

Brown & Company PLC
Debenture Issue 2022
Prospectus



Browns
A Heritage of Trust

Managers and Placement Agents to the Issue



BROWN & COMPANY PLC



PROSPECTUS

**FOR AN INITIAL ISSUE OF 20,000,000 (TWENTY MILLION) LISTED RATED GUARANTEED SENIOR REDEEMABLE
FIVE YEAR (2022/2027) DEBENTURES OF LKR 100/- EACH, TO RAISE
SRI LANKAN RUPEES TWO BILLION (LKR 2,000,000,000/-)
WITH AN OPTION TO ISSUE UPTO A FURTHER THIRTY MILLION (30,000,000)
OF SAID DEBENTURES TO RAISE UP TO
SRI LANKAN RUPEES THREE BILLION (LKR 3,000,000,000/-),
AT THE DISCRETION OF THE COMPANY IN THE EVENT OF
AN OVERSUBSCRIPTION OF THE INITIAL ISSUE**

**MAXIMUM ISSUE WILL NOT EXCEED FIFTY MILLION (50,000,000)
OF SAID DEBENTURES OF A VALUE OF
SRI LANKAN RUPEES FIVE BILLION (LKR 5,000,000,000/-)**

TO BE LISTED ON THE COLOMBO STOCK EXCHANGE

**Issue Rating “[SL]A(CE) Stable” by ICRA Lanka Limited
Issuer Rating “[SL] BBB+ Stable by ICRA Lanka Limited**

ISSUE OPENS ON

30th March 2022

Managers and Placement Agents to the Issue



This Prospectus is dated 30th March 2022

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

If there is any inconsistency between the contents under the Prospectus and the CSE Listing Rules, the CSE Listing Rules will prevail

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

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

Responsibility for the Content of the Prospectus

This Prospectus has been prepared from information provided by Brown & Company PLC (hereinafter referred to as the “Company”, “BRWN”, or the “Issuer”) and from publicly available sources.

The Directors of the Company have seen and approved this Prospectus and collectively and individually, accept full responsibility for the accuracy of the information given and confirm that after making all reasonable inquiries 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 BRWN have been given in this Prospectus, such representations have been made after due and careful enquiry of the information available to the Company and making assumptions that are considered to be reasonable at the present point in time in its best judgment.

BRWN accepts responsibility for the information contained in this Prospectus. While the Company 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 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 Company and the terms of the Debentures issued including the risks associated.

Registration of the Prospectus

A copy of the Prospectus has been delivered to the Registrar of Companies of Sri Lanka 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 Auditors and Reporting Accountants for the inclusion of their name in the Prospectus as Auditors and Reporting Accountants to the Issue and to the Company.
- b) The written consent of the Rating Agency for the inclusion of their name in the Prospectus as Rating Agency to the Issue and to the Company.
- c) The written consent of the Trustee to the Issue for the inclusion of their name in the Prospectus as Trustee to the Issue.
- d) The written consent of the Bankers to the Issue for the inclusion of their name in the Prospectus as Bankers to the Issue.
- e) The written consent of the Company Secretary for the inclusion of the name in the Prospectus as Company Secretary to the Company.
- f) The written consent of the Registrars to the Issue for the inclusion of their name in the Prospectus as Registrars to the Issue.
- g) The written consent of the Lawyers to the Issue for the inclusion of their name in the Prospectus as Lawyers to the Issue.

- h) The written consent of the Managers and Placement Agents to the Issue for the inclusion of their name in the Prospectus as Managers and Placement Agents to the Issue.
- i) The written consent of the Guarantor of the Issue for the inclusion of their name in the Prospectus as Guarantor of the Issue.
- j) The declaration made and subscribed to, by each of the Directors of the Company herein named as a Director, jointly and severally confirming that each of them have read the provisions of the Companies Act and the CSE Listing Rules relating to the Issue of the Prospectus and that those provisions have been complied with.

The said Auditors and Reporting Accountants to the Issue, Lawyers to the Issue, Trustee to the Issue, Bankers to the Issue, Company Secretary, Financial Advisors and Managers to the Issue, Registrars to the Issue, Guarantor of the Issue have not, before the delivery of a copy of the Prospectus for registration with the Registrar General of Companies in Sri Lanka, withdrawn such consent.

Registration of the Prospectus in Jurisdictions Outside of Sri Lanka

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

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 connection with the Issue other than the information and representations contained in this Prospectus and if given or made such information or representations must not be relied upon as having been authorized by the Company.

Forward Looking Statements

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

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

Such factors may cause actual results, performance and achievements to materially differ from any future results, performance or achievements expressed or implied by Forward Looking Statements herein. Forward

Looking Statements are also based on numerous assumptions regarding the Company's present and future business strategies and the environment in which the Company will operate in the future.

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

Presentation of Currency Information and Other Numerical Data

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

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

IMPORTANT

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

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

As per the Directive of the Securities & Exchange Commission of Sri Lanka made under Circular No.08/2010 dated 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 Applicants are required to indicate their CDS account number.

In line with this directive, THE DEBENTURES ALLOTTED TO AN APPLICANT WILL BE DIRECTLY DEPOSITED IN THE CDS ACCOUNT OF SUCH APPLICANT, the details of which is indicated in his/her Application Form.

PLEASE NOTE THAT DEBENTURE CERTIFICATES WILL NOT BE ISSUED.

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

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

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

ISSUE AT A GLANCE

Issuer	Brown & Company PLC											
Instrument	Listed Rated Guaranteed Senior Redeemable Debentures											
Listing	The Debentures will be listed on the Colombo Stock Exchange											
Number of Debentures to be Issued	An initial Issue of Twenty Million (20,000,000) Listed Rated Guaranteed Senior Redeemable Debentures, with an option to issue up to a further Thirty Million (30,000,000) of said Debentures at the discretion of the Company in the event of an over subscription to the initial Issue.											
Amount to be Raised	Sri Lankan Rupees Two Billion (LKR 2,000,000,000/-) with an option to issue up to a further Sri Lankan Rupees Three Billion (LKR 3,000,000,000/-) at the discretion of the Company in the event of an over subscription of the initial Issue.											
Issuer rating	“[SL]BBB+ with Stable outlook” by ICRA Lanka Limited											
Issue Rating	“[SL]A (CE) with Stable outlook” by ICRA Lanka Limited											
Guarantor	LOLC Holdings PLC Rated “[SL] A” with Stable Outlook by ICRA Lanka Limited											
Issue Price	LKR 100/- per each Debenture											
Par Value	LKR 100/- per each Debenture											
Guaranteed Debentures	LOLC Holdings PLC has provided a guarantee up to a value of Six Billion Five Hundred Fifty Million (LKR 6,550,000,000), being the principal sum and two interest payments at the Rate of Fifteen decimal Five Zero per centum (15.50%) per annum payable annually, for two Interest Periods on the said Debentures											
Details of Debentures	<table border="1"> <thead> <tr> <th>Types of Debentures</th> <th>Interest Rate (Per annum)</th> <th>Tenor</th> </tr> </thead> <tbody> <tr> <td>Type A</td> <td>15.50% p.a. Payable annually (AER 15.50%)</td> <td>5 Years</td> </tr> <tr> <td>Type B</td> <td>15.42% p.a. Payable quarterly (AER 16.33%)</td> <td>5 Years</td> </tr> </tbody> </table>			Types of Debentures	Interest Rate (Per annum)	Tenor	Type A	15.50% p.a. Payable annually (AER 15.50%)	5 Years	Type B	15.42% p.a. Payable quarterly (AER 16.33%)	5 Years
Types of Debentures	Interest Rate (Per annum)	Tenor										
Type A	15.50% p.a. Payable annually (AER 15.50%)	5 Years										
Type B	15.42% p.a. Payable quarterly (AER 16.33%)	5 Years										
Number of Debentures to be Subscribed	<p>Applicants are allowed to invest in either;</p> <ul style="list-style-type: none"> • Debentures of Type A; and/or • Debentures of Type B; <p>subject to the minimum subscription of One Hundred (100) Debentures (LKR 10,000/) and in Multiples of One Hundred (100) Debentures (LKR 10,000/-) thereafter</p>											
Interest Payment Date(s)	<p>For Type A Debentures: The dates on which the payments of interest in respect of the Type A Debentures shall fall due which shall be the twelve (12) months from the Date of Allotment and every twelve (12) months therefrom of each year from the Date of Allotment until the Date of Redemption and includes the Date of Redemption</p> <p>For Type B Debentures: The dates on which payments of interest in respect of Type B Debentures shall fall due, which shall be the date three (03) months from the Date of Allotment and every three (03) months therefrom of each year from the Date of Allotment until the Date of Redemption and includes the Date of Redemption.</p>											

Mode of Payment of Principal Sum and Interest	<p>Through an electronic fund transfer mechanism recognized by the banking system of Sri Lanka such as SLIPS and RTGS and as such Applicants are advised to ensure that the bank account details provided to the CDS are accurate.</p> <p>If the bank account details provided to the CDS are inaccurate, the payment of principal Sum and Interest shall be made to Debenture Holders by cheque/s marked “Account Payee Only”, at the risk of the Debenture Holders.</p>
Issue Opening Date	30 th March 2022
Closure Date of the Subscription List	<p>Subject to the provisions contained below, the subscription list for the Debentures will open at 9.30 a.m. on 30th March 2022 and will remain open for fourteen (14) Market Days including the Issue opening date until closure at 4.30 p.m. on 21st April 2022</p> <p>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 Fifty Million (50,000,000) Debentures being fully subscribed; or - The Board of Directors of the Company decides to close the Issue upon the initial Issue of Twenty Million (20,000,000) Debentures becoming fully subscribed. <p>In the event the Board of Directors of the Company decides to exercise the option to issue further up to Thirty Million (30,000,000) Debentures (having subscribed the initial Issue of Twenty Million (20,000,000) Debentures) but subsequently decides to close the subscription list upon part of the further issue of Thirty Million (30,000,000) 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 at 4.30 pm.</p> <p>In the event the Board of Directors of the Company decides to close the Debenture Issue without the full subscription of the initial Twenty Million (20,000,000) Debentures, such decision is to be notified to the CSE on the day such decision is made and the subscription list will be closed on the following Market Day at 4.30 pm. (refer Section 5.2 of this Prospectus).</p>
Date of Allotment	The date on which the Debentures will be allotted by the Company to Applicants subscribing thereto.
Basis of Allotment	<p>In the event of an oversubscription, the basis of allotment will be decided by the Board of Directors of the Company within Seven (07) Market Days from the date of Closing Date.</p> <p>The Board however shall reserve the right to allocate up to 75% of the number of Debentures to be issued under this Prospectus on a preferential basis, to identified institutional investor/s of strategic and operational importance with whom the Company might have mutually beneficial relationships in the future such as pension funds, unit trusts, provident funds, financial institutions and high net worth individuals.</p>

Number of Debentures to be allotted to identified institutional investor/s of strategic and operational importance, on a preferential basis or otherwise will not exceed 75% of the total number of Debentures to be issued under this Prospectus under any circumstances, unless there is an under subscription from the other investors (investors that do not fall under preferential category).

The Company has not identified any related parties for any allotment of the Debentures on a preferential basis as at the date of the Prospectus. In the event any related party is allotted any Debentures on a preferential basis or any party to whom Debentures are allotted on a preferential basis becomes a related party prior to the Date of Redemption, the Directors of BRWN will undertake to make an immediate disclosure to the CSE to this effect in compliance with section 9 of the CSE Listing Rules (as applicable).

