuneriya	No . 99/1, ChillawRoad.,Katuneriya.	katuneriya.bmg@seylan.lk	031 - 22 57 765	031 - 22 53 '149
77.	Kegalle	No 112, Colombo Rd, Kegalle.	kegalle.bmg@seylan.lk	035 - 22 22 007	035 - 22 22 006
78.	Kekirawa	No 06, Yakkala Rd, Kekirawa.	kekirawa.bmg@seylan.lk	025 - 22 64 590	025 - 22 64 592
79.	Kelaniya	No.32,Kandy Road, Dalugama,Kelaniya	kelaniya.bmg@seylan.lk	011 - 29 87 321	011 - 29 87 323
80.	Kilinochchi	155,155 1/1, A9 Road, Kilinochchi	kilinochchi.bmg@seylan.lk	021 - 22 85 310	021 - 22 85 311
81.	Kiribathgoda	No 173,Kandy Rd, Kiribathgoda	kiribathgoda.bmg@seylan.lk	011 - 29 08 113	011 - 29 12 379
82.	Kirindiwela	No 89, Gampaha Rd, Kirindiwela.	kirindiwela.bmg@seylan.lk	033 - 22 69 709	033 - 22 69 709
83.	Kirulapone	280 B, High Level Road, Colombo 06.	kirulapone.bmg@seylan.lk	011 - 28 29 054	011 - 27 68 432
84.	Kochchikade	No 66, Chilaw Rd, Kochchikade	kochchikade.bmg@seylan.lk	031 - 22 77 661	031 - 22 77 341
85.	Koggala	09, Export Processing Zone Koggala Habaraduwa.	koggala.bmg@seylan.lk	091 - 22 83 390	091 - 22 83 389
86.	Kollupitiya	490, 490 M/1, Galle Road, Colombo 03	kollupitiya.bmg@seylan.lk	011 - 25 64 080	011 - 25 77 913 / 011 - 25 76 9'14
87.	Kotahena	No 310,George R De Silva Mw, Colombo 13	kotahena.bmg@seylan.lk	011 - 24 47 041	011 - 23 99 660
88.	Kottawa	No. 360/2A, Highlevel Road, Pannipitiya, Kottawa.	kottawa.bmg@seylan.lk	011 - 28 42 682	011 - 28 51 292
89.	Kuliyapitiya	No 137, Hettipola Rd, Kuliyapitiya	kuliyapitiya.bmg@seylan.lk	037 - 22 81 450	037 - 22 81 451
90.	Kurunegala	No 64, Colombo Rd, Kurunegala	kurunegala.bmg@seylan.lk	037 - 22 23 575	037 - 22 24 277
91.	Maharagama	No 134 B, High Level Rd, Maharagama	maharagama.bmg@seylan.lk	011 - 28 41 997	011 - 28 50 649
92.	Mahiyanganaya	13, Kandy Road- South,Mahiyanganaya	mahiyanganaya.bmg@seylan.lk	055 - 22 58 112	055 - 22 58 1'14
93.	Malabe	No 11,Athurugiriya Rd , Malabe	malabe.bmg@seylan.lk	011 - 25 61 415	011 - 25 61 4'14
94.	Manampitiya	No.9/B Main Street, Manampitiya	manampitiya.bmg@seylan.lk	060 - 22 79 171	027 - 22 24 455
95.	Manipay	No 103,Jaffna Rd, Manipay.	manipay.bmg@seylan.lk	021 - 22 55 526	021 - 22 55 527
96.	Mannar	181 Thalaimannar Rd, Mannar	mannar.bmg@seylan.lk	023 - 22 23 241	023 - 22 23 243
97.	Maradagahamula	No 150, Divulapitiya Rd, Maradagahamula	marandagahamula.bmg@seylan.lk	031 - 22 46 377	031 - 22 46 378
98.	Maradana	No 250, Sri Sangaraja Mw, colombo 10	maradana.bmg@seylan.lk	011 - 23 34 185	011 - 24 73 280 / 011 - 24 78 161
99.	Matale	No 166-168, Main Street, Matale	matale.bmg@seylan.lk	066 - 22 32 934	066 - 22 32 935
100.	Matara	No.58,Esplanade Road,Matara	matara.bmg@seylan.lk	041 - 22 21 181	041 - 22 23 064
101.	Matugama	No.121,Agalawatta Road, Matugama.	mathugama.bmg@seylan.lk	034 - 22 47 544	034 - 22 47 091
102.	Mawanella	No 1/3,New Kandy Rd, Mawanella.	mawanella.bmg@seylan.lk	035 - 22 46 007	035 - 22 46 989
103.	Mawathagama	No 69/A,Kurunegala Rd, Mawathagama	mawathagama.bmg@seylan.lk	037 - 22 98 666	037 - 22 96 336
104.	Medawachchiya	82/C,Jaffna Rd, Medawachchiya.	medawachchiya.bmg@seylan.lk	025 - 22 45 383	025 - 22 45 384
105.	Meegoda	Meegoda Economic Centre Complex,Old Rd, Meegoda	meegoda.bmg@seylan.lk	011 - 28 30 820	011 - 28 30 820

