

PLEASE STAPLE THE CHEQUE/BANK DRAFT HERE

LANKA CREDIT AND BUSINESS FINANCE PLC – HIGH YIELD BOND ISSUE 2025

A Company incorporated in Sri Lanka on March 3rd, 1962 and reregistered as a public limited liability Company under the companies act on March 10, 2008. The limited Company was registered as a public quoted Company on 21st January 2022 by listing its shares on CSE on 16th November 2021. The Company is a Licensed Finance Company, Licensed by the monetary board of the Central Bank of Sri Lanka.

Issue Opens	23 rd	Sep	2025	BANKER'S/ STOCKBROKER'S SEAL
Issue Closes	13 th	Oct	2025	
Earliest Closing	23 rd	Sep	2025	MASTER SERIAL NO. (For office use only)
Date				

APPLICATION FORM (Issue is limited for Qualified Investors as defined in the Prospectus)

AN ISSUE OF SEVEN MILLION FIVE HUNDRED THOUSAND (7,500,000) TIER 2, LISTED, RATED, UNSECURED, SUBORDINATED, REDEEMABLE 5 YEAR HIGH YIELD BONDS, AT THE PAR VALUE OF LKR 100/- EACH TO RAISE SRI LANKA RUPEES SEVEN HUNDRED FIFTY MILLION (LKR 750,000,000/-) WITH AN OPTION TO ISSUE UPTO A FURTHER SEVEN MILLION FIVE HUNDRED THOUSAND (7,500,000) OF SAID HIGH YIELD BONDS TO RAISE UP TO SRI LANKA RUPEES SEVEN HUNDRED FIFTY MILLION (LKR 750,000,000/-), AT THE DISCRETION OF THE COMPANY IN THE EVENT OF AN OVERSUBSCRIPTION OF THE INITIAL ISSUE. MAXIMUM ISSUE WILL NOT EXCEED FIFTEEN MILLION (15,000,000) OF THE SAID HIGH YIELD BONDS OF A VALUE OF SRI LANKA RUPEES ONE THOUSAND FIVE HUNDRED MILLION (LKR 1,500,000,000) TO BE LISTED ON THE COLOMBO STOCK EXCHANGE PAYABLE IN FULL ON APPLICATION.

To: Board of Directors – LANKA CREDIT AND BUSINESS FINANCE PLC (LCB), NO. 76, S. De. S Jayasinghe Mawatha, Kohuwala.

I/We, the undersigned hereby apply for and request you to allot me/us the number of High Yield Bonds stated below as per the Prospectus dated 12th September 2025. The amount payable on Application is attached herewith. I/We, hereby agree to accept the High Yield Bonds applied for or such smaller number as may be allotted to me/us, subject to the terms and conditions contained in the Prospectus. I/We irrevocably give my/our authority and consent to Hatton National Bank PLC to act as my/our Trustee (Trustee) subject to the terms and conditions stipulated in the Trust Deed dated 14th August 2025 entered into between Lanka Credit and Business Finance PLC and the said Trustee. I/We authorize you to procure my/our name(s) to be placed in the register of the holders of the above-mentioned High Yield Bonds for such a number of High Yield Bonds that may be allotted on the basis of acceptance by Lanka Credit and Business Finance PLC.

Please use block capitals and read Instructions on the reverse carefully.

TYPES OF BOND(S) Please Tick (v) one Type only						
TYPE	TENURE	INTEREST RATE (PER ANNUM)	INTEREST PAYMENT FREQUENCY	TYPE OF INTEREST	AER	Tick (v)
Type A	5 years	12.60%	Semi Annual	Fixed	13.00%	
Type B	5 years	12.41%	Quarterly	Fixed	13.00%	

NUMBER OF HIGH YIELD BONDS				PRICE (LKR)	TOTAL AMOUNT TO BE PAID (LKR)									
Please Refer 1 (vii) on the reverse of the Application Form for minimum number of High Yield Bonds and multiples of High Yield Bonds				100/-	Please Refer 1 (vii) on the reverse of the Application Form for minimum Investment Amount									

MODE OF PAYMENT DETAILS – CHEQUE/BANK DRAFT/BANK GUARANTEE/RTGS/SLIPS/CEFTS/INTERNAL DIRECT TRANSFER DETAILS			
PLEASE SELECT APPROPRIATELY		NAME OF BANK	CHEQUE/BANK DRAFT/BANK GUARANTEE NUMBER
Cheque ☐ Bank Draft ☐ Bank Guarantee ☐ RTGS ☐			
SLIPS ☐ CEFTS ☐ Internal Direct Transfer ☐			

The allotted High Yield Bonds would be credited to the CDS account specified below. (Please refer instructions overleaf)