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1.0 CORPORATE INFORMATION

The Company/ Issuer	Brown & Company PLC
Legal Status	A Public Limited Liability Company incorporated in Sri Lanka on 17 th August 1892 under the Joint Stock Companies Ordinance 1861 and re-registered under the Companies Act No. 07 of 2007. The Company was listed on the Colombo Stock Exchange on 25 th April 1991.
Company Registration No.	PQ 25
Date of Incorporation	17 th August 1892
Place of Incorporation	Colombo, Sri Lanka
Registered Office	Brown & Company PLC No. 481, T.B. Jayah Mawatha, (Darley Road) Colombo 10 Tel : +94 11 5 063 000 Fax : +94 11 2 307 380
Business Office	Brown & Company PLC No. 34, Sir Mohamed Macan Markar Mawatha Colombo 3 Tel : +94 11 5 063 000 Fax : +94 11 2 307 380
Secretary to the Company	LOLC Corporate Services (Private) Ltd No. 100/1, Sri Jayawardenepura Mawatha, Rajagiriya. Tel : +94 11 5 063 000 Fax : +94 11 2 307 380
Auditors to the Company	M/s PricewaterhouseCoopers Chartered Accountants 100, Braybrooke Place Colombo 2 Tel: +94 11 7 719 700 Fax: +94 11 2 303 197
Credit Rating Agency	ICRA Lanka Limited No. 10-02, East Tower, World Trade Centre, Colombo 01. Tel: +94 114 339 907 Fax: +94 112 333 307
Issuer Rating	"[SL]BBB+ with Stable outlook" by ICRA Lanka Limited
Issue Rating	"[SL]A (CE) with Stable outlook" by ICRA Lanka Limited

Board of Directors

Mr. I.C. Nanayakkara- Executive Chairman
Mr. W.D.K Jayawardena - Non-Executive Director
Mrs. K.U. Amarasinghe - Non-Executive Director
Mr. H.P.J. de Silva- Independent Non-Executive Director
Mr. T.K. Bandaranayake - Independent Non-Executive Director
Mr. W.K.D.T Abeyrathne - Executive Director
Ms. D. E. Amarasinghe - Alternate Director to Mrs. K.U.Amarasinghe
Mr. S. Thamothersampillai – Chief Executive Officer

2.0 RELEVANT PARTIES TO THE ISSUE

Managers and Placement Agents to the Issue	NDB Investment Bank Limited Level 1, NDB Capital Building, No. 135, Bauddhaloka Mawatha, Colombo 04. Tel : + 94 11 2300385-90 Fax : +94 11 2 300 393
Guarantor of the Issue	LOLC Holdings PLC No. 100/1, Sri Jayewardenepura Mawatha, Rajagiriya. Tel : +94 11 5 880 880 Fax : +94 11 2 865 606
Lawyers to the Issue	Nithya Partners No. 97 A, Galle Road, Colombo 03. Tel : +94 11 4712625 Fax: +94 11 2 328 817
Registrar to the Issue	S S P Corporate Services (Pvt) Limited No. 101 Inner Flower Road, Colombo 03. Tel: +94 112 573 894 Fax: +94 11 2 573 609
Bankers to the Issue	National Development Bank PLC No. 40, Nawam Mawatha, Colombo 02. Tel :+94 11 2 374 100 Fax:+94 11 2 370 971
Rating Agency to the Issue	ICRA Lanka Limited No. 10-02, East Tower, World Trade Centre, Colombo 01. Tel: +94 114 339 907 Fax: +94 11 2 333 307
Trustee to the Issue	Hatton National Bank PLC "HNB Towers" No. 479, T. B. Jayah Mawatha (Darley Road), Colombo 10 Tel :+ 94 11 2 664 664 Fax :+ 94 11 2 662 832
Auditors/ Reporting Accountants to the Issue	M/s. PricewaterhouseCoopers Chartered Accountants 100, Braybrooke Place Colombo 2 Tel: +94 11 7 719 700 Fax: +94 11 2 303 197

3.0 LIST OF ABBREVIATIONS

AER	Annual Effective Rate
ATS	Automated Trading System
AWPLR	Average Weighted Prime Lending Rate
CBSL	Central Bank of Sri Lanka
CDS	Central Depository Systems (Private) Limited
CEFTS	Common Electronic Fund Transfer Switch
CSE	Colombo Stock Exchange
FY	Financial Year
IIA	Inward Investment Account
LCB	Licensed Commercial Bank
NDBIB	NDB Investment Bank Limited
NIC	National Identity Card
POA	Power of Attorney
RGFCA	Resident Guest Foreign Currency Account
RTGS	Real Time Gross Settlement
Rs./LKR/Rupees	Sri Lankan Rupees
SEC	Securities and Exchange Commission of Sri Lanka
SLIPS	Sri Lanka Interbank Payment System
USD	US Dollar
VAT	Value Added Tax
WHT	Withholding Tax
YoY	Year on Year

4.0 GLOSSARY OF TERMS RELATED TO THE ISSUE

Applicant	Any person who submits an Application Form under this Prospectus
Application Form/Application	The Application Form that constitutes part of this Prospectus through which the investors may apply for the Debentures in Issue
Board/Board of Directors/Directors	The Board of Directors of Brown & Company PLC
Company/BRWN/Issuer	Brown & Company PLC
Corporate Guarantee	Letter of Guarantee executed by LOLC Holdings PLC in favour of Hatton National Bank PLC on 15 th March 2022 as amended by Addendum to a Corporate Guarantee dated 24 th March 2022
Closure Date	The date of closure of the subscription list as set out in Section 5.2 of this Prospectus
Date of Allotment	The date on which the Debentures will be allotted by the Company to Applicants subscribing thereto
Date of Redemption	The date on which Redemption of the Debentures will take place as referred to in Section 5.7 of this Prospectus
Debentures	Listed Rated Guaranteed Senior Redeemable Debentures to be issued pursuant to this Prospectus
Debenture Holder(s)	Any person who is for the time being the holder of the Debentures and includes his/her respective successors in title
Entitlement Date	<p>For Type A Debentures: The dates on which the payments of interest in respect of the Type A Debentures shall fall due which shall be the twelve (12) months from the Date of Allotment and every twelve (12) months therefrom of each year from the Date of Allotment until the Date of Redemption and includes the Date of Redemption</p> <p>For Type B Debentures: The dates on which payments of interest in respect of Type B Debentures shall fall due, which shall be the date three (03) months from the Date of Allotment and every three (03) months therefrom of each year from the Date of Allotment until the Date of Redemption and includes the Date of Redemption.</p> <p>Interest would be paid not later than three (03) Working Days from each Interest Payment Date. The final interest payment will be paid together with the principal sum within three (03) working days from the Date of Redemption/Maturity.</p>
Guaranteed Debentures	LOLC Holdings PLC has provided a guarantee up to a value of Six Billion Five Hundred Fifty Million (LKR 6,550,000,000), being the principal sum and two interest payments at the Rate of Fifteen decimal Five Zero per centum (15.50%) per annum payable annually, for two Interest Periods on the said Debentures
Interest Payment Date(s)	<p>For Type A Debentures: The dates on which the payments of interest in respect of the Type A Debentures shall fall due which shall be the twelve (12) months from the Date of Allotment and every twelve (12) months therefrom of each year from the Date of Allotment until the Date of Redemption and includes the Date of Redemption</p> <p>For Type B Debentures: The dates on which payments of interest in respect of Type B Debentures shall fall due, which shall be the date three (03) months from the Date of Allotment and every three (03) months therefrom of each year from the Date of Allotment until the Date of Redemption and includes the Date of Redemption.</p>

Interest Period	<p>For Type A Debentures: The twelve (12) month period from the date immediately succeeding a particular Interest Payment Date and ending on the next Interest Payment Date (inclusive of the aforementioned commencement date and end date) and shall include the period commencing from the Date of Allotment and ending on the first Interest Payment Date (inclusive of the aforementioned commencement date and end date) and 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>For Type B Debentures: The three (03) month period from the date immediately succeeding a particular Interest Payment Date and ending on the next Interest Payment Date (inclusive of the aforementioned commencement date and end date) and shall include the period commencing from the Date of Allotment and ending on the first Interest Payment Date (inclusive of the aforementioned commencement date and end date) and 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 pursuant to this Prospectus
Issue Price	Rupees One Hundred (LKR 100/-) per each Debenture
Local Time	Sri Lanka Time (UTC+05:30)
Market Day	Any day on which trading takes place at the CSE
Non-Resident(s)	Persons resident outside Sri Lanka including country funds, regional funds, investment funds and mutual funds established outside Sri Lanka
Par Value	Rupees One Hundred (LKR 100/-) per Debenture
Principal Sum	The product of the number of Debentures allotted and the Par Value
Prospectus	This Prospectus dated 25 th March 2022 issued by Brown & Company PLC
Rate of Interest	<p>Type A Debentures: the fixed rate of Fifteen decimal Five Zero per centum (15.50%) per annum;</p> <p>Type B Debentures: the fixed rate of Fifteen decimal Four Two per centum (15.42%) per annum.</p>
Redemption	Repayment of the Principal sum and unpaid and accrued interest (if any) with regard to a Debenture to a Debenture Holder by the Company.
Senior	The claims of the Debenture Holders shall in the event of winding up of the Company rank after all the claims of secured creditors and preferential claims under any Statutes governing the Company but pari passu to the claims of unsecured creditors of the Company subject however that the Debenture Holders unlike the other unsecured creditors would be entitled to the benefit of the Guarantee which has been issued by the Guarantor and shall rank in priority to and over any subordinated debt of the Company and the ordinary and preference shareholder/s of the Company.
Trustee	Hatton National Bank PLC
Trust Deed	Trust Deed executed between BRWN and Hatton National Bank PLC, Colombo on 15 th March 2022 and as amended by the supplementary Trust Deed dated 24 th March 2022
Working Day	A day (other than a Saturday or Sunday or any statutory holiday) on which licensed commercial banks are open for business in Sri Lanka.

5.0 PRINCIPAL FEATURES OF THE LISTED RATED GUARANTEED SENIOR REDEEMABLE DEBENTURES

5.1 INVITATION TO SUBSCRIBE

The Board of Directors of Brown & Company PLC (hereinafter referred to as the “Board”) by resolution dated 20th December 2021 resolved to raise a sum of up to Rupees Two Billion (LKR 2,000,000,000/-) by an initial Issue of up to Twenty Million (20,000,000) Debentures each with a Par Value of Sri Lankan Rupees One Hundred (LKR 100/-) and to raise a further sum of Rupees Three Billion (LKR 3,000,000,000/-) by an issue of further Thirty Million (30,000,000) Debentures, in the event of an over subscription of the initial Issue.

As such a maximum amount of Rupees Five Billion (LKR 5,000,000,000/-) would be raised by the issue of a maximum of Fifty Million (50,000,000) Debentures each with the Par Value of Sri Lankan Rupees One Hundred (LKR 100/-).

BRWN invites Applications for Debentures which will rank equal and pari passu with each other without any preference or priority of any one or more than over the others except for the Interest Rate and Interest payment Frequency as more fully described in Section 5.5 and Section 5.8 of this Prospectus. The claims of the Debenture Holders shall in the event of winding up of the Company rank after all the claims of secured creditors and preferential claims under any Statutes governing the Company but pari passu to the claims of unsecured creditors of the Company subject however that the Debenture Holders unlike the other unsecured creditors would be entitled to the benefit of the Guarantee which has been issued by the Guarantor and shall rank in priority to and over any subordinated debt of the Company and the claims and rights of the preference and ordinary shareholder/s of the Company.

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

The Company is not required to obtain approval from any other regulators for the Debenture Issue and to the objectives of the Debenture issue.

5.2 SUBSCRIPTION LIST

The subscription list for the Listed, Rated, Guaranteed, Senior and Redeemable Debentures pursuant to this Prospectus will open at 9.00 a.m. on 30th March 2022 and shall remain open for Fourteen (14) Market Days until closure at 4.30 p.m. 21st April 2022.

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 Fifty Million (50,000,000) Debentures being fully subscribed; or
- The Board of Directors of the Company decides to close the Issue upon the initial Issue of Twenty Million (20,000,000) Debentures becoming fully subscribed.

In the event the Board of Directors of the Company decides to exercise the option to issue further up to Thirty Million (30,000,000) Debentures having subscribed the initial Issue of Twenty Million (20,000,000) Debentures but subsequently decides to close the subscription list upon part of the further Issue of Thirty Million (30,000,000) 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 at 4.30 p.m.

In the event the Board of Directors of the Company decides to close the Debenture Issue without the full subscription of the initial Issue of Twenty Million (20,000,000) Debentures, such decision is to be notified to the CSE on the day such decision is made and the subscription list will be closed on the following Market Day at 4.30 p.m.

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

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

5.3 TYPE OF DEBENTURES

The issue consists of two types of Debentures, i.e. Debentures with fixed coupon rates each with a par value of Sri Lanka Rupees One Hundred (LKR 100/-). The Debentures do not carry a convertible option.

Type of Debentures	Type of Interest	Tenure	Interest Rate (per annum)	Annual Effective Rate (AER) (per annum)	Interest Payment frequency
Type A	Fixed Rate	5 years	15.50% p.a.	15.50% p.a.	Annual
Type B	Fixed Rate	5 years	15.42% p.a.	16.33% p.a.	Quarterly

The maximum amount to be raised through Debentures of Type A and B will not exceed LKR 5,000 Million and the amounts to be raised through each Type of Debenture will depend on the Applications received for each Type of Debenture and in the event of an oversubscription, the basis of allotment decided by the Board of Directors of the Company. The amount allotted for each Type of Debenture will be subsequently disclosed through a market announcement.