106.	Millenium Branch	Seylan Towers, No 90, Galle Rd, Colombo 03	millennium.bmg@seylan.lk	011 - 24 56 145	011 - 24 52 501
107.	Minuwangoda	No 40, Cargills Building, Colombo Road, Minuwangoda.	minuwangoda.bmg@seylan.lk	011 - 22 99 004	011 - 22 99 005
108.	Mirigama	No 70/1, Giriulla Rd, Mirigama.	mirigama.bmg@seylan.lk	033 - 22 73 001	033 - 22 73 000
109.	Moneragala	94/3, New bus stand, Moneragala	monaragala.bmg@seylan.lk	055 - 22 76 212	055 - 22 76 164
110.	Moratumulla	No.242 (330 & 330/1), Desoysa Road, Moratumulla, Moratuwa.	moratumulla.bmg@seylan.lk	011 - 26 52 084	011 - 26 52 085
111.	Moratuwa	No. 433, Galle Road, Rawathawatte, Moratuwa.	moratuwa.bmg@seylan.lk	011 - 26 56 902	011 - 26 56 901
112.	Mount Lavinia	No 198, Galle Rd Ratmalana.	mountlavinia.bmg@seylan.lk	011 - 27 38 272	011 - 27 23 271
113.	Mullativu	P W D Road, Mullativu	mullativu.bmg@seylan.lk	021 - 22 90 065	021 - 22 90 067
114.	Narammala	150, Kurunegala Road, Narammala	narammala.bmg@seylan.lk	037 - 22 48 764	037 - 22 48 745
115.	Nawala	No 48/A, Narahenpita Rd, Nawala	nawala.bmg@seylan.lk	011 - 28 06 727	011 - 28 05 779
116.	Nawalapitiya	No 02, Baily Rd. Nawalapitiya	nawalapitiya.bmg@seylan.lk	054 - 22 22 056	054 - 22 23 832
117.	Negombo	No 141, Rajapakse Braodway, Negombo	negambo.bmg@seylan.lk	031 - 22 24 302	031 - 22 24 335
118.	Nelliyady	No 149, Point Pedro Rd, Nelliady.	nelliyady.bmg@seylan.lk	021 - 32 05 961	021 - 22 64 966
119.	Nittambuwa	NO 195/1, Colombo Rd Nittambuwa.	nittambuwa.bmg@seylan.lk	033 - 22 95 270	033 - 22 96 650
120.	Nochiyagama	No.411, Puttalam Road, Nochiyagama.	nochiyagama.bmg@seylan.lk	025 - 22 57 220	025 - 22 57 324
121.	Nugegoda	211, High Level Rd, Nugegoda.	nugegoda.bmg@seylan.lk	011 - 28 15 094	011 - 28 11 182
122.	NuwaraEliya	No 48, Park Rd, NuwaraEliya.	nuwaraeliya.bmg@seylan.lk	052 - 22 23 026	052 - 22 23 002
123.	Old Moor Street	No. 315-317, Old Moor Street, colombo 12	oldmoorstreet.bmg@seylan.lk	011 - 24 21 483	011 - 23 31 774