CDS ACCOUNT NO.					-								-			-	
Please refer Section 6 “How to Apply”, in the Prospectus for more details																	

	SOLE/FIRST QUALIFIED INVESTOR				JOINT QUALIFIED INVESTOR									
STATUS (MR./ MRS./ MS./ OTHER)					1					2				
SURNAME WITH INITIALS/					1									
NAME OF CORPORATE BODY					2									
NAMES DENOTED BY INITIALS					1									
					2									
ADDRESS					1									
					2									
CONTACT TELEPHONE NO.					1					2				
NATIONAL IDENTITY CARD NO. /COMPANY NO. /														
PASSPORT NO.					1					2				
NATIONALITY (Please tick (v) as appropriate)	SRI LANKAN		OTHER		1	SRI LANKAN				OTHER				
					2	SRI LANKAN				OTHER				
RESIDENCY IN SRI LANKA (Please tick (v) as appropriate)	RESIDENT		OTHER		1	RESIDENT				NON-RESIDENT				
					2	RESIDENT				NON-RESIDENT				
ARE YOU A U.S PERSON UNDER THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) OF THE USA	YES	NO			1	YES		NO		2	YES		NO	
	IF YES, PLEASE PROVIDE THE DECLARATION AS SPECIFIED IN ANNEX IV OF THE PROSPECTUS													
	IN THE EVENT I/WE DO BECOME A U.S PERSON UNDER THE FOREIGN ACCOUNT TAX COMPLIANCE ACT (FATCA) OF THE USA, I/WE DO HEREBY UNDERTAKE TO INFORM THE SAID FACT TO THE BANK IMMEDIATELY													
NAME, ADDRESS AND SIGNATURE OF FINANCIER (MARGIN TRADING ONLY)														

REFUND PAYMENT INSTRUCTIONS (In case of refund-Please tick (v) as appropriate)	DIRECT TRANSFER VIA SLIPS/RTGS ☐	DIRECT TRANSFER - IIA ☐	CHEQUE SENT BY ORDINARY MAIL TO THE ADDRESS INDICATED ABOVE ☐
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BANK CODE	BRANCH CODE	ACCOUNT NUMBER

DECLARATION IN TERMS OF THE PROVISIONS OF THE FOREIGN EXCHANGE ACT NO. 12 OF 2017	
TICK (v) ONE BOX ONLY	For Sri Lankan Citizens resident in Sri Lanka, and Corporate Bodies Incorporated in Sri Lanka in terms of the provisions of the Foreign Exchange Act I/We, the Qualified Investor(s) of the above-mentioned High Yield Bonds hereby declare that I am/we are a citizen(s) of and resident in Sri Lanka and I am/we are not acting as nominee(s) of any person(s) resident outside Sri Lanka. For Non-Residents and Non-Citizens in terms of the provisions of the Foreign Exchange Act I/We, the Qualified Investor(s) of the above-mentioned High Yield Bonds hereby declare that, I am/we are resident outside of Sri Lanka and that, I/we have made the remittance as stipulated by the Controller of Exchange. A confirmation/endorsement from my/our bank to such effect is attached to this Application.

SIGNATURE(S) OF QUALIFIED INVESTOR(S)	SOLE/FIRST QUALIFIED INVESTOR	JOINT QUALIFIED INVESTOR (1)	JOINT QUALIFIED INVESTOR (2)

INSTRUCTIONS

- **All Qualified Investors should indicate their CDS account number in the Application Form**
- Any Application which does not carry a valid CDS account number or indicates a number of a CDS account which is not opened at the time of the closure of the subscription list or which indicates an inaccurate/incorrect CDS account number will be rejected and no allotment will be made.
- If you wish to open a CDS account, you may do so prior to making the Application through any Member/Trading Member of the CSE or through any Custodian Bank as set out in Annex III of the Prospectus.
- **The allotted bonds would only be credited to the Qualified Investor's CDS account.**
- **NO BOND CERTIFICATE WILL BE ISSUED.**