5.4 OBJECTIVES OF THE ISSUE & SPECIFIC RISKS RELATING TO THE OBJECTIVES OF THE DEBENTURE ISSUE

The funds generated from the Debenture Issue will be utilized for refinancing of short-term credit facilities as well as to strengthen the Company's short-term Maturity Buckets.

The proceeds of up to LKR 2,000 Million raised from the initial Issue of Debentures will be utilized by the Company to re-finance LKR 2,000 Million short term/money market borrowings obtained from the commercial banks in the country.

The Company intends to replace short term debt with medium term debt at fixed interest rates in order to mitigate interest rate risk due to market volatilities. By settling these short-term loans and refinancing the same via medium term funds will enable the Company to minimize the level of reliance on financial institutions for the financing of the working capital requirements. The gearing ratio of the Company prior to the Issue is 0.41. This is expected to remain unchanged following the Debenture Issue.

5.4.1 UTILISATION OF FUNDS RAISED THROUGH THE INITIAL ISSUE

The Company will utilize LKR 2,000 Million raised through the initial Issue of the Debenture to settle short term loans which includes import loans, other short term loans, commercial papers and overdrafts obtained from the local commercial banks and financial institutions to the value of LKR 2,000 Million. These loans are continuously drawn down on a monthly/quarterly/bi-annual recurring basis in order to finance working capital needs of the Company and the interest rates applicable are based on the prevailing market interest rates at the time of renewing the facilities. The said loans can be settled at the discretion of the Company at any time without any penalty charges. The Company will identify the particular loans for settlement at the time of settlement considering the quantum of the loans involved, the terms and conditions offered by the banks and financial institutions, the maturity pattern of the short term loans and overdrafts and the need to free-up facilities to meet future funding requirements.

Outstanding short-term loans and overdrafts as at 31st December 2021 as per the unaudited interim financials amounts to LKR 14,520.69 Million and of which LKR 2,000 Million will be settled through the funds raised via the initial Issue of the Debentures. Accordingly, outstanding short-term loans and overdrafts post Debenture Issue will be LKR 12,520.69 Million.

The breakdown of the total short term loans and overdrafts of the Company as at 31st December 2021 are given below

Description	LKR '000
Import Loans	3,792,173
Other Short-Term Loans	8,988,171
Commercial Papers	1,215,564
Bank Overdrafts	524,780
Total	14,520,688

Except for the bank overdrafts, all of above short-term loans amounting to LKR 13,995.91 Million were obtained during the year 2021.

5.4.2 UTILISATION OF FUNDS RAISED THROUGH THE OVERSUBSCRIPTION OPTION

The Company intends to utilize the funds raised through the oversubscription option of LKR 3,000 Million (if exercised) to settle short term loans and bank overdrafts to the value of LKR 3,000 Million from the remaining pool of over LKR 12,520.69 Million outstanding short term loans and overdrafts mentioned above. The specific short-term loans and Bank Overdrafts to be settled through the proceeds from the oversubscription option will be selected based on the interest rates of these facilities at the time of settlement. These short-term loans and Bank Overdrafts can be settled at any time at the discretion of the Company without any penalty charges.

In the event that this Debenture Issue is under subscribed, the Company will refinance the above mentioned short term borrowings and Bank Overdrafts from local commercial banks and financial institutions only to the extent of funds raised through the Debenture issue and the refinancing will be prioritised based on the obtained date and applicable interest rates related to particular facilities. The Company will not obtain any new/additional loan facilities to repay the existing short-term loans and Bank Overdrafts

All the above-mentioned settlement of loan facilities will be effected by the Company immediately upon the allotment of the Debentures and receipt of the funds by the Company.

In the event of fully subscribing the Debenture issue and the proceeds utilized to settle the short-term loans as per the objective specified above, the remaining part of the short loans will be reflected in the balance sheet of The Company.

The Company will not be settling any related party debt from the proceeds of the Debenture issue.

Specific Risk Relating to the Objectives

- The above mentioned bank facilities have been continuously utilized on a revolving basis and the Company has the ability to settle them at its discretion without having to pay any penalties. As such, there is no uncertainty with regard to the utilization of Issue proceeds for the stated objectives.
- The Company is intending to settle the said loans as soon as the allotment of the Debentures is completed to mitigate the effect of market volatilities. Therefore, there is no risk of the Company not being able to utilize the Debenture proceeds within in the stipulated time frame.
- The Company is not dependent on the proceeds raised through the Debenture Issue to carry out its normal business activities. If there is any shortfall in the expected funds from the Debenture issue, the Company has the discretion of utilizing the bank facilities enjoyed by them.

The Company does not foresee any deviations from its objective or delays in deploying the funds raised via the Issue as mentioned above during the time frames stipulated. However, in a situation where there is a delay in the settlement of Short Term credit facilities due to an unforeseen event, the Company would invest any unutilized Debenture proceeds during the interim period in government securities at zero default risk and/or in fixed deposits in Licensed Commercial Banks and/or money market funds generating a minimum return equivalent to the prevailing overnight REPO rate until such proceeds are utilized for said objective.

The utilization of the proceeds of the Debenture Issue will be disclosed in the Annual Report and the Interim Financial Statements of the Company in the following format from the Issue opening date and until the objectives of the Debenture Issue are achieved and funds are fully utilized.

The objectives of the Issue do not amount to major transactions as per the Companies Act.

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 Proceed	Amounts utilized (LKR) (B)	% of utilization against allocation (B/A)	Clarification if not fully utilized including where the funds are invested (eg: whether lent to related party/s etc.)	
1	Refinancing of short term loan facilities	Initial issue of LKR 2.0 Bn and a maximum issue of LKR 5.0 Bn	Immediately upon allotment of the Debentures	To be disclosed in the Annual Report and the Interim Financial Statements					

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

Further, the Company will not seek the shareholders' approval for the Issue as it is not applicable as per the Articles of Association of the Company.

5.5 PAYMENT OF INTEREST

The Debentures will carry rates of interest as described below payable on the respective Interest Payment Dates:

Type of Debentures	Type of Interest	Tenure	Interest Rate (per annum)	Annual Effective Rate (AER) (per annum)	Interest Payment frequency
Type A	Fixed Rate	5 years	15.50% p.a.	15.50% p.a.	Annually
Type B	Fixed Rate	5 years	15.42% p.a.	16.33% p.a.	Quarterly

Interest on the Debentures accruing on a daily basis will be paid annually for Type A Debentures and quarterly for Type B Debentures as applicable from the Date of Allotment until the Date of Redemption on the outstanding Principal Sum.

The interest due on the Debentures for a particular Interest Period will be calculated based on the actual number of days in such Interest Period (actual/actual) and will be paid not later than three (03) Working Days from each Interest Payment Date.

In order to accommodate the debenture interest cycles in the CDS System of the CSE, the payment of interest for a particular Interest Payment Date will include Debenture Holders, holding Debentures in the CDS as of the Entitlement Date.

5.6 GUARANTEED DEBENTURE

Collateralization for the Issue is provided in the form of an unconditional and irrevocable corporate guarantee issued by LOLC Holdings PLC (“the Guarantor”) in favor of Hatton National Bank PLC (“the Trustee”) in terms of a Corporate Guarantee, whereby an amount of up to Sri Lankan Rupees Six Billion Five Hundred Fifty Million (LKR 6,550,000,000/-) is guaranteed. Such amount being the principal sum and interest payments for two interest periods payable on the Interest Payment Date(s) on the Fifty Million (50,000,000) Debentures to be issued by the Company at an issue price of Sri Lankan Rupees One Hundred (LKR 100/-) each. Accordingly, an amount not exceeding Sri Lankan Six Billion Five Hundred Fifty Million (LKR 6,550,000,000/-) may be claimed by the Trustee for and on behalf of the Debenture Holders from the Guarantor in the event the Company fails or neglects to redeem the said Debentures or pay the interest on the said Debentures in terms of Clause 4.1 a) i, ii, iv, v and vi of the said Trust Deed subsequent to the occurrence of an Event of Default under Clause 10 of the said Trust Deed. In the event the Trustee recovering or receiving any monies from the Guarantor or consequent to any action or proceedings taken by the Trustee against the Guarantor the Trustee shall apply such monies in or towards settling or providing for the payment of any outstanding interest for two interest payments at Rate of Interest for two Interest Periods which is payable by the Company to the Debenture Holders and thereafter for the payment of principal sum which is payable by the Company to the Debenture Holders in proportion to their investment respectively subject however up to the aggregate amount of Sri Lankan Rupees Six Billion Five Hundred Fifty Million (LKR 6,550,000,000) specified in the Corporate Guarantee (Clause 3.2 of the Trust Deed). A copy of the Corporate Guarantee is annexed to the Trust deed and the Trust Deed shall be hosted on the website of the Colombo Stock Exchange (www.cse.lk).

5.7 APPLICATION OF TAX ON INTEREST PAYMENTS

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

5.8 REDEMPTION

The Redemption of the Debentures will take place on Five (05) years from the Date of Allotment for Type A and Type B Debentures in accordance with the provisions of the Trust Deed.

If the Date of Redemption falls on a day which is not a Market Day, then the Date of Redemption will be the immediately succeeding Market Day and for the avoidance of doubt interest will be paid for the intervening days which are not Market Days. It should be noted that no interest on interest would be payable for the aforesaid interim period.

The Debenture Holders will 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 specified in the Trust Deed.

5.9 PAYMENT METHOD

Payment of principal and interest will be made in Sri Lankan Rupees after deducting any withholding tax and/or such other taxes and charges thereon (if applicable) to the registered Debenture Holders only 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 on the date of payment.

In the event accurate bank account details are provided to the CDS by the Debenture Holders, the payment of Principal Sum and interest shall be made to Debenture Holders through an electronic fund transfer mechanism recognized by the banking system of Sri Lanka such as SLIPS/RTGS (arranged only at the expense of the Debenture Holder).

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

It is the responsibility of the Non-Resident and Foreign Investors to ensure that their IIA through which they invest for Debentures is recorded correctly against the records in CDS to dispatch their Debenture interest payments.

5.10 TRUSTEE TO THE ISSUE

The Company has entered into an agreement with Hatton National Bank PLC who will act as Trustee to the Issue. Debenture Holders in their Application Forms for subscription will be required to authorize the Trustee, to act as their agent in entering into such deeds, writings and instruments with the Company and to act as the agent and Trustee for the Debenture Holders.

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

The fee payable to the Trustee will be Sri Lankan Rupees Three Hundred Thousand (LKR 300,000/-) per annum (payable monthly) plus statutory levies. There is no conflict of interest with the Company, except that the Trustee is one of the banks rendering banking related services to the Company.

5.11 RATING OF THE DEBENTURES

ICRA Lanka Limited has assigned a rating of “[SL]A (CE) with **Stable** outlook” to these Debentures, while a rating of “[SL] BBB+ with **Stable** outlook” has assigned to the issuer of the Debentures which is Brown & Company PLC. There was no rating downgrade of the Company for the last 03 years.

“A” denote adequate degree of safety regarding servicing of financial obligations. Such instruments carry low credit risk. The sign of + (plus) or – (minus) may be appended to the rating symbols to indicate their relative position within the rating categories concerned.

Source : <https://www.icralanka.com/rating-scale-for-debt-instruments-may-22-2019/>

The Board of Directors of BRWN undertake to keep the Trustee of the Debenture Issue and CSE immediately informed on any change to the credit rating of the Debentures when either the Company or any of the Directors are aware of any changes to the credit rating of the Debentures being issued under this Prospectus.

A copy of the rating certificate is given in Annexure I of this Prospectus.

5.12 RIGHTS AND OBLIGATIONS OF DEBENTURE HOLDERS

(a) Debenture holders are entitled to the following rights

- Receiving interest at the interest rates set out in Section 5.5 of this Prospectus on Interest Payment Dates and the Principal Sum on the Date of Redemption as set out in Section 5.8 of this Prospectus.
- Calling and attending meetings of Debenture Holders as set out in the Trust Deed.
- To receive a copy of the Annual Report within Five (05) months of the year end.
- Ranking equal and pari passu with unsecured creditors subject however that the Debenture Holders unlike the other unsecured creditors would be entitled to the benefit of the Guarantee which has been issued by the Guarantor in the event of liquidation of the Company and above the preference shareholders and ordinary shareholders.
- The other rights of the holders of these Debentures are set out in the Trust Deed

(b) Debenture holders are NOT entitled to the following rights

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

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

5.13 BENEFITS OF INVESTING IN DEBENTURES OFFERED BY THE COMPANY

The following are some of the main benefits in investing in Debentures offered by the Company.