124.	Padaviya	"Vidushi Building" Bandaranayake Junction, Padaviya.	padaviya.bmg@seylan.lk	025 - 22 53 003	025 - 22 53 016
125.	Padukka	No 36/A Colombo Road, Padukka	padukka.bmg@seylan.lk	0362256995/6	0362256998
126.	Pallekele	Kandy Industrial Park, BOI, Pallekele	pallekele.bmg@seylan.lk	081 - 24 23 958	081 - 24 23 135
127.	Panadura	No 372, Galle Rd, Panadura	panadura.bmg@seylan.lk	038 - 22 33 172	038 - 22 35 304
128.	Pannala	No 22, Negombo Rd., Pannala	pannala.bmg@seylan.lk	037 - 22 45 532	037 - 22 45 536
129.	Pelmadulla	No 17, Galwatta Rd, Pelmadulla	pelmadulla.bmg@seylan.lk	045 - 22 75 625	045 - 22 75 527
130.	Pettah	No 96, Main Street, Colombo 11	pettah.bmg@seylan.lk	011 - 23 37 823	011 - 23 37 826
131.	Piliyandala	No 07 Old Road, Piliyandala.	piliyandala.bmg@seylan.lk	011 - 26 04 982	011 - 26 04 983
132.	Pitakotte	143A, Pagoda Road, Pitakotte.	pitakotte.bmg@seylan.lk	011 - 28 27 871	011 - 28 27 873
133.	Polonnaruwa	Lake View Building Polonnaruwa.	polonnaruwa.bmg@seylan.lk	027 - 22 23 168	027 - 22 23 169
134.	Pothuwil	Main Street, Pothuwil	pothuwil.bmg@seylan.lk	063 - 22 48 515	063 - 20 50 846
135.	Pussellawa	No.429, Nuwara Eliya Road, Pussellawa	pussellawa.bmg@seylan.lk	081 - 24 78 131	081 - 24 78 135
136.	Puttalam	No. 14, Kangani Kulam Street, Puttalam.	puttalam.bmg@seylan.lk	032 - 22 65 194	032 - 22 65 469
137.	Raddalugama	171, National Housing scheme, Raddalugama.	raddolugama.bmg@seylan.lk	011 - 22 92 778	011 - 22 92 372
138.	Ranpokunagama	No 01, Maduwegedara, Nittambuwa.	ranpokunagama.bmg@seylan.lk	033 - 22 82 242	033 - 22 82 241
139.	Ratnapura	105 Main Street, Kudugalwatta, Ratnapura	ratnapura.bmg@seylan.lk	045 - 22 23 111	045 - 22 22 111
140.	Rideegama	No.02, Dodangaslanda Road, Rideegama	rideegama.bmg@seylan.lk	037 - 22 52 690	037 - 22 52 692
141.	Ruwanwella	52A, Kegalle Road, Ruwanwella	ruwanwella.bmg@seylan.lk	036 - 22 67 445	036 - 22 67 447
142.	Sammanthurai	No. 113, Hijra Junction, Ampara 1st Lane, Samanthurai	sammanthurai.bmg@seylan.lk	067 - 22 61 284	067 - 22 61 285

