

IMPORTANT: THIS DOCUMENT IS OF VALUE

NATION LANKA FINANCE PLC

[Company Registration No.PQ33]

No.690, Galle Road, Colombo 03

Issuance of 2,870,040,325 New Ordinary Voting Shares by way of Rights Issue at Rupees Cents Seventy (Rs.0.70) per share payable on or before 23rd September.

PROVISIONAL LETTER OF ALLOTMENT

CDS Account number	Provisional Allotment Letter No:	Name & Address of the Principal Shareholder	No. of Ordinary Voting Shares held as at end of Trading on 30 th August 2022 / Record date	No. of Ordinary Voting Shares provisionally allotted (212 for	Total amount payable on provisional allotment @ Rs.0.70 per

Name(s) of Joint Shareholder(s) (if any)

(1)	(2)
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Dear Shareholder(s)

6th September 2022

As a registered Shareholder of the above Company, you have been provisionally allotted your due entitlement of Two Hundred & Twelve (212) One Ordinary Voting Share for every One Hundred (100) Ordinary Voting Shares held by you as at end of trading on **30th August 2022** (the 'Record Date').

(i) ACCEPTANCE & REGISTRATION

CDS Holders - whose Shares are deposited in the CDS, your Entitlement has been directly deposited to the CDS account through which your shares are held. The amount specified above is payable on acceptance. Therefore, **Form A - Letter of Acceptance & Registration** and the **Form B - Form of Renunciation to CDS** will not be required to be completed by you.

Non-CDS Holders - If you wish to accept the shares provisionally allotted to you or even a lesser number of shares, please complete Form A: Letter of Acceptance & Registration only and return this Provisional Letter of Allotment in its entirety together with the payment by way of Cheque / Bank Draft, to reach Corporate Arcade Limited, Registrars to the issue, not later than 4.30 p.m on **23rd September 2022** (being the last date for Acceptance and Payment).

Form A: Letter of Acceptance & Registration should indicate clearly your Central Depository System (CDS) Account Number and further if you are a Non-Resident Investor you should also provide your Inward Investment Account (IIA) formerly known as the Securities Investment Account (SIA) details in the space provided in this Form for such details.

(ii) DEPOSIT OF LETTER OF ALLOTMENT IN CDS THROUGH FORM B OF RENUNCIATION TO CDS

This course of action is generally provided to facilitate you (the Non-CDS Shareholders) to trade on your entitlement (full or part) up to the last date of renunciation to CDS by depositing this Letter of Allotment in the CDS account.

If you wish to renounce your full entitlement, please complete and sign **FORM B: FORM OF RENUNCIATION TO CDS only** indicating that you are renouncing your entitlement in favour of the CDS and enter your CDS account number in the space provided. In such an event you should NOT COMPLETE FORM A. **Instead forward the Provisional Letter of Allotment in its entirety to your Stock Broker/Custodian Bank.**

The last date of Renunciation to CDS is **19th September 2022**. If you wish to subscribe for your entitlement (partly/fully) thereafter, please submit the required remittance to your Stock Broker / Custodian Bank not later than 4.30 p.m. on **23rd September 2022** together with Form A : Letter of Acceptance and Registration. Kindly note that if you are holding shares through different stockbrokers/Custodian Banks, payments for accepted shares will have to be done separately to the relevant Stockbrokers/Custodian Banks.

(iii) ADDITIONAL SHARES

If you wish to apply for additional shares over and above the shares provisionally allotted to you, which may be possible due to some Shareholders not taking up their rights, please complete **FORM C: APPLICATION FOR ADDITIONAL SHARES** and return same together with the Cheque / Bank Draft / Bank Guarantee to reach Corporate Arcade Limited, Registrars to the issue, not later than 4.30 p.m. on **23rd September 2022**. You should indicate a valid CDS Account Number. The additional shares that are allotted to you will then be deposited in the CDS by 07th October 2022.

Application for additional shares should be directly made to the Company through the Registrars to the Issue, Corporate Arcade Ltd.

Cheques in respect of applications for additional Rights Shares will be banked only after the last date of Acceptance and Payment.

Any funds unallotted on application for Additional Shares, may be returned to you either by a fund transfer through the Sri Lanka Inter Bank Payment System (SLIPS) to your Bank account. If the Company is unable to process the fund transfer as per the instructions given by you, the Company will make such refund payment to you by way of a cheque.

(iv) REMITTANCE

The remittance must be made by Cheque / Bank Draft drawn upon any Commercial Bank in Sri Lanka and payable to "**NATION LANKA FINANCE PLC - RIGHTS ISSUE ACCOUNT**" and crossed "Account Payee Only". Completed Applications along with the payment should be submitted to the Registrar to the Issue during office hours i.e. Monday to Friday between 8.30 a.m. to 4.30 p.m. If the duly completed Form(s) and the payment for Rights Shares are not received on/before 4.30 p.m. on Friday, **23rd September 2022** (i.e. the Last Date of Acceptance & Payment) by the Registrars to the Issue, the Rights Ordinary Voting Shares to which you are entitled to will be deemed to have been declined and will be treated as cancelled.