- (a) Provides an opportunity to diversify the investment portfolio of the investor
- (b) Provides the investor with a regular cash inflow of interest payments
- (c) Provides the investor with an opportunity to invest in Debentures issued by a leading Company in Sri Lanka
- (d) Being listed on the CSE, the Debentures will have a secondary market, thus providing the investor with an opportunity to exit at the market price prevailing at the time of divestiture subject to market conditions
- (e) The Debentures may be used as collateral to obtain credit facilities from banks and financial institutions

5.14 RISKS INVOLVED IN INVESTING IN THE DEBENTURES

Subscribers to the Debentures will be exposed to the following risks. It is vital to note that these risks are not unique to Debentures issued by BRWN and apply generally to any debenture listed on the CSE

a) Reinvestment Risk

Interest on the Debentures payable annually for Type A and quarterly for Type B. An Investor may decide to reinvest these interest payments and earn interest from that point onwards. Depending on the prevailing interest rates at the point of reinvestment, the risk of returns generated by the Debenture Holders by reinvesting such interest received being higher or lower than the return offered by the Debentures is known as reinvestment risk.

b) Interest Rate Risk

Provided all other factors are equal, the market price of the Debentures will generally fluctuate in the opposite direction to the fluctuation in market interest rates. Thus, the interest rate risk could be identified as the reduction in the market price of the Debentures resulting from a rise in interest rates.

c) Credit Risk

Credit risk is also referred to as default risk. This is the risk that the issuer of a debenture may default, i.e. the issuer will not be able to pay interest and principal payments on a timely basis. This risk is gauged in terms of rating assigned by different rating agencies. ICRA Lanka Limited has assigned a Long-term Rating of '[SL]A(CE) with **Stable** outlook" to these Debentures and will be periodically reviewing the same.

d) Liquidity Risk

Liquidity risk is associated with the ease in which an investment can be sold after the initial placement. In order to reduce the liquidity risk of the Debentures, the Company has applied for a listing of these Debentures on the CSE and has received in-principle approval for such listing whereby Debenture Holders will be able to sell the Debentures through the CSE in order to convert the Debentures to cash and exit from the investment. However, the secondary market for debt is not as developed as the secondary market for equity.

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.

5.15 TRANSFER OF DEBENTURES

The Debentures will be transferable in the manner set out in the Trust Deed, which is reproduced below.

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

5.16 LISTING

An application for Listed Rated Guaranteed Senior Redeemable Debentures has been made to the CSE for permission to deal in and obtain a listing, at a Par Value of LKR 100/- each, all of which are offered to the public by way of this Debenture Issue and it has been approved in principle.

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 list is not to be taken as an indication of the merits of the Company or of its Debentures.

5.17 BROKERAGE FEE

Brokerage fee of Twenty Cents (LKR 0.20) per Debenture shall be paid in respect of the number of Debentures allotted on Applications bearing the original seal of any bank operating in Sri Lanka or a member/trading member of the CSE or any other party identified by the Company and/or Managers and Placement Agents to the Issue as involved in the Issue.

5.18 COST OF THE ISSUE

The Board estimates that the total cost of the Issue including fees to professionals, printing, advertising and other costs connected with the Issue will be approximately LKR 50 Million. Such costs will be financed by internally generated funds of the Company.

5.19 UNDERWRITING

This Issue is not underwritten.

The offering is not conditional to any minimum amount to be raised through this Issue. In the event of an under subscription, the Company is confident that any short fall in the funds required to meet the objectives of the Issue can be financed through internally generated funds and other credit facilities that could be obtained by the Company, at its discretion depending on the situation.

5.20 INSPECTION OF DOCUMENTS

Articles of Association, the Trust Deed, Auditors' Reports and Audited Financial Statements for the five (05) financial years ended 31st March 2021 (i.e. the five (05) financial years immediately preceding the date of this Prospectus), Interim Financial Statement as at 31st December 2021 and all other documents referred to in Rule 3.3.13 (a) of the CSE Listing Rules, including material contracts and management agreements entered into by the Company (if any) would be made available for inspection by the public during normal working hours, seven (07) Market Days prior to the date of opening of the subscription list at the registered office of the of the Company at No. 481, T.B. Jayah Mawatha, (Darley Road), Colombo 10 until the Date of Redemption of the Debentures.

The Prospectus, Application Form, Trust Deed and Articles of Association of the Company are available on the website of CSE, www.cse.lk and the website of the Company, www.brownsgroup.com from seven (07) Market Days prior to the date of opening of the subscription list until the Date of Redemption of the Debentures as stipulated in Rule 3.3.13 (b) of the CSE Listing Rules.

Audited financial statements of Brown & Company PLC made up to 31st March 2021, Interim Financial Statement as at 31st December 2021, Accountants Report and the five (05) year summary of financial statements will be available on the web site of CSE, www.cse.lk and the website of the Company, www.brownsgroup.com (Please refer Section 9.0 of this Prospectus for the same).

6.0 PROCEDURE FOR APPLICATION

6.1 ELIGIBLE APPLICANTS

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

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

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

“Persons resident outside Sri Lanka” will have the same meaning as in the notice published under Section 31 (3) of the Foreign Exchange Act No. 12 of 2017 in Government Gazette (Extraordinary) No. 2045/56 dated 17th November 2017.

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

6.2 HOW TO APPLY

6.2.1 Applications via Physical Delivery

The terms and conditions applicable to the Applicants are as follows.

- (a) Applications should be made on the Application Forms, which accompany and constitute a part of this Prospectus (exact size photocopies of Application Forms will also be accepted). Care must be taken to follow the instructions given herein and in the Application Form. Applicants using photocopies are requested to inspect the Prospectus which is available for inspection with the Registrar to the Issue and also issued free of charge by the parties listed in Annexure III of this Prospectus.

The Application Form can also be downloaded from the website of CSE, www.cse.lk, the website of BRWN, www.brownsgroup.com and the website of the Managers and Placement Agents to the Issue, www.ndbib.com until the Closure Date.

The Prospectus will be made available and can be downloaded from the website of CSE, www.cse.lk and the website of the Company, www.brownsgroup.com until the Date of Redemption of the Debentures and from the website of the Managers and Placement Agents to the Issue, www.ndbib.com until the Closure Date.

Applications which do not strictly conform to instructions and other conditions set out herein or which are incomplete or illegible may be rejected.

- (b) Applicants should apply for only one type of Debentures (i.e. either Debentures of Type A, or Debentures of Type B) under one Application Form
- (c) In the event an Applicant wishes to apply for more than one type of Debentures, separate Application Forms should be used. Once an Application Form has been submitted for a particular Type of Debentures, it will not be possible for an Applicant to switch between the types of Debentures
- (d) More than one Application submitted by an Applicant under the same type of Debentures will not be accepted. If more than one Application Forms are submitted for one type of Debentures from a single Applicant, those would be construed as multiple Applications and the Company reserves the right to reject such multiple Applications or suspected multiple Applications
- (e) If the ownership of the Debentures is desired in the name of one Applicant, full details should be given only under the heading SOLE/FIRST APPLICANT in the Application Form. In the case of joint Applicants, the signatures and particulars in respect of all Applicants must be given under the relevant headings in the Application Form.
- (f) An Applicant of a joint Application will not be eligible to apply for the Debentures through a separate Application Form either individually or jointly. Such Applicants 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 Applicant as identified in the Application Form.

The Company shall not be bound to register more than three (03) natural persons as joint holders of any Debentures (except in the case of executors, administrators or heirs of a deceased member).

Joint Applicants should note that all parties should either be residents of Sri Lanka or Non-Residents.

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

In the event the name, address or NIC number/passport number/company number of the Applicant mentioned in the Application Form differ from the name, address or NIC number/passport number/company number as per the CDS records, the name, address or NIC number/passport number/company number as per the CDS records will prevail and be considered as the name, address or NIC number/passport number/company number of such Applicant. Therefore, Applicants are

advised to ensure that the name, address or NIC number/passport number/company number mentioned in the Application Form tally with the name, address or NIC number/passport number/company number given in the CDS account as mentioned in the Application Form.

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

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

- (i) Applicants who wish to apply through their margin trading accounts should submit the Application Forms in the name of the "Margin Provider/Applicant's name" signed by the margin provider, requesting a direct deposit of the Debentures to the Applicant's margin trading account in the 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.

Margin providers can apply under their own name and such Applications will not be construed as multiple Applications.

- (j) Application Forms may be signed by a third party on behalf of the Applicant(s) provided that such person holds the Power of Attorney (POA) of the Applicant(s). A copy of such POA certified by a Notary Public as "True Copy" should be attached with the Application Form. **Original of the POA should not be attached.**
- (k) Funds for the investments in Debentures and the payment for 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) (formerly known as Securities Investment Accounts) of the non-residents 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 Applicant maintains the IIA, should be attached to the Application Form to the effect that such payment has been made out of the funds available in the IIA.

Applications not made in line with the instructions will be rejected.

- (l) 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.

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 the following email address.

Managers and Placement Agents to the issue : brownsdbi2022@ndbib.com

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 “**BROWN & COMPANY PLC– DEBENTURE ISSUE**” 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 of this Prospectus.

Applications sent by post or courier or delivered to any Collection Point set out in Annexure III of this Prospectus should reach the office of the Registrar to the issue, S S P Corporate Services (Private) Limited, No. 101, Inner Flower Road, Colombo 03 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 Closure Date or carry a postmark dated prior to the Closure Date.

Applications delivered by hand to the Registrars to the Issue after the Closure Date of the Issue will also be rejected.

6.2.2 Applications via the web portal

Option is provided for Resident Individual Applicants to apply for the Debentures through the web portal, *ipo.ndbch.com*. Applicants who intend to submit their Application Forms using this web portal may follow the instructions set out in the said web portal and forward their applications as per the instructions given therein.

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 THE 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 WILL NOT BE ISSUED.

6.3 NUMBER OF DEBENTURES TO BE SUBSCRIBED

Applicants are allowed to invest in either;

Debentures of Type A; and/or

Debentures of Type B

Applicants may invest in the Debentures subject to a minimum of One Hundred (100) Debentures, Sri Lanka Rupees Ten Thousand (LKR 10,000/-) and in multiples of One Hundred (100) Debentures, Sri Lanka Rupees Ten Thousand (LKR 10,000/-) thereafter.

6.4 MODE OF PAYMENT OF THE INVESTMENT BY THE APPLICANTS

- (a) Payment in full 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 electronic fund transfer mechanism recognized by the banking system of Sri Lanka such as CEFTS/SLIPS/RTGS directed through any licensed commercial bank operating in Sri Lanka as the case may be, subject to the following:
- (b) 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 LKR 100,000,000/-; or
 - RTGS 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.

- (c) **Multiple electronic fund transfers will not be accepted for Applications with any value. As such, in case an Applicant wishes to use electronic fund transfer mechanism recognized by the banking system of Sri Lanka for the payment for the value of Debentures 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/RTGS transfer; and**
 - **payments for Applications for values above Sri Lanka Rupees (LKR 5,000,000/-) should be supported by a RTGS transfer.**
- (d) Cheques or bank drafts should be made payable to **“BROWN & COMPANY PLC DEBENTURE ACCOUNT”** and crossed **“Account Payee Only”**, and must be honoured on the first presentation.
- (e) In case of bank guarantees, such bank guarantees should be issued by any licensed commercial bank in Sri Lanka in favour of **“BROWN & COMPANY PLC DEBENTURE ACCOUNT”** in a manner acceptable to the Company, and be valid for a minimum of one (01) month from the Issue opening date (25th March 2022).

Applicants are advised to ensure that sufficient funds are available in order to honour the bank guarantees, inclusive of charges when called upon to do so by the Registrars to the 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.

- (f) In case of electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as CEFTS/SLIPS/RTGS, transfers should be made to the credit of **“BROWN & COMPANY PLC-DEBENTURE ISSUE”** bearing the account number **101001055241** at National Development Bank PLC, Head Office Branch (Bank Code 7214, Branch Code 900) with value on the Issue opening date (i.e. the funds to be made available to the above account on the Issue opening date).

The Applicant should obtain a confirmation from the Applicant's bank, to the effect that arrangements have been made to transfer payment in full for the total value of Debentures applied for to the credit of **"BROWN & COMPANY PLC-DEBENTURE ISSUE"** bearing the account number **101001055241** at National Development Bank PLC, Head Office Branch (Bank Code 7214, Branch Code 900) with value on the Issue opening date (i.e. the funds to be made available to the above account on the Issue opening date) and should be attached with 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 above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-), the Applicants are entitled to an interest at the rate of Three decimal Zero per centum per annum (3.00% p.a.) from the date of such transfers up to the Date of Allotment. However, no interest will be paid if the said electronic fund transfers are not realized before the end of the Closure Date. Furthermore, even if such electronic fund transfers are effected prior to the Issue opening date, no interest will be paid for the period prior to the Issue opening date.