143.	Sarikkalimulla	No 97, Old Galle Rd, Sarikkamulla , Panadura.	sarikkamulla.bmg@seylan.lk	038 - 22 35 265	038 - 22 33 082
144.	Siyambalanduwa	In Front of Fuel Station, Pothuvil Road, Siyamabalanduwa.	siyambalanduwa.bmg@seylan.lk	055 - 22 79 138	055 - 22 79 139
145.	Soysapura	No.05, Angulana Junction, Katubedda, Moratuwa	soysapura.bmg@seylan.lk	011 - 26 22 756	011 - 26 12 003
146.	Thalawakele	No 10, Kotmale Rd, Thalawakele	thalawakale.bmg@seylan.lk	052 - 22 58 638	052 - 22 58 639
147.	Tissamaharama	No 169, Kachcheriyagama, Hambantota Road, Tissamaharama	tissamaharama.bmg@seylan.lk	047 - 22 37 161	047 - 22 37 163
148.	Trincomalee	No 289, Central Rd, Trincomalee.	trincomalee.bmg@seylan.lk	026 - 22 27 701	026 - 22 27 701
149.	Udappu	Division No 6, Main Street, Udappu.	udappuwa.bmg@seylan.lk	032 - 22 58 830	032 - 22 58 848
150.	Union Place	No 115, Union Place , Colombo 05	Unionplace.bmg@seylan.lk	112546395	112546397
151.	Vavuniya	No 45, 2nd cross Street , Vavuniya.	vavuniya.bmg@seylan.lk	024 - 22 22 633	024 - 22 22 933
152.	Veyangoda	No 95, Negombo Road, Veyangoda	veyangoda.bmg@seylan.lk	033 - 22 95 050	033 - 22 95 051
153.	Wadduwa	14, Station Road, Wadduwa.	wadduwa.bmg@seylan.lk	038 - 22 94 672	038 - 22 94 325
154.	Warakapola	No 192, Main Street, Warakapola.	warakapola.bmg@seylan.lk	035 - 22 67 628	035 - 22 67 123
155.	Wariyapola	No.105, Kurunegala Road, Wariyapola	wariyapola.bmg@seylan.lk	037-22 68 598-600	037-22 68 596
156.	Wattala	No 276, Negombo Rd, Wattala	wattala.bmg@seylan.lk	011 - 29 33 589	011 - 29 31 603
157.	Welimada	No. 107, NuwaraEliya Rd, Welimada	welimada.bmg@seylan.lk	057 - 22 45 617	057 - 22 45 350
158.	Weliweriya	No 477/20/15 Edwin Estate, Main Street, Weliweriya.	weliweriya.bmg@seylan.lk	033 - 22 55 021	033 - 22 55 355
159.	Wennappuwa	No. 17/1, Chilaw Road, Wennappuwa	wennappuwa.bmg@seylan.lk	031-22-62967	031-2262965
160.	Wijerama	No.675/1, High Level Rd, Wijerama.	wijerama.bmg@seylan.lk	011 - 28 03 001	011 - 28 03 155
161.	Yakkala	No184, Kandy Rd, Yakkala	yakkala.bmg@seylan.lk	033 - 22 26 378	033 - 22 33 527
162.	Yatiantota	No 51/1/2, Ginigathhena Rd, Yatiantota.	yatiantota.bmg@seylan.lk	036 - 22 71 480	036 - 22 71 481
163.	Peradeniya	No.670, Peradeniya Road, Kandy.	peradeniya.bmg@seylan.lk	081-2068041	081-2068044
164.	Pilimathalawa	No.225, Colombo Road, Pilimathalawa.	pilimathalawa.bmg@seylan.lk	081-2069706	081-2069709
165.	Employment Bureau Center*	109, Main Street, Battaramulla	ebc@seylan.lk	011-3301114	-
166.	Karapitiya	No 108A, Karapitiya, Galle	karapitiya.bmg@seylan.lk	091-2222537	091-2222539
167.	Matara Bazaar-Kotuwegoda	No 167/A, New Tangalle Road, Kotuwegoda, Matara	matarabazaar.bmg@seylan.lk	041-2238395	041-2238397
168.	Chunnakam	No 130, Ponnambalam Ramanathan Road, Chunnakam	chunnakam.bmg@seylan.lk	021-2242901	021-2242904
169.	Mutwal	No677, Aluthmawatha Road,	mutwal.bmg@seylan.lk	011-2524138	011-2524248
170.	Hettipola	No.169, Kurunegala Road, Hettipola	Hettipola.bmg@seylan.lk	0372291833/4	0372291844
171.	Eheliyagoda	No.65, Awissawella Road, Eheliyagoda	Eheliyagoda.bmg@seylan.lk	0362256995/6	0362256998