The remittance from Non-Resident shareholders must be made out of an Inward Investment Account (IIA) formerly known as Securities Investment Account (SIA) or as Share Investment External Rupee Account (SIERA)] maintained with a Commercial Bank operating in Sri Lanka.

If the payment is not made out of an IIA, but out of an inward remittance or remittable funds, the approval of the Director, Foreign Exchange to make such payment must accompany the Letter of Acceptance and Registration and the Application for Additional Shares (as applicable).

Non-Resident Shareholders are requested to enter their IIA Number [from which the payment is made for the Rights Issue] in Form 'A' and Form 'C' in the spaces provided therefor.

Please note that it is the responsibility of the Foreign Investors/Non-Resident Shareholders to comply with Laws relevant to the jurisdictions of their residency and of Sri Lanka.

In case of remittance from an IIA for **APPLICATIONS FOR ADDITIONAL SHARES**, it is permitted for a holder of an IIA to send a Bank Guarantee with the form of application for additional shares. Once the number of shares to be allotted is determined, the Registrars shall claim the relevant amount/s due on the application from the Bank. This procedure is adopted to avoid foreign exchange losses on conversion.

To comply with the provisions of the Foreign Exchange Act, non-resident shareholders who do not maintain an IIA should seek the approval from the Director, Foreign Exchange, Colombo, Sri Lanka, through a Commercial Bank Licensed by the Central Bank of Sri Lanka (CBSL) before the issue of the said shares. Such letter of approval should accompany the Letter of Acceptance and Registration.

(v) DIRECT DEPOSIT TO CDS

The shares allotted on this Issue would be directly uploaded on or before **07th October 2022**, as referred to herein. **Share certificates will not be issued.**

As per the Directive of the Securities & Exchange Commission (SEC) made under Circular No. 08/2010 dated November 22, 2010 and Circular No.13/2010 issued by the CDS dated November 30, 2010 all Shares allotted shall be directly uploaded to the CDS Accounts. As such all Acceptors of Shares, should indicate their CDS Account Number in Form 'A' – Letter of Acceptance and Registration. Shareholders/Applicants who do not have a CDS Account are advised to open a CDS Account, prior to submitting the completed Form 'A' in order to facilitate the uploading of the allotted Shares to the CDS Account.

Letters of Acceptances (Form A) which do not carry a valid CDS Account Number or which indicate an incorrect/inaccurate CDS Account Number will not be uploaded on the date specified for upload by the Rules of the CSE. They will only be registered in the share ledger maintained by the Company and will not be issued a share certificate, such shareholders would not be able to trade in the new shares until, such time the same has been deposited with the CDS. Therefore please ensure strict adherence to the Directive issued by the SEC.

(vi) GENERAL

If the duly completed Form(s) and the payment for Rights Shares is not received before 4.30 p.m. by 23rd September 2022 the rights shares to which you are entitled will be deemed to have been declined and will be treated as cancelled.

Any refunds in respect of rejected/partly rejected applications for shares will be dispatched as expeditiously as possible and in any event within ten (10) Market Days from the last date of Acceptance and Payment, as set out in the Listing Rules of the Colombo Stock Exchange.

Where an application is signed under a Power of Attorney, a copy certified by a Notary Public must be lodged with the Registrars to the Issue along with the application.

In the case of Companies/Incorporated Bodies this Document shall be duly executed as per the Articles of Association/Statute.

Application Forms accompanying remittances, which are not in accordance with these instructions, will be rejected.

All correspondence in this regard should be addressed to Registrars to the Issue, Corporate Arcade Limited, either via email - nlf.rightsissue@gmail.com or by post / courier / delivered to No.9/1A, Edmonton Road, Kirulapone, Colombo – 06, Sri Lanka with the top left hand corner of the envelope marked "**NATION LANKA FINANCE PLC – RIGHTS ISSUE**".

The Provisional Letter of Allotment can be accessed through <https://www.cse.lk> and www.nationlanka.com

You may contact the Registrars to the Issue "Corporate Arcade Limited, on the following numbers: 0112514421 / 0777286646 / 0112514420 for any assistance, including checking on your "Rights Entitlement".

Yours faithfully,

**BY ORDER OF THE BOARD OF
NATION LANKA FINANCE PLC**

Sgd/-

**CORPORATE ARCADE LIMITED
REGISTRAR TO THE ISSUE**

**FORM A
LETTER OF ACCEPTANCE & REGISTRATION**

No. of shares accepted	Amount (Rs.)	Name of Bank/branch	Cheque/Bank Draft No.

Date..... 2022

The Director
NATION LANKA FINANCE PLC
Corporate Arcade Limited,
No.9/1A, Edmonton Road,
Kirulapone,
Colombo – 06.

Dear Sir/Madam

- (i) I/We accept the aforesaid number of Ordinary Voting Shares to which I am/we are lawfully entitled and request to be entered in the Register of Shareholders as the registered holder(s) of such shares.

[PLEASE TICK (√) AS APPLICABLE. IF SPECIFIC INSTRUCTIONS ARE NOT INDICATED BY TICK (√) THE SHARES WILL BE DEPOSITED TO THE TRADING BALANCE ACCOUNT].