- (g) Cash will not be accepted.
- (h) Payment 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 the Director 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 Applicant maintains the IIA, should be attached to the Application Form to the effect that such payment has been made out of the funds available in the IIA.

- (i) The amount payable should be calculated by multiplying the number of Debentures applied for by the par value (LKR 100/-). If there is a discrepancy in the amount payable and the amount specified in the cheque/bank draft or bank guarantee or transferred via electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as CEFTS/SLIPS/RTGS, the Application will be rejected.
- (j) All cheques/bank drafts received in respect of the Applications for Debentures will be banked commencing from the Working Day immediately following the Closure Date.
- (k) In case of payments via cheque or bank draft or bank guarantee, Applicants shall ensure to forward the same to the offices of Managers and Placement Agents to the Issue or Registrars to the issue mentioned in Annexure II of this Prospectus and the same should reach to the Managers and Placement Agents /Registrars prior to the cut-off time on the Issue Closing Date, as indicated in Section 5.2 of this Prospectus.

6.5 REJECTION OF APPLICATIONS

Application Forms and the accompanying cheques/bank drafts/bank guarantee/ electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as CEFTS/SLIPS/RTGS which are illegible or incomplete in any way and/or not in accordance with the terms, conditions and instructions, set out in this Prospectus and in the Application Form will be rejected at the sole discretion of the Company.

Applications from individuals and Sri Lankans residing outside Sri Lanka who are under the age of 18 years or in the names of sole proprietorships, partnerships and unincorporated trusts will also be rejected.

Any Application Form which does not state a valid CDS Account number will be rejected.

More than one Application Form submitted by an Applicant will not be accepted. If more than one Application Form is submitted by a single Applicant, those would be considered as multiple Applications and the Company reserves the right to reject such multiple Applications or suspected multiple Applications

Any Application Form with more than three (03) natural persons as joint Applicants will be rejected.

Applications delivered by hand to the Registrars to the Issue after the Closure Date will be rejected. Applications received at the Registrar's office by post or courier after 4.30 p.m. on the Market Day immediately following the Closure Date, will also be rejected even if they carry a post mark dated prior to the Closure Date.

Applications delivered to any place mentioned in Annexure III should also reach the office of the Registrar's to the Issue at least by 4.30 p.m. on the Market Day immediately following the Closure Date. Applications received after the said duration will be rejected even though they have been delivered to any of the said Collection Points prior to the Closure Date.

In the event that cheques are not realized within Two (02) Market Days of deposit 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.

6.6 BANKING OF PAYMENTS

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

6.7 BASIS OF ALLOTMENT OF DEBENTURES

In the event of an oversubscription, the basis of allotment will be decided by the Board of Directors of the Company within Seven (07) Market Days from the date of Closing Date. Upon the allotments being decided, an announcement will be made to the CSE.

The Board however shall reserve the right to allocate up to a maximum of Seventy Five Per centum (75%) of the number of Debentures to be issued under this Prospectus on a preferential basis, to identified institutional investor/s of strategic and operational importance with whom the Company might have mutually beneficial relationships in the future.

Number of Debentures to be allotted to identified institutional investor/s of strategic and operational importance, on a preferential basis or otherwise will not exceed 75% of the total number of Debentures to be issued under this Prospectus under any circumstances, unless there is an under subscription from the other investors (investors that do not fall under preferential category).

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

6.8 REFUNDS

Monies will be refunded where;

- an Application is rejected for reasons given in Section 6.5 of this Prospectus; or
- the Application is accepted only in part.

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

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

If the Applicant has provided accurate and correct details of his/her bank account refunds will be made via electronic fund transfer mechanism recognised by the banking system of Sri Lanka such as SLIPS/RTGS or if the Applicant has not provided accurate and correct details of his/her bank account in the Application or if the Applicant has not provided details of the bank account in the Application Form, the Company will make such refund payments to the Applicant by way of a cheque and sent by post at the risk of the Applicant.

In the case of joint Applications, the cheques will be drawn in favour of the Applicant's name appearing 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 CEFTS/SLIPS/RTGS transfers at the following website;

https://www.lankaclear.com/assets/images/products/products-and-services/slips/file/SLIPS_%20BANK%20BRANCH15022019.xls

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

6.9 CDS ACCOUNTS AND SECONDARY MARKET TRADING

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

The Company will submit to the CSE a 'Declaration' on direct upload to CDS on the Market Day immediately following the day on which the Applicants' CDS accounts are credited with the Debentures.

Trading of Debentures on the secondary market will commence on or before the third (03rd) Market Day from the receipt of the Declaration by the CSE as per the CSE Listing Rules.

7.0 THE COMPANY

7.1 OVERVIEW

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

BRWN is a Public Limited Liability Company incorporated in Sri Lanka on 17th August 1892 under the Joint Stock Companies Ordinance 1861 and re-registered under the Companies Act No. 07 of 2007. The Company was listed on the Colombo Stock Exchange on 25th April 1991.

Pharmaceutical Division, which is an operational segment of the main business of Brown and Company PLC has obtained a license for the importation of pharmaceutical items in their operations. The said licence does not have an expiry date and is renewed annually by the Company.

7.2 STATED CAPITAL

The stated capital of the Company represents ordinary voting shares as given in the table below.

Stated Capital	As at 31 st March 2021	As at 31 st December 2021*
Balance (LKR)	9,093,101,000	9,093,101,000
Number of Shares	212,625,000	212,625,000

*Unaudited

7.3 MAJOR SHAREHOLDERS

Twenty (20) largest shareholders of the Company as at 31st December 2021 are given below.

	Name of the Shareholder	Number of Shares	% Holding
1	Seylan Bank PLC/LOLC Holdings PLC (Collateral)	60,000,000	28.22
2	LOLC Holdings PLC	52,092,103	24.50
3	Hatton National Bank/ LOLC Holdings PLC	30,000,000	14.11
4	Engineering Services Private Limited	16,588,962	7.80
5	Masons Mixture Limited	13,732,632	6.46
6	Employee's Provident Fund	6,914,625	3.25
7	Browns Holdings Limited	4,948,182	2.33
8	ACE Bonus Investments Limited	1,755,000	0.83
9	Vyjanthi & Company Limited	1,155,897	0.54
10	Hatton National Bank PLC/Subramaniam Vasudevan	1,028,342	0.48
11	Mr. S. V. Somasundaram	839,195	0.39
12	Sri Lanka Insurance Corporation Ltd. - Life Fund	786,990	0.37
13	Commercial Bank Of Ceylon PLC/ S. A. Gulamhusein	716,015	0.34
14	Capital Trust Holdings Limited	455,049	0.21
15	Hatton National Bank PLC/Arunasalam Sithampalam	395,695	0.19
16	Mrs. Pamela Christine Cooray	331,408	0.16
17	Hatton National Bank PLC/ Sarravanan Neelakandan	300,000	0.14
18	Sampath Bank PLC/ Ishara Chinthaka Nanayakkara	299,700	0.14
19	Bank of Ceylon No. 1 Account	284,241	0.13
20	Hatton National Bank PLC/Biswajith Udayapriya Hettiarachchi	278,258	0.13
		192,902,904	90.72

7.4 PARTICULARS OF LONG TERM LOANS AND OTHER BORROWINGS

The outstanding debt instruments and borrowings of the Company as at 31st March 2021 and 31st December 2021 comprise of the following categories.

	As at 31 st March 2021 LKR 000'	As at 31 st December 2021 LKR 000'*
Short-term loans	11,567,041	13,995,908
Loans from Related Parties	1,956,904	1,566,484
Long-term borrowings	5,267,557	7,115,757
Lease liabilities	441,838	422,413
Trade and Other Payables	3,434,539	4,035,921
Bank overdrafts	100,637	524,780
Total	22,768,516	27,661,264

*Unaudited

7.5 DETAILS OF OTHER DEBENTURES IN ISSUE

The Company has not issued any Debenture previously.

7.6 FINANCIAL RATIOS OF BROWN & COMPANY PLC

Financial Ratios	31 st March 2017	31 st March 2018	31 st March 2019	31 st March 2020	31 st March 2021	31 st December 2021
Interest Cover Ratio (Times)**	2.58	1.69	1.86	1.61	2.12	1.85
Debt / Equity Ratio (%)***	45.81	60.06	51.87	50.61	63.85	75.53

*Unaudited

** Interest Cover Ratio: $\frac{\text{Profit before taxes and Finance Expenses}}{\text{Finance Expenses}}$

***Debt /Equity Ratio: $\frac{\text{Total Debt}}{\text{Shareholder Funds}}$

Debt includes Long Term borrowings, Lease liabilities, short term loans, loans from related parties and bank overdrafts.

7.7 CONTINGENT LIABILITIES AND LITIGATION

CONTINGENT LIABILITIES

The details of contingent liabilities and commitments of the Company as at 31st December 2021 are given in the table below.

Description	LKR 'Mn
Corporate guarantees given to subsidiaries to obtain loans	3,026
Total	3,026

LITIGATION AGAINST THE COMPANY

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

7.8 FINANCIAL STATEMENTS AND FINANCIAL SUMMARY

The following financial information is hosted on the Company's web site, www.brownsgroup.com and CSE web site www.cse.lk;

- Audited financial statements of Brown & Company PLC as at 31st March 2021
- Interim financial statements of Brown & Company PLC as at 31st December 2021
- Summarized financial statement for the five years ended 31st March 2021 to 31st March 2017 preceding the date of the application stating the accounting policies adopted by the Company certified by the Auditors and Qualifications carried in any of the Auditors Reports covering the period in question and any material changes in accounting policies during the relevant period.

7.9 BOARD RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

The Board established the Related Party Transaction Review Committee in terms of Section 9 of the Listing Rules of the Colombo Stock Exchange. The Related Party Transaction Review Committee, which is appointed by the Board of Directors, presently consist the following members;

1. Mr. Tissa Bandaranayake - Chairman/Independent Non-Executive Director
2. Mr. Janaka de Silva - Member/Independent Non-Executive Director
3. Mrs. Kalsha Amarasinghe - Member/Non-Executive Director
4. Mr. Kapila Jayawardena - Member/Non-Executive Director

The Chief Operating Officer and Chief Financial Officer of the Group attend the meetings by invitation. The Company Secretary, LOLC Corporate Services (Pvt) Ltd functions as the Secretary of the Related Party Transactions Review Committee.

7.10 IMPACT OF COVID 19 ON THE COMPANY AND ITS BUSINESS OPERATIONS

COVID-19 pandemic has resulted in a substantive shift in management's focus towards ensuring the continued safety of people, connectivity of customers, compliance with guidelines issued by various government authorities and continuity of critical business operations. The outbreak and the associated developments impacted the business, our customers and staff due to restrictions on movement and economic slowdown. Due to lockdowns, credit extensions are provided to keep customers connected. The current unprecedented situation is yet evolving and the future impact will heavily depend on the time taken for economic activity to rebound to pre COVID-19 levels. The overall impact on consumer spending and the recovery of the country's enterprises will also be key determinants of future impact on our business.

The company evaluated the resilience of its businesses considering a wide range of factors under multiple stress tested scenarios, relating to expected revenue streams, cost management, profitability, the ability to defer non-essential capital expenditure, debt repayment schedules, if any, cash reserves and potential sources of financing facilities, if required, and the ability to continue providing services to ensure businesses continue as least impacted as possible.

Due to Company's investment in technology most of the key staff were able to manage their functions from home with secured access to operating systems even during the lockdown periods and thereafter. The Company expects the economy to revive with the resumption of business activities where the Company is already seeing positive momentum. Given the volatile and evolving landscape, the Company will continue to monitor the impacts on its operations and proactively take measures to ensure the business continues as seamlessly as possible.

8.0 STATUTORY DECLARATIONS

8.1 STATUTORY DECLARATION BY THE BOARD OF DIRECTORS

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

This Prospectus has been seen and approved by us and we 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 our 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 Company have been given in the Prospectus, such representations have been made after due and careful enquiry of the information available to the Company and making assumptions that are considered to be reasonable at the present point in time in our best judgment.

The parties to the Debenture Issue including Lawyers, Auditors and Rating Company have submitted declarations to the Company declaring that they have complied with all regulatory requirements applicable to such parties, and that such parties have no conflict of interest with the Company. Further, the Company Secretaries to the said Issue has also submitted declarations to the Company declaring that they have complied with all regulatory requirements applicable to them.