ANNEXURE – III COLLECTION POINTS

**COPIES OF THE PROSPECTUS CAN BE OBTAINED FREE OF CHARGE FROM THE FOLLOWING
COLLECTION POINTS****Managers to the Issue****Capital Alliance Partners Limited**

Level 5, "Millennium House",
46/58, NavamMawatha,
Colombo 02.
T: +94 11 2317777
F: +94 11 2317788

Bankers to the Issue**Seylan Bank PLC**

Millennium Branch,
"Seylan Towers",
No.90, Galle Road,
Colombo 03.
T: +94 11 2456103, 11 2456135, 11 2456145
F: +94 11 2452506, 11 2452501

Registrars to the Issue**SSP Corporate Services (Pvt) Ltd**

No 101,
Inner Flower Road,
Colombo 03.
T: 94 11 2573894
F: 94 11 2573609

MEMBERS OF THE CSE

Acuity Stockbrokers (Pvt) Limited	Asha Securities Limited
No. 53, Dharmapala Mawatha, Colombo 03.	No. 60, 5 th Lane Colombo 03.
Tel: +94-11 2 206 206	Tel: +94-11 2 429 100
Fax: +94-11 2 206 298 / 9	Fax: +94-11 2 429 199

Asia Securities (Pvt) Limited	Almas Equities (Pvt) Limited
4 th Floor, Lee Hedges Tower, No.349, Galle Road Colombo 03.	Westin Tower,5 th Level, No. 2 - 4/1, Lake Drive, Colombo 08.
Tel: +94-11 7 722 000	Tel: +94-11 2 673 908
Fax: +94-11 2 584 864	Fax: +94-11 2 673 908

Bartleet Religare Securities (Pvt) Limited	Capital Trust Securities (Pvt) Limited
Level "G", "Bartleet House", 65, Braybrooke Place, Colombo 02.	42, Mohamed Macan Markar Mawatha, Colombo 03.
Tel: +94-11 5 220 200	Tel: +94-11 2 174 174, +94-11 2 174 175
Fax: +94-11 2 434 985	Fax: +94-11 2 174 173

CT CLSA Securities (Pvt) Limited	First Capital Equities (Pvt) Limited
4-14, Majestic City, 10, Station Road, Colombo 04.	No.2, Deal Place, Colombo 03.
Tel: +94-11 2 552 290 - 4	Tel: +94-11 2 639 898
Fax: +94-11 2 552 289	Fax: +94-11 5 736 264

J B Securities (Pvt) Limited	John Keells Stock Brokers (Pvt) Limited
No. 150, St. Joseph Street, Colombo 14.	186, Vauxhall Street, Colombo 02.
Tel: +94-11 2 490 900	Tel: +94-11 2 306 250
Fax: +94-11 2 430 070	Fax: +94-11 2 342 068

Lanka Securities (Pvt) Limited	Nation Lanka Equities (Pvt) Limited
228/1, Galle Road, Colombo 04.	No. 44, Guildford Crescent, Colombo 07.
Tel: +94-11 4 706 757, +94-11 2 554 942	Tel: +94-11 7 898 302
Fax: +94-11 4 706 767	Fax: -