(1) APPLICATION FORM

- The Application Form must be completed in **FULL**, in **BLOCK CAPITALS**
- Please tick (✓) in the boxes appropriate to you.
- In the event a particular section in this Application Form is not applicable, **please indicate "N/A" in the relevant section.**
- All Qualified Investors should meet the eligibility criteria set out under "Glossary of Terms related to the Issue" in the Prospectus.
- Applications should be made on the Application Form, issued with Prospectus. Application Forms will be made available from the collection points listed in Annex II of the Prospectus and can also be downloaded from www.cse.lk, www.lcbfinance.lk, and www.hnbib.lk. **Exact sized photocopies of the original Application Form will also be permissible. Care must be taken to follow the instructions given on the Application Form.**
- Qualified Investors are allowed to invest in High Yield Bonds subject to the minimum subscription.
- The minimum subscription requirement applicable for a Qualified Investor shall be Sri Lanka Rupees Ten Thousand (LKR 10,000/-).
Provided however, the minimum subscription requirement applicable for an individual Qualified Investor applying for Redeemable 5 Year High Yield Bond as per Rule 2.2.1 (u) read together with the Definition Section of the CSE Listing Rules shall be Sri Lanka Rupees Five Million (LKR 5,000,000/-).
Any Application in excess of the minimum subscription requirement shall be in multiples of Sri Lanka Rupees Ten Thousand (LKR 10,000/-)
- Qualified Investors should apply only for one Type of High Yield Bond (i.e. either Type A or Type B High Yield Bonds) under one Application Form.
- In the event a Qualified Investor wishes to apply for more than one Type of High Yield Bonds, separate Application Forms should be used. Once an Application Form has been submitted for a particular Type of High Yield Bond, it will not be possible for Qualified Investors to switch between the Types of High Yield Bonds.
- Applications which do not strictly conform to instructions and the other conditions set out herein or which are incomplete or illegible may be rejected.
- More than one Application submitted by a Qualified Investor under the same type of High Yield Bonds will not be accepted. If more than one Application Forms are submitted for one type of High Yield Bonds from a single Qualified Investor, those would be construed as multiple Applications, and the Bank reserves the right to reject such multiple Applications or suspected multiple Applications.
- If the ownership of the High Yield Bonds is desired in the name of one Qualified Investor, details should be given only under the heading **SOLE/FIRST QUALIFIED INVESTOR** on the Application Form. In the case of joint Qualified Investors, the signatures and particulars in respect of all Qualified Investors must be given under the relevant headings on the Application Form.
- A Qualified Investor of a Joint Application will not be eligible to apply for High Yield Bonds through a separate Application Form either individually or jointly. Such Qualified Investors are also deemed to have made multiple Applications and will be rejected.
In the case of joint Applications, the refunds (if any), interest payments and the Redemption will be remitted in favour of the First Qualified Investor as identified in the Application Form. The Bank shall not be bound to register more than three (03) natural persons as joint holders of any High Yield Bonds (except in the case of executors, administrators or heirs of a deceased member).
- Applications by companies, corporate bodies, societies, approved provident funds, trust funds and approved contributory pension schemes registered/ incorporated/ established in Sri Lanka should have obtained necessary internal approvals as provided by their internal approval procedures at the time of applying for the High Yield Bonds and should be made under their common seal or in any other manner as provided by their articles of association or such other constitutional documents of such Qualified Investor or as per the statutes governing them. In the case of approved provident funds, trust funds and approved contributory pension schemes, the Applications should be in the name of the trustee/board of management.
- All Qualified Investors should indicate in the Application Form, their 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 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.
Application Forms stating third party CDS accounts, instead of Qualified Investors' own CDS account numbers except in the case of margin trading, will be rejected.
- Qualified Investors who wish to apply through their margin trading accounts should submit the Application Forms in the name of the "Margin provider /Qualified Investor's name" signed by the margin provider, requesting direct deposit of the High Yield Bonds to the Qualified Investor's margin trading account in CDS. The margin provider should indicate the relevant CDS account number relating to the margin trading account in the Application Form. A photocopy of the margin trading agreement must be submitted along with the Application Form.
Margin providers can apply under their own name and such Applications will not be construed as multiple Applications.
- Application Forms may be signed by a third party on behalf of the Qualified Investor(s) provided that such person holds the power of Attorney (POA) of the Qualified Investor(s). A copy of such POA certified by a Notary Public as "True Copy" should be attached with the Application Form. **The original of the POA should not be attached.**
- Funds for the investment in High Yield Bonds and the payment for the High Yield Bonds by foreign institutional Investors, corporate bodies incorporated outside Sri Lanka, individuals resident outside Sri Lanka and Sri Lankans resident outside Sri Lanka should be made only out of funds received as inward remittances or available to the credit of "Inward Investment Account" (IIA) of the foreign Investor opened and maintained in a licensed commercial bank in Sri Lanka in accordance with directions given by the Director of the Department of Foreign Exchange in that regard to licensed commercial banks.

An endorsement by way of a letter by the licensed commercial bank in Sri Lanka in which the Qualified Investor 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 the IIA.

- Foreign institutional Investors, corporate bodies incorporated outside Sri Lanka, individual resident outside Sri Lanka and Sri Lankans resident outside Sri Lanka should have obtained necessary internal approvals as provided by their internal approval procedures at the time of applying for High Yield Bonds and may be affected by the laws of the jurisdiction of their residence. If the Non-Resident Qualified Investors wish to apply for the High Yield Bonds, it is their responsibility to comply with the laws relevant to the jurisdiction of their residence and of Sri Lanka.