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

Name of Directors	Designation	Signature
Mr. I.C. Nanayakkara	Executive Chairman	Sgd.
Mr. W.D.K Jayawardena	Non-Executive Director	Sgd.
Mrs. K.U. Amarasinghe	Non-Executive Director	Sgd.
Mr. H.P.J. de Silva	Independent Non-Executive Director	Sgd.
Mr. T.K. Bandaranayake	Independent Non-Executive Director	Sgd.
Mr.W.K.D.T Abeyrathne	Executive Director	Sgd.
Ms. D. E. Amarasinghe	Alternate Director to Mrs. K.U.Amarasinghe	Sgd.
Mr. S. Thamothersampillai	Chief Executive Officer	Sgd.

8.2 STATUTORY DECLARATION BY THE MANAGERS AND PLACEMENT AGENTS TO THE ISSUE

We, NDB Investment Bank Limited of No 135, Baudhaloka Mawatha, Colombo 04, who are named in the Prospectus as the Managers and Placements Agents to the Issue hereby declare and confirm that to the best of our knowledge and belief, the Prospectus constitutes full and true disclosure of all material facts about the Issue and Brown & Company PLC whose Debentures are being listed.

Signed by two Directors of NDB Investment Bank Limited, being duly authorised thereto, at Colombo on this 24th March 2022.

Sgd.
Director

Sgd.
Director

9.0 FINANCIAL INFORMATION

ACCOUNTANTS' REPORT AND FIVE YEAR SUMMARY OF FINANCIAL STATEMENTS



TJ/REF00081/2022

10 January 2022

The Directors
Brown and Company PLC
No. 34, Sir Mohamed Macan Markar Mawatha
Colombo 03.

Dear Sirs/Madams

Accountants' Report for inclusion in the Prospectus of the Issue of Debentures of Brown and Company PLC

Introduction

This report has been prepared for the inclusion in the Prospectus in connection with the proposed issue by Brown and Company PLC ("the Company") of up to 20,000,000 Listed, Rated, Guaranteed Senior, and Redeemable Debentures aggregating to a value of up to LKR 2,000,000,000 with the option to issue a further 30,000,000 Debentures aggregating to a value of up to LKR 3,000,000,000 in the event of an oversubscription.

We have examined the financial statements of Brown and Company PLC for the years ended 31 March 2017 to 31 March 2021 and report as follows.

1 Incorporation

Brown and Company PLC is a public quoted company incorporated on 17 August 1892 and domiciled in Sri Lanka.

Brown and Company PLC and its subsidiaries ("the Group") consists of a portfolio of diverse business operations in trading, manufacturing, construction, investments, plantation, leisure and other business segments.

2 Financial Statements

2.1 Five-Year summary of Audited Financial Statements

The summary of separate and consolidated statements of financial position, statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Company and the Group for the years ended 31 March 2017, 31 March 2018, 31 March 2019, 31 March 2020 and 31 March 2021 are based on the audited financial statements for the respective years and are set out on Annexure 1 of the Accountants' Report.

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PricewaterhouseCoopers is a member firm of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.



2.2 Audited Financial Statements for the Year Ended 31 March 2021

Our independent auditors' report on the separate and consolidated financial statements of the Company and the Group for the year ended 31 March 2021 together with such financial statements comprising statements of financial position, statements of profit or loss, statements of comprehensive income, statements of changes in equity and statement of cash flows along with the accounting policies and notes thereon is given in the Prospectus.

2.3 Audit Opinions for the years ended 31 March 2017, 2018, 2019, 2020 and 2021

We have audited the separate and consolidated financial statements of the Company and the Group for the years ended 31 March 2019 to 31 March 2021. Unmodified audit opinions have been issued for the said financial years by our reports dated 12 August 2019, 29 October 2020 and 30 August 2021 respectively.

The separate and consolidated financial statements of the Company and the Group for the years ended 31 March 2017 and 31 March 2018 were audited by another firm of auditors (Messrs. KPMG) whose reports, dated 20 June 2017 and 20 August 2018 respectively have expressed unmodified audit opinions for the said financial years.

2.4 Accounting Policies used for the years ended 31 March 2017, 2018, 2019, 2020 and 2021

The Accounting policies of the Company and the Group which comply with Sri Lanka Accounting Standards are stated in the audited financial statements of the Company and the Group for the years ended 31 March 2017 to 31 March 2021.

The Company/Group has adopted new or amended accounting standards as applicable in each year of financial statements as follows.

Financial year	Impact to accounting policies from the adoption of revised / new accounting standards
31 March 2017 and 2018	There were no new or amended accounting standards that required the Company/Group to change its accounting policies for the years ended 31 March 2017 and 2018.
31 March 2019	<p>The Company/Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 April 2018:</p> <ul style="list-style-type: none"> • SLFRS 9 Financial Instruments • SLFRS 15 Revenue from Contracts with Customers • Annual Improvements 2014-2016 cycle • Transfers to Investment Property – Amendments to LKAS 40 • Amendments to LKAS 28, 'Investments in associates and joint ventures' • Interpretation 22 Foreign Currency Transactions and Advance Consideration



Financial year	Impact to accounting policies from the adoption of revised / new accounting standards
	<p>The Company/Group had to change its accounting policies and make certain retrospective adjustments following the adoption of SLFRS 9 and SLFRS 15. These amendments did not have a significant impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.</p>
31 March 2020	<p>The Company/Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 April 2019:</p> <ul style="list-style-type: none"> ▪ SLFRS 16 Leases ▪ Annual Improvements to SLFRS Standards 2015 – 2017 Cycle; and ▪ Interpretation 23 Uncertainty over Income Tax Treatments. <p>Except for SLFRS 16, the other amendments listed above did not have significant changes to the accounting policies adopted by the Company/Group. Key changes from the SLFRS 16 adopted by the Company/Group were as follows:</p> <p>SLFRS 16 Leases</p> <p>The Company/Group adopted SLFRS 16 Leases retrospectively from 1 April 2019 but has not restated comparatives for the 2018 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 April 2019. The new accounting policies are disclosed in note 3.11 to the financial statements.</p> <p>On adoption of SLFRS 16, the Company/Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of LKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 April 2019. The measurement principles of SLFRS 16 are only applied after that date. The remeasurements to the lease liabilities were recognised as adjustments to the related right-of-use assets immediately after the date of initial application.</p> <p>In applying SLFRS 16 for the first time, the Company/Group has not used practical expedients permitted by the standard.</p>

Financial year	Impact to accounting policies from the adoption of revised / new accounting standards
31 March 2021	<p>1. Changes in accounting policies</p> <p>1.1 Valuation of Right-of-Use Assets</p> <p>The Company/Group has voluntarily changed the accounting policy on Right-Of-Use Assets relating to Lands which meet the definition of a property, plant and equipment from cost model to revaluation model with effect from 1 October 2020, by carrying out a valuation by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the lands being valued. This is done to provide reliable and more relevant information.</p> <p>The change in accounting policy from cost model to revaluation model has not led for a retrospective restatement due to the exemption available in the Paragraph 17 of LKAS 8 “Accounting Policies, Change in Accounting Estimates and Errors”. As per Paragraph 17 of LKAS 8, the initial application of a policy to revalue assets in accordance with LKAS 16 “Property, Plant and Equipment” is a change in an accounting policy to be dealt with as a revaluation in accordance with LKAS 16, rather than in accordance with LKAS 8. LKAS 16 provides that when an item of property, Plant and equipment is revalued, the carrying amount of that asset is adjusted to the revalued amount at the date of revaluation.</p> <p>1.2 New standards and amendments not adopted in 2020 by the Company/Group</p> <p>The Company/Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 April 2020:</p> <ul style="list-style-type: none"> (a) Definition of Material – Amendments to LKAS 1 and LKAS 8 (b) Definition of a Business – Amendments to SLFRS 3 (c) Revised Conceptual Framework for Financial Reporting (d) Covid-19-related Rent Concessions – Amendments to SLFRS 16 <p>The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.</p>



2.5 Dividends

The Company has paid dividend in respect of ordinary shares for the years ended 31 December 2016 to 31 December 2020 as follows.

Year	Dividend paid/payable (Rs.)	Dividend per share (Rs.)
2017	35,438,000	0.50
2018	-	-
2019	-	-
2020	-	-
2021	-	-

2.6 Events after Reporting Date

Other than matters noted below, there were no material events that have taken place since 31 March 2021 that require disclosure or/and adjustments in the financial statements for the year ended 31 March 2021.

Events up to our audit opinion date on the financial statements for the year ended 31 March 2021

a) Investment in Hatton National Bank by Browns Investments PLC

On 4 May 2021 Browns Investments PLC, subsidiary of the group acquired 9.99% of the ordinary voting shares of Hatton National Bank PLC. Total Consideration of the transactions was Rs. 5,526 Mn.

b) Investment in PL Resort Limited in Mauritius

BI Leisure Holdings FZE was incorporated in the UAE, with the objective of acquiring and developing a few Leisure properties outside Sri Lanka, on 13 July 2021.

BI Leisure Holdings FZE entered into a Share Sale & Purchase Agreement to acquire 21,500,000 shares (100%) of PL Resort Limited, a private limited company incorporated in Mauritius at a value of USD 12 Mn. The purchase consideration of this acquisition is USD 3.7 Mn after deducting the existing debts from the aforesaid value. PL Resort Limited owns a 100-room luxury beach resort in Mauritius which is managed and operated by the famed Radisson Hotel Management Company under the Radisson Blu brand.

Events after our audit opinion date on the financial statements for the year ended 31 March 2021

c) Investments in Port City projects

On 2 December 2021 Browns Investments PLC, subsidiary of the group secured the 99-year leasehold rights of identified plots in the Port City by entering into Indentures of Lease with Colombo Port City Economic Commission in order to carry out Colombo International Financial Centre, Colombo Marina Development and Port City Marina Hotel Development projects.



d) Investment in Udupussellawa Plantations PLC and Hapugastenne Plantations PLC

On 22 December 2021 Browns Power Holdings (Private) Limited, subsidiary of the group acquired 90% each of holding in Udupussellawa Plantations PLC and Hapugastenne Plantations PLC for a consideration of Rs. 42.00 per share and Rs. 28.30 per share respectively.

e) Disposal of Sierra Construction Limited and Sierra Holding (Private) Limited

On 5 January 2022 Browns Investments PLC, a subsidiary of the group disposed its entire holding of 20% in each Sierra Construction Limited and Sierra Holding (Private) Limited for a total consideration of Rs. 3,276,427,405

f) Investment in Sierra Group

On 5 January 2022 ICONIC Trust (Private) Limited, a subsidiary of the group acquired following assets of the Sierra Group.

- 88.46% holding of Sansun Boutique (Elephant Corridor) for a consideration of Rs. 405,905,123
- 100% holding in Sierra Development Limited for a consideration of Rs. 701,563,407
- 85% holding in Sierra Ready Mix for a consideration of Rs. 375,000,000
- 100% holding in Sierra Pilling for a consideration of Rs. 200,000,000
- 29.50% holding in Sierra Cables PLC for a consideration of Rs. 1,791,797,687.10
- 43.75% of Agstar PLC voting shares and 66.66% of Non-voting shares for a consideration of Rs. 1,122,910,080.

Yours truly,

Annexure 1

BROWN AND COMPANY PLC

FIVE YEAR SUMMARY

BROWN AND COMPANY PLC
Five Year Summary

Statements of financial position

	Group				
	2021	2020	2019	2018	2017
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	105,513,324	79,958,922	35,302,341	30,939,740	25,271,442
Right-of-Use Assets	19,575,908	6,980,585	-	-	-
Investment Properties	23,896,829	22,616,054	19,993,337	14,561,347	11,474,623
Prepaid Lease Rentals	-	-	2,795,122	2,709,831	1,050,533
Intangible Assets	1,687,392	1,690,741	1,617,933	1,620,532	1,543,833
Bearer Biological Assets	2,423,861	2,144,550	1,259,879	1,212,196	1,151,490
Consumable Biological Assets	4,007,383	3,642,898	3,788,540	3,305,919	2,984,091
Investments in Subsidiaries	-	-	-	-	-
Investments in Equity Accounted Investees	6,396,386	6,229,761	3,931,807	2,166,187	1,963,971
Other Financial Assets	1,609,585	889,176	1,482,281	1,385,979	1,036,188
Deferred Tax Assets	48,691	482,741	545,777	653,844	857,433
Loans Receivables	-	-	-	-	283,036
Other non-current assets	-	-	2,695,528	-	-
Total Non-Current Assets	165,159,559	124,615,528	73,422,346	58,555,575	47,616,640
Current Assets					
Inventories	8,660,060	6,686,405	5,537,798	4,294,573	3,616,500
Trade and Other Receivables	13,050,310	10,257,420	8,874,335	6,992,624	5,027,852
Loans to Related Parties	1,985,921	1,875,235	690,695	682,323	692,403
Loans Receivables	-	-	-	315,462	-
Amounts due from Related Parties	285,133	528,521	741,332	715,017	245,628
Income Tax Recoverable	150,391	55,965	33,571	24,221	36,012
Other Financial Assets	3,191,482	2,006,642	1,965,494	2,792,415	3,387,218
Cash and Cash Equivalents	2,978,887	1,647,089	1,470,550	889,883	5,432,718
Total Current Assets	30,602,185	23,057,277	19,313,775	16,706,508	18,438,331
Total Assets	195,761,744	147,672,805	92,736,121	75,262,083	66,054,971
EQUITY AND LIABILITIES					
Equity					
Stated Capital	9,093,101	9,093,101	9,093,101	2,005,601	2,005,601
Capital Reserves	17,809,193	4,643,864	3,873,928	2,454,529	2,080,753
Revenue Reserve	19,985,456	16,520,105	12,753,366	14,900,123	14,123,385
Equity Attributable to Equity holders of the Company	46,887,750	30,257,070	25,720,415	19,360,253	18,209,739
Non-Controlling Interests	50,180,938	46,497,651	20,471,343	17,179,560	15,012,555
Total Equity	97,068,688	76,754,721	46,191,758	36,539,813	33,222,304
Non-Current Liabilities					
Loans and Borrowings	17,597,510	12,481,214	7,289,211	6,456,353	4,496,150
Finance Lease Obligations	-	-	58,399	51,911	65,979
Lease Liabilities	6,786,368	5,712,526	-	-	-
Retirement Benefit Obligations	973,087	898,354	666,337	829,717	990,681
Deferred Tax Liabilities	4,981,695	2,192,787	1,861,083	1,695,048	1,143,423
Deferred Income	143,176	161,509	153,656	182,425	235,832
Loans from Related Parties	4,837,781	4,099,590	2,888,348	-	61,632
Total Non-Current Liabilities	35,319,617	25,545,980	13,117,034	9,215,454	6,993,697
Current Liabilities					
Trade and Other Payables	14,294,748	9,366,269	7,404,848	6,331,078	4,845,365
Loans and Borrowings	3,053,794	2,244,541	3,252,800	3,149,294	3,141,405
Finance Lease Obligations	-	-	1,274	11,617	23,831
Lease Liabilities	296,842	370,426	-	-	-
Loans from Related Parties	16,130,932	360,490	2,077,263	2,299,489	1,823,596
Amounts due to Related Parties	14,730,241	18,932,413	9,857,964	11,299,992	10,067,329
Income Tax Payable	258,948	216,148	215,448	273,638	74,111
Dividend Payable	10,818	25,695	56,101	68,594	70,863
Short Term Borrowings	14,299,903	12,677,959	8,640,731	5,115,144	5,071,191
Bank Overdrafts	307,213	1,178,163	1,920,902	927,970	721,279
Total Current Liabilities	63,373,439	45,372,104	33,427,329	29,506,816	25,838,970
Total Equity and Liabilities	195,761,744	147,672,805	92,736,121	75,262,083	66,054,971

We hereby certify that the above financial information has been extracted accurately from the audited financial statements of 2020/21 and audited financial statements of 2018/19 for 2019 figures, 2017/18 for 2018 figures and 2016/17 for 2017 figures.

[Signature]
Thamotharampillai Sanakan
Group Chief Financial Officer

The Board of Directors of Brown and Company PLC is responsible for the preparation of these financial information.

Signed for and on behalf of the Board of Directors by,

[Signature]
Director
Colombo
2nd November 2021

[Signature]
Director



BROWN AND COMPANY PLC
Five Year Summary

Statements of profit or loss

	Group				
	For the Year ended 31st March				
	2021	2020	2019	2018	2017
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Revenue from Contracts with Customers	29,391,036	20,436,843	21,193,726	20,554,110	22,848,082
Cost of Sales	(22,091,460)	(15,456,952)	(16,061,476)	(15,166,619)	(17,435,651)
Gross Profit	7,299,576	4,981,891	5,132,250	5,387,491	5,212,431
Other Income/(Expenses)	558,602	173,072	177,826	1,602,585	1,511,023
Distribution Expenses	(984,520)	(1,687,440)	(1,060,369)	(863,052)	(1,008,385)
Administrative Expenses	(5,927,072)	(5,786,420)	(3,821,971)	(3,704,374)	(3,801,216)
Finance Income	542,923	420,718	537,819	385,194	169,634
Finance Costs	(5,582,525)	(5,418,665)	(3,861,751)	(2,970,629)	(2,910,399)
Net Finance Cost	(5,039,602)	(4,997,947)	(3,323,932)	(2,585,435)	(2,740,565)
Change in Fair Value of Investment Properties	706,916	1,911,951	2,618,470	2,064,494	2,282,659
Change in Fair Value of Consumable Biological Assets	560,453	(136,816)	439,076	285,256	214,815
Gain on Disposal of Investment in Subsidiaries	-	256,969	485	-	2,682,988
Gain on Bargain Purchase	185,154	4,583,221	-	105,611	-
Reclassification of translation reserve on step acquisition	-	-	-	61,621	-
Share of Gain/ (Loss) of Equity Accounted Investees (Net of Tax)	(122,597)	(278,942)	66,917	77,645	66,225
Reclassification of translation reserve on step acquisition	-	-	-	61,621	-
Profit/ (Loss) before Taxation	(2,783,090)	(970,441)	117,833	2,432,042	4,419,976
Income Tax Expense	(561,334)	(544,230)	(114,889)	(495,569)	(458,499)
Profit/ (Loss) for the Year	(3,344,424)	(1,514,671)	2,944	1,936,473	3,961,476
Profit/ (Loss) Attributable to:					
Equity holders of the Company	(16,046)	3,620,316	1,274,458	813,961	1,897,766
Non-Controlling Interests	(3,328,378)	(5,134,986)	(1,271,514)	1,122,512	2,063,710
Profit/ (Loss) for the Year	(3,344,424)	(1,514,671)	2,944	1,936,473	3,961,476
Basic Earnings/ (Loss) per Share (Rs.)	(0.06)	17.03	7.22	11.48	26.78
Diluted Earnings/ (Loss) per Share (Rs.)	(0.06)	17.03	7.22	11.48	26.78

The figures in brackets indicate deductions.



BROWN AND COMPANY PLC
Five Year Summary

Statements of comprehensive income

	Group				
	For the year ended 31 March				
	2021	2020	2019	2018	2017
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Profit/(Loss) for the Year	(3,344,424)	(1,514,671)	2,944	1,936,473	3,961,476
Other Comprehensive Income					
Items that will not be Reclassified to Profit or Loss					
Revaluation of Property, Plant and Equipment	13,543,807	453,242	1,289,656	1,374,815	130,457
Revaluation of Right-of-Use Assets	11,778,032	-	-	-	-
Deferred Tax impact on Revaluation	(2,444,476)	(5,374)	(960,181)	(634,915)	(14,015)
Actuarial Gain/ (Loss) on Retirement Benefit Obligation	59,387	(36,238)	(52,826)	(52,002)	65,266
Deferred Tax impact on Actuarial Gain/ (Loss) on Retirement Benefit Obligation	-	-	-	-	-
Share of Other Comprehensive Income of Equly Accounted Investees (Net of Tax)	289,221	298,518	373,202	84,386	14,175
Change in Fair Value of FVOCI Financial Assets	678,271	434,846	802,544	50,289	10,739
Deferred Tax impact on Change in Fair Value of FVOCI Financial Assets	-	-	-	-	-
Items that may be Reclassified to Profit or Loss					
Exchange Differences on Translation of Foreign Operations	5,274,348	2,376,428	210,666	127,423	80,788
Reclassification of translation reserve on step acquisition	-	-	-	(61,621)	-
Reclassification of translation reserve on step acquisition	-	-	-	-	-
Other Comprehensive Income for the Year	29,177,591	3,521,522	2,063,061	886,375	277,410
Total Comprehensive Income for the Year (Net of Tax)	25,833,167	2,006,850	2,066,004	2,824,848	4,238,886
Attributable to:					
Equity Holders of the Company	13,162,197	4,521,537	2,701,855	1,185,925	1,995,340
Non-Controlling Interests	12,670,970	(2,514,687)	(635,851)	1,638,923	2,243,546
Total Comprehensive Income for the Year	25,833,167	2,006,850	2,066,004	2,824,848	4,238,886

The figures in brackets indicate deductions.



BROWN AND COMPANY PLC
Five Year Summary

Statements of changes in equity - Group

	Equity Attributable to Equity holders of the Company							Non-Controlling Interests	Total Equity
	Stated Capital	Revaluation Reserve	Other comprehensive income	Foreign Currency Translation Reserve	Retained Earnings	Total	Non-Controlling Interests		
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	
Balance as at 1st April 2016	2,005,601	2,238,080	(238,496)	11,284	11,997,076	16,013,525	18,145,838	34,159,363	
Profit for the year	-	-	-	-	1,897,766	1,897,766	2,053,710	3,951,476	
Other Comprehensive Income									
Revaluation of Property, Plant and Equipment	-	51,857	-	-	-	51,857	78,600	130,457	
Deferred Tax impact on Revaluation	-	(5,571)	-	-	-	(5,571)	(8,444)	(14,015)	
Net Change in Fair value of Available-For-Sale Financial Assets	-	-	4,571	-	-	4,571	6,168	10,739	
Exchange differences on translation of foreign operations	-	-	-	25,809	-	25,809	54,979	80,788	
Share of other comprehensive income of equity accounted investees (Net of Tax)	-	5,634	-	-	-	5,634	8,541	14,175	
Defined Benefit Plan Actuarial Gain, (Net of Tax)	-	-	-	-	15,274	15,274	39,992	55,266	
Other Comprehensive Income	-	51,323	4,571	25,809	15,274	97,574	179,835	277,410	
Transactions with owners directly recorded in the Equity									
Total Comprehensive Income for the year	-	51,323	4,571	25,809	1,913,040	1,995,310	2,243,546	4,238,886	
Transactions with owners directly recorded in the Equity	-	(12,395)	-	-	12,395	-	-	-	
Realization of previously recognized revaluation gain	-	-	-	-	-	-	(4,155,727)	(4,155,727)	
Effects of Divestment of Subsidiaries	-	-	-	-	236,312	236,312	(841,348)	(705,036)	
Change in effective holding	-	-	-	-	-	-	(257,485)	(257,485)	
Effects of Capital Reduction by Subsidiaries	-	-	-	-	-	-	38,183	38,183	
Issues of shares to Non-Controlling Interests	-	-	-	-	-	-	(60,435)	(60,435)	
Dividend Paid	-	-	-	-	(35,433)	(35,433)	-	(35,433)	
Balance as at 31st March 2017	2,005,601	2,277,605	(233,925)	37,073	14,123,385	18,209,739	15,012,565	33,222,304	
Balance as at 1st April 2017	2,005,601	2,277,605	(233,925)	37,073	14,123,385	18,209,739	15,012,565	33,222,304	
Profit for the year	-	-	-	-	813,961	813,961	1,122,512	1,936,473	
Other Comprehensive Income									
Revaluation of Property, Plant and Equipment	-	677,500	-	-	-	677,500	897,315	1,374,815	
Deferred Tax impact on Revaluation	-	(384,910)	-	-	-	(384,910)	(280,035)	(634,945)	
Net Change in Fair value of Available-For-Sale Financial Assets	-	-	19,149	-	-	19,149	31,140	50,289	
Exchange differences on translation of foreign operations	-	-	-	37,440	-	37,440	89,193	126,633	
Reclassification of translation reserve on step acquisition	-	-	-	(24,485)	-	(24,485)	(47,136)	(62,621)	
Share of other comprehensive income of equity accounted investees (Net of Tax)	-	-	-	50,253	-	50,253	91,093	141,346	
Defined Benefit Plan Actuarial Gain, (Net of Tax)	-	-	-	-	(3,012)	(3,012)	(48,390)	(52,002)	
Total Other Comprehensive Income for the year	-	292,590	19,149	63,238	(3,012)	371,965	516,410	888,375	
Transactions with owners directly recorded in the Equity									
Total Comprehensive Income for the year	-	292,590	19,149	63,238	(3,012)	371,965	516,410	888,375	
Transactions with owners directly recorded in the Equity	-	202,560	19,149	63,238	810,949	1,185,926	1,536,923	2,324,349	
Realization of previously recognized revaluation gain	-	(1,201)	-	-	1,201	-	(560,456)	(615,908)	
Issues of shares to Non-Controlling Interests	-	-	-	-	(35,412)	(35,412)	1,344,999	1,344,999	
On acquisition of subsidiaries	-	-	-	-	-	-	(236,430)	(236,430)	
Dividend Paid	-	-	-	-	-	-	-	-	
Balance as at 31st March 2018	2,005,601	2,568,994	(214,776)	100,311	14,900,123	19,360,253	17,179,560	36,539,813	

The figures in brackets indicate deductions.