NDB Securities (Private) Limited	S C Securities (Pvt) Limited
Level 2, NDB Capital Building, No. 135, Bauddhaloka Mawatha, Colombo 04	5th Floor, No.26 B, Alwis Place, Colombo 03
Tel: +94-11 2 131 000	Tel: +94-11 4 711 000, +94-11 4 711 001
Fax: +94-11 2 314 181	Fax: +94-11 2 394 405

Somerville Stockbrokers (Pvt) Limited
1A, Park way, Park Road, Colombo 05.
Tel: +94-11 2 502 852/ 54/ 58/ 62
Fax: +94-11 2 502 852

TRADING MEMBERS

Asia Capital Stock Brokers (Pvt) Limited	Capital Alliance Securities (Pvt) Limited
No. 59, Gregory's Road, Colombo 07.	Level 5, "Millennium House", 46/58, Navam Mawatha, Colombo 2.
+94-11 7 564 000	Tel: +94-11 2 317 777
+94-11 2 331 756	Fax: +94-11 2 317 788

Enterprise Ceylon Capital (Pvt) Limited	First Guardian Equities (Pvt) Limited
2nd Floor 4B, Liberty Plaza, 250, R A De Mel Mawatha, Colombo 03	32nd Floor, East Tower, World Trade Centre, Colombo 01.
Tel: +94-11 2 445 644, +94-11 2 301 861/2	Tel: +94-11 5 884 400 (Hunting)
Fax: -	Fax: +94-11 5 884 401

LOLC Securities Limited	Nestor Stock Brokers (Pvt) limited
No.481, T.B. Jayah Mawatha Colombo 10.	No.02, Gower Street Colombo 05.
Tel: +94-11 5 889 889	Tel: +94-11 5 388 138
Fax: +94-11 2 662 883	Fax: +94-11 2 550 100

Richard Pieris Securities (Pvt) Limited	Senfin Securities Limited
No. 310, High Level Road, Nawinna, Maharagama.	4 th Floor, No.180, No. 02, Buddhaloka Mawatha, Colombo 04.
Tel: +94-11 4 310 500	Tel: +94-11 2 359 100
Fax: +94-11 2 802 385	Fax: +94 -112 305 522

Softlogic Stockbrokers (Pvt) Limited	Ambeon Securities (Pvt) Limited
Level 16, One Galle Face Tower, Colombo 02.	2nd Floor, No. 10, Gothami Road, Colombo 08.
Tel: +94-11 7 277 000	Tel: +94-11 5 328 200, +94-11 5 328 100
Fax: +94-11 7 277 099	Fax: +94-11 5 328 177

TRADING MEMBERS – DEBT

Capital Alliance Limited	Wealthtrust Securities Limited
Level 5, "Millenium House", 46/58, Nawam Mawatha, Colombo 02.	No. 102/1, Dr. N M Perera Mawatha , Colombo 08.
Tel: +94-11 2 317 777	Tel: +94-11 2 675 091 – 4
Fax: +94-11 2 317 788	Fax: +94-11 2 689 605

NSB Fund Management Limited	Seylan Bank PLC
No. 400, Galle Road, Colombo 03	Level 3, Seylan Towers 90, Galle Road, Colombo 03.
Tel: +94-11 2 425 010	Tel: +94-11 2 456 300
Fax: +94-11 2 574 387	Fax: +94-11 2 452 215

ANNEXURE IV - ACCOUNTANS REPORT AND 5 YEAR SUMMARY

Please refer the CSE website: <https://www.cse.lk/pages/primary-issues/primary-issues.component.html>