(2) MODE OF PAYMENT

- Payment in full for the total value of High Yield Bonds 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 CEFTS/SLIPS/RTGS directed through any licensed commercial bank operating in Sri Lanka as the case may be, subject to (ii) below. Cash will not be accepted.
- Payments for Applications for values above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-) should be supported by either;
 - A bank guarantee issued by a licensed commercial bank; or
 - Multiple bank drafts/cheques drawn upon any licensed commercial bank operating in Sri Lanka, each of which should be for a value less than Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-); or
 - A RTGS/ Direct Internal Transfer with value on the Issue opening date.**Multiple cheques will not be accepted for Application values below Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-). In the case of Application values above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-), multiple bank drafts/cheques drawn upon any licensed commercial bank operating in Sri Lanka each of which should be for a value less than LKR 100,000,000/- will be accepted.**
- Multiple electronic fund transfers will not be accepted for Applications with any value. As such, in case a Qualified Investor wishes to use electronic fund transfer mechanism recognized by the banking system of Sri Lanka for the payment for the value of High Yield Bonds applied;**
 - payments for Applications for up to and inclusive of Sri Lanka Rupees Five Million (LKR 5,000,000/-) should be supported by either a CEFTS/SLIPS/Internal Direct transfer; and
 - payments for Applications for values above Sri Lanka Rupees (LKR 5,000,000/-) should be supported by a RTGS/ Internal Direct transfer.
- Cheques or bank drafts should be made payable to **"LANKA CREDIT AND BUSINESS FINANCE PLC"** and crossed "Account Payee Only" and must be honored on the first presentation. In case of bank guarantees, such bank guarantees should be issued by any licensed commercial bank in Sri Lanka in favour of **"LANKA CREDIT AND BUSINESS FINANCE PLC"** in a manner acceptable to LCB, and be valid for a minimum of one (01) month from the Issue opening date (i.e. 23rd September 2025)
- In case of electronic fund transfer mechanism recognized by the banking system of Sri Lanka such as CEFTS/SLIPS/RTGS/Internal Direct transfers should be made to the credit of the following Bank Account with value on the Issue opening date (i.e. the funds to be made available to the above account on the Issue opening date).

Account Name	LANKA CREDIT AND BUSINESS FINANCE PLC
Account Number	043010161660
Bank	Hatton National Bank PLC (Bank Code: 7083)
Branch	Kirulapona Branch (Branch Code - 43)

The Applicant should obtain a confirmation from the Applicant's bank to the effect that arrangements have been made to transfer payment in full and should be attached to the Application Form.

In case payment for the Application is made via a CEFTS or a SLIPS transfer, the "CDS account number of the Applicant" should be mentioned as the narration of such fund transfers.

For RTGS transfers/ Internal Direct transfers above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/), an interest at the rate of *Two Decimal Five per centum* (2.50%) per annum will be paid from the date of such transfers up to the Date of Allotment. If any transfers are affected prior to the Issue opening date, no interest will be paid for the period prior to the Issue opening date. No interest will be paid if the RTGS / Internal Direct Transfers are not realized before the end of the Closure Date.

- All cheques/bank drafts received in respect of the Applications for High Yield Bonds will be banked commencing from the Working Day immediately following the Closing Date. Cheques must be honoured on first presentation for the Application to be valid. Please refer Section 6.4 of the Prospectus for further details.

(3) FORWARDING COMPLETED APPLICATION

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 **"LANKA CREDIT AND BUSINESS FINANCE PLC - BOND ISSUE 2025"** 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 II of the Prospectus.

Applications sent by post or courier or delivered to any collection points in Annexure II should reach the office of the Registrars to the Issue; **Central Depository Systems (Private) Limited, Ground Floor, M&M Center, 341/5, Kotte Road, Rajagiriya (Tel: +94 11 2 356 456)** at least by 4.30 p.m. on the following Market Day immediately upon the Closure 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. Scanned copies of duly filled Application Forms or/and digitally signed Application Forms will be accepted. Duly Filled digital Application forms should be emailed to one of the following email address : registrars@cse.lk

However, the original duly filled and signed application forms need to be submitted should reach the office of the Registrar to the Issue by 4.30pm on the Closure Date. Registrar to the Issue: Central Depository System Limited, Ground Floor M&M Center, 341/5, Kotte Road, Rajagiriya

(4) REFUNDS ON APPLICATIONS

Refunds on Applications rejected, or partly allotted High Yield Bonds would be made within eight (08) Market Days excluding the Closing Date. Please refer Section 6.8 of the Prospectus for further details.