BROWN AND COMPANY PLC
Five Year Summary

Statements of changes in equity - Group (Contd)

	Equity Attributable to Equity holders of the Company					Non-Controlling Interests	Total Equity
	Stated Capital	Revaluation Reserve	Fair Value through Translation Reserve	Foreign Currency Translation Reserve	Retained Earnings		
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Impact of adopting SLFRS 9	-	-	(4,436)	-	4,436	-	-
Profit for the year	-	-	-	-	1,274,458	(1,271,514)	2,944
Other Comprehensive Income	-	1,286,640	-	-	-	3,016	1,289,656
Revaluation of Property, Plant and Equipment	-	(360,181)	-	-	-	-	(360,181)
Deferred Tax Impairment Revaluation	-	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-	-	-
Reclassification of translation reserve on step acquisition	-	-	(40,121)	-	-	(40,121)	602,544
Net change in fair value of FVOCI financial assets	-	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees	-	-	-	210,665	-	-	210,666
Exchange gain/(loss) from translation of foreign operation	-	-	-	3,465	-	(3,465)	-
Share of other comprehensive income of equity accounted investees (Net of Tax)	-	-	-	(6,979)	-	(6,979)	(62,825)
Defined Benefit Plan Actuarial Gain, (Net of Tax)	-	-	-	-	-	-	-
Total Other Comprehensive Income for the year	-	926,459	(40,121)	210,666	(3,514)	1,093,489	1,688,859
Transactions with owners directly recorded in the Equity	-	-	-	-	-	-	-
Other Comprehensive Income	-	926,459	(79,405)	583,868	(3,514)	1,427,408	2,063,081
Total Comprehensive Income for the year	-	926,459	(79,405)	583,868	1,270,944	(635,961)	2,066,905
Transactions with owners directly recorded in the Equity	7,087,500	-	-	-	-	7,087,500	-
Rights issue of shares	-	-	-	-	-	-	-
Issues of shares to Non-controlling Interests	-	-	-	-	-	-	-
On acquisition of subsidiaries	-	-	-	-	(3,424,768)	3,087,712	(337,056)
Adjustments due to change in group holdings and other adjustments	-	-	-	-	-	12,285	12,285
On acquisition of subsidiaries	-	-	-	-	-	827,547	827,547
Share issue by subsidiaries to non-controlling interest	-	(7,087)	-	-	2,651	(4,436)	-
Transferred to retained earnings	-	-	-	-	-	-	-
Balance as at 31st March 2019	9,093,101	3,488,366	(298,617)	684,179	12,753,386	20,471,343	46,191,758
Balance as at 1st April 2019	9,093,101	3,488,366	(298,617)	684,179	12,753,386	20,471,343	46,191,758
Balance as at 31st March 2020	9,093,101	3,488,366	(298,617)	684,179	12,753,386	20,471,343	46,191,758
Impact of adopting SLFRS 16	-	(18,637)	-	-	3,177	(15,460)	(40,771)
Profit/(Loss) for the year	-	-	-	-	3,620,315	(5,134,866)	(1,514,671)
Other Comprehensive Income	-	134,462	35,696	618,448	(112,647)	2,620,300	3,521,522
Rights issue of shares	-	134,462	35,696	618,448	-	-	-
Total Comprehensive Income for the year	-	-	-	-	3,732,962	(2,514,695)	2,006,850
Adjustments with owners directly recorded in the Equity	-	-	-	-	-	-	-
Adjustments due to change in group holdings and other adjustments	-	-	-	-	3,700	(2,200)	1,500
On acquisition of subsidiaries	-	-	-	-	-	28,568,505	28,568,505
Share issue by subsidiaries to non-controlling interest	-	-	-	-	-	-	-
Forfeited Dividend	-	-	-	-	26,880	-	26,880
Balance as at 31st March 2020	9,093,101	3,604,190	(262,951)	1,302,623	16,520,105	46,497,651	76,754,721

The figures in brackets indicate deductions.

BROWN AND COMPANY PLC
Five Year Summary

Statements of changes in equity - Group (Contd)

	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
	Capital	Reserve	Revaluation Reserve	Fair Value through	Foreign Currency	Retained Earnings	Total	Non-Controlling	Total	Total	Total
				Equity	Translation			Interests			Equity
				Reserve	Reserve						
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Equity Attributable to Equity holders of the Company											
Stated Capital	-	-	-	-	-	-	-	-	-	-	-
Revaluation Reserve	-	-	-	-	-	(16,046)	(16,046)	(3,328,376)	(3,344,424)	-	(3,344,424)
Reserve	12,172,161	-	-	-	-	12,172,161	12,172,161	13,149,679	25,321,839	-	25,321,839
Fair Value through Equity	(1,419,026)	-	-	-	-	(1,419,026)	(1,419,026)	(1,025,449)	(2,444,476)	-	(2,444,476)
Foreign Currency Translation Reserve	-	-	-	-	-	-	-	-	-	-	-
Retained Earnings	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Non-Controlling Interests	-	-	-	-	-	-	-	225,497	810,165	-	810,165
Total	-	-	-	-	-	-	-	10,029	810,165	-	810,165
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-
Loss for the year	-	-	-	-	-	-	-	-	-	-	-
Revaluation of Property, Plant and Equipment	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax Impact on Revaluation	-	-	-	-	-	-	-	-	-	-	-
Tax on other comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Reclassification of items of other comprehensive income on the acquisition	-	-	-	-	-	-	-	-	-	-	-
DT charge/(credit) on PVOI (net of tax)	-	-	-	-	-	-	-	-	-	-	-
DT charge/(credit) on PVOI (net of tax)	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees	-	-	-	-	-	-	-	-	-	-	-
Share of other comprehensive income of equity accounted investees (Net of Tax)	-	-	-	-	-	-	-	-	-	-	-
Defined Benefit Plan Actuarial Gain (Net of Tax)	-	-	-	-	-	-	-	-	-	-	-
Total Other Comprehensive Income for the year	10,610,684	441,384	1,913,260	12,913	13,178,241	15,999,350	28,177,591	15,999,350	28,177,591	15,999,350	28,177,591
Transactions with owners directly recorded in the Equity											
Other Comprehensive Income	-	-	-	-	-	-	-	-	-	-	-
Forfeited Dividend	-	-	-	-	-	-	-	-	-	-	-
Issues of shares to Non-Controlling Interests	-	-	-	-	-	-	-	-	-	-	-
On acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Total Comprehensive Income for this year	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners directly recorded in the Equity	-	-	-	-	-	-	-	-	-	-	-
Adjustments due to change in group holdings and other adjustments	-	-	-	-	-	-	-	-	-	-	-
On acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Share issue by subsidiaries to non-controlling interest	-	-	-	-	-	-	-	-	-	-	-
Forfeited Dividend	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2021	9,093,101	14,414,874	178,434	3,215,885	19,985,466	46,987,750	50,180,938	97,068,688	97,068,688	50,180,938	97,068,688

The figures in brackets indicate deductions.

BROWN AND COMPANY PLC
Five Year Summary

Statements of cash flows

	Group				
	For the year ended 31 March				
	2021	2020	2019	2018	2017
Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	
Cash flows from Operating Activities					
Profit/(Loss) before Taxation	(2,783,090)	(970,441)	117,833	2,432,042	4,419,075
Adjustments for:					
Share of Profit/Loss of Equity Accounted Investee (Net of Tax)	122,597	278,942	(58,017)	(77,845)	(56,225)
Gain on Disposal of Group Investments	-	-	-	(832,727)	-
Depreciation on Property Plant and Equipment	2,106,372	1,563,122	677,087	631,189	650,285
Amortisation of ROU Assets	345,864	87,139	-	-	-
Amortisation of Bearer Biological Assets	365,104	297,340	52,662	48,267	184,042
Amortisation of Prepaid Lease Rentals	-	-	15,199	18,655	33,632
Amortisation of Intangible Assets	25,384	13,041	13,372	11,512	11,227
Amortisation of Deferred Income	(51,748)	(35,170)	(85,316)	(77,670)	(86,025)
Provision for Retiree Benefit Obligations	177,600	142,254	131,955	126,002	353,107
Provision/(Reversal of Provision) for Bad and Doubtful Debts	(172,667)	309,275	92,378	6,777	188,406
Provision for Other Receivables	62,376	-	-	-	-
Provision for Impairment of Investment in Subsidiaries	-	-	-	-	-
Reversal of Provision for Related Party Receivables	-	-	-	-	-
Provision/(Reversal of Provision) for Impairment Losses for Inventories	(150,474)	438,759	168,863	11,903	25,894
Gain on Bargain Purchase	(165,154)	(4,593,221)	-	(1,05,611)	-
Write off of Bearer/ Consumable biological assets	-	-	-	-	21,899
Dividend Income	(38,380)	(7,851)	(53,334)	(78,905)	(86,534)
Interest Income	(542,823)	(628,718)	(327,819)	(385,194)	(159,534)
Change in Fair Value of Investment Properties	(705,816)	(1,911,951)	(2,618,470)	(2,064,464)	(2,282,658)
Change in Fair Value of Consumable Biological Assets	(550,453)	136,815	(439,078)	(285,256)	(214,815)
Gain on Disposal of Subsidary Group Investments	-	(259,889)	(485)	(81,821)	(2,882,068)
Impairment of Goodwill	-	-	-	8,073	-
Impairment Losses on Property, Plant and Equipment, Bearer Biological Assets	59,458	139,872	-	-	-
(Gain)/Loss on Changes in Fair Value of Short term Investments	(198,935)	433,858	618,259	4,083	(915,419)
Gain on Disposal of Investment properties	-	-	-	(680)	1,140
Loss/(Gain) on Disposal of Property, Plant and Equipment	(25,542)	(48)	(95,044)	(3,002)	(10,956)
Gain on Disposal of Bearer Biological assets	(27,084)	(41,511)	(53,034)	(27,538)	-
Deferred Income	-	-	-	-	-
Interest expense on lease liabilities	-	-	-	-	-
Interest Expense	5,582,520	5,418,660	3,821,751	2,970,029	2,910,399
Operating Profit before Working Capital Changes	3,417,211	1,021,875	1,835,983	2,208,163	2,183,595
Changes In:					
Inventories	(2,087,277)	(1,889)	(1,358,714)	(864,203)	(950,845)
Trade and Other Receivables	(2,949,897)	3,055,164	(1,802,238)	(1,795,514)	(537,583)
Amounts due from Related Companies	208,081	96,143	(28,315)	(280,386)	(491,923)
Trade and Other Payables	4,521,730	812,937	920,678	362,334	2,052,789
Amounts due to Related Companies	(4,256,896)	9,225,266	(1,442,028)	885,715	7,713,281
Cash Generated from/ (Used in) Operations	(757,017)	14,289,497	(2,013,435)	727,039	9,569,223
Interest Paid	(4,869,018)	(4,880,291)	(3,852,149)	(2,964,631)	(2,891,391)
Income Tax / ESG Paid	(74,835)	(243,821)	(201,988)	(170,513)	(107,807)
Retiring Gratuity Paid	(120,188)	(152,930)	(158,917)	(353,162)	(213,120)
Net Cash Generated from/Used in Operating Activities	(5,821,038)	8,922,655	(6,327,487)	(2,761,367)	5,746,908
Cash flows from Investing Activities					
Acquisition of Property, Plant and Equipment	(4,780,536)	(7,302,936)	(5,140,067)	(3,135,143)	(5,055,811)
Investment in Bearer Biological Assets	(517,695)	(356,316)	(100,524)	(413,080)	(315,989)
Proceeds from Disposal of Bearer Biological Assets	29,862	27,145	49,932	31,753	-
Acquisition of Investment Properties	(261,000)	(186,161)	(530,967)	(53,188)	(1,458)
Acquisition of Leasehold Properties	-	-	-	(168,424)	(54,843)
Proceeds from Disposal of Subsidiaries	4,500	1,597,438	-	-	-
Proceeds from Disposal of Investment Properties	4,500	-	300,000	16,890	6,060
Acquisition of Intangible Assets	(8,409)	(86,209)	(8,898)	(5,277)	(18,291)
Proceeds from Disposal of subsidiary	-	-	-	-	4,853,294
Investment in Subsidiaries	(497,176)	(4,521,461)	(70,859)	(312,156)	-
Capital Grant