ANNEXURE V - CUSTODIAN BANKS

<p>BANK OF CEYLON Head office, 11th Floor, 04, Bank of Ceylon Mawatha, Colombo 01. 011 2 448 348 011 2 338 742/55, 011 2 544 333</p>	<p>CITI BANK N.A 65C, Dharmapala Mawatha, P O Box 888, Colombo 07. 011 2 447 316-8, 011 2 447 318, 011 2 449 061, 011 2 328 526, 011 4 794 700</p>	<p>COMMERCIAL BANK OF CEYLON PLC Commercial House, 21, Sir Razik Fareed Mawatha, P O Box 853 Colombo 01. 011 2 430 420, 011 2 336 700, 011 2 238 193-5, 011 2 445 010-15</p>
<p>DEUTSCHE BANK AG, COLOMBO Level 21, One Galle Face Tower, 1A Central Road, Galle Face, Colombo 02. 011 2 447 062, 011 2 438 057</p>	<p>HATTON NATIONAL BANK PLC Level 17, HNB Towers, 479, T B Jayah Mawatha, Colombo 10. 011 2 661 762, 011 2 664 664</p>	<p>THE HONGKONG & SHANGHAI BANKING CORPORATION LIMITED 24, Sir Baron Jayathilake Mawatha, Colombo 01. 011 2 325 435, 011 2 446 591, 011 2 446 303, 011 2 346 422</p>
<p>PEOPLE'S BANK Head office, Treasury, 5th Floor, 75, Sir Chittampalam A Gardiner Mawatha, Colombo 02. 011 2 206 782, 011 2 781 481, 011 2 327 841-9, 011 2 446 316-15 011 2 430 561, 011 2 324 967</p>	<p>STANDARD CHARTERED BANK 37 York Street, P O Box 112, Colombo 01. 011 4 794 400, 011 2 480 000</p>	<p>SAMPATH BANK PLC 110, Sir James Pieris Mawatha, Colombo 02. 011 5 600 610, 011 5 600 245,</p>
<p>SEYLAN BANK PLC Corporate Banking Division, Margin Trading Unit, Level 8, Seylan Towers, 90, Galle Road, Colombo 03. 011 4 701 812, 011 4 701 819, 011 4 701 829, 011 2 456 789</p>	<p>UNION BANK OF COLOMBO PLC 64A, Galle Road, Colombo 03. 011 2 234 110, 011 2 370 870</p>	<p>NATIONS TRUST BANK PLC 256, Sri Ramanathan Mawatha, Colombo 15. 011 4 313 131, 011 4 682 534</p>
<p>PAN ASIA BANKING CORPORATION PLC Head Office 450, Galle Road, Colombo 03. 011 2 565 565, 011 4 667 819</p>	<p>PUBLIC BANK BERHAD No. 340, R A De Mel Mawatha, Colombo 03. 011 2 576 289, 011 7 290 200-7</p>	

ANNEXURE VI - DECLARATION TO BE GIVEN BY FATCA COMPLIANT INVESTORS

Details required for Tax Compliance Act (FATCA)	
If you are a US Person kindly state the following	
I am / we are	
I. A citizen of U.S.A (including an individual born in the U.S. but resident in another country, who has not renounced U.S. citizenship)	<input type="checkbox"/>
II. A lawful resident of the U.S. (including a U.S. green card holder)	<input type="checkbox"/>
III. A person residing in the U.S.	<input type="checkbox"/>
IV. A person who spends a certain number of days in the U.S. each year	<input type="checkbox"/>
V. U.S corporations, estates and trusts	<input type="checkbox"/>
VI. Any entity that has a linkage or ownership to U.S or to U.S territories	<input type="checkbox"/>
VII. Non-U.S. entities that have at least one U.S. Person as a "substantial beneficial owner"	<input type="checkbox"/>
Passport Number/Company Registration Number	<input type="text"/>
Tax payer Identification Number (TIN)	<input type="text"/>
<small>I/We being (a) "US Person/s" as defined under The Foreign Account Tax Compliance Act (FATCA) of United States, hereby, give my/our fullest consent and authority to Seylan Bank PLC to give my/our Account /Accounts details to Internal Revenue Service (IRS) of U. S. when requested/required.</small>	
----- Signature	

FATCA – Form I