Please directly deposit the number of shares allotted to me/us to the **TRADING BALANCE** of my/our securities A/C at the Central Depository Systems (Pvt.) Ltd. My/Our CDS account number is given below.

Please directly deposit the number of shares allotted to the **LOCKED BALANCE** of my/our securities A/C at the Central Depository Systems (Pvt.) Ltd. My/Our CDS account number is given below. (I/We understand that the shares in the “Locked Balance” would not be available for trading purposes and would not be visible to the respective CDS Participants).

<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
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Telephone No.

- (ii) I/We hereby declare that I am/we are:

Not resident outside Sri Lanka and not a Company or Corporation incorporated outside Sri Lanka and I am/we are not acquiring the shares as nominee of a person resident or Company/Corporation incorporated outside Sri Lanka.

Individual(s) resident outside Sri Lanka/a Company/Corporation incorporated outside Sri Lanka.

- * (iii) I/We being a Non Resident Shareholder/s give below my/our IIA (SIA) No./s through which payment/s for the Right shares is made. * (to be filled by Non Resident Shareholders only)

IIA (SIA) NO.	NAME OF BANK/BRANCH	BANK & BRANCH CODE

Yours faithfully,

IMPORTANT – The information to be given below should be identical to the information provided by you to the CDS in respect of your aforementioned CDS Account. Please note that if in the event the information given herein differ to the information given by you to the CDS in respect of your aforementioned CDS Account, the information given to the CDS shall take precedence over the information given below.

Full Name(s) of Shareholder(s) – underline Surname(s)	NIC / Passport / Company Reg. No. (PP No. is acceptable only if the NIC No. is not available)	Nationality	Occupation
(1). Mr. / Mrs. / Miss			
(2). Mr. / Mrs. / Miss			
(3). Mr. / Mrs. / Miss			
Address			
Signature(s)	(1)	(2)	(3)

PLEASE READ THE PROVISIONAL LETTER OF ALLOTMENT FOR INSTRUCTIONS PRIOR TO COMPLETION

FORM B
FORM OF RENUNCIATION TO CDS

Date:..... , 2022

The Director
NATION LANKA FINANCE PLC
Corporate Arcade Limited,
No.9/1A, Edmonton Road,
Kirulapone,
Colombo – 06.

Dear Sir/Madam

I/We the shareholder(s) to whom the Provisional Letter of Allotment dated 6th September 2022 has been addressed, do hereby renounce my/our right/s to the Ordinary Voting Shares allotted to me/us through this letter in favour of the Central Depository Systems (Pvt.) Ltd. for depositing through the Stock Broker/Custodian Bank to the trading balance of my/our securities account bearing the number appearing below:

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In the case of Companies/Incorporated Bodies the Common Seal shall be (where applicable) placed and duly attested as per the Articles of Association/Statute.

Yours faithfully,

	NAME OF SHAREHOLDER(S)	SIGNATURE(S)
PRINCIPAL SHAREHOLDER		
1 ST JOINT SHAREHOLDER		
2 ND JOINT SHAREHOLDER		

PLEASE READ THE PROVISIONAL LETTER OF ALLOTMENT FOR INSTRUCTIONS PRIOR TO COMPLETION.

FORM C
FORM OF APPLICATION FOR ADDITIONAL SHARES

Date:....., 2022

Issue of 2,870,040,325 new Ordinary Voting Shares at Rupees Cents Seventy (Rs.0.70) per share payable on or before 23rd September.

For use only by the holders of shares who are on the Register of Shareholders as at 30th August 2022 (Entitlement/Record Date)

The Director

NATION LANKA FINANCE PLC

Corporate Arcade Limited,

No.9/1A, Edmonton Road,

Kirulapone,

Colombo – 06.

Dear Sir/Madam

NAME OF SHAREHOLDR :

NAME OF JOINTHOLDR :

FOLIO REFERENCE/CDS CLIENT ID :

I/We the above named Shareholder(s) hereby apply for the undernoted additional shares along with the required remittance and request you to allot to me/us that number of shares and I/we agree to accept same or any lesser number of shares in respect of which this application may be accepted by you and authorize you to;

[PLEASE TICK (√) AS APPLICABLE. IF SPECIFIC INSTRUCTIONS ARE NOT INDICATED BY TICK (√) THE SHARES WILL BE DEPOSITED TO THE TRADING BALANCE ACCOUNT].

Please directly deposit the number of shares allotted to me/us to the **TRADING BALANCE** of my/our securities A/C at the Central Depository Systems (Pvt.) Ltd. My/Our CDS account number is given below.

Please directly deposit the number of shares allotted to the **LOCKED BALANCE** of my/our securities A/C at the Central Depository Systems (Pvt.) Ltd. My/Our CDS account number is given below. (I/We understand that the shares in the “Locked Balance” would not be available for trading purposes and would not be visible to the respective CDS Participants).

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Number of Additional shares	Name of Bank/Branch	Cheque/ Bank Draft/ Guarantee No.	Amount @ Rs.0.70 per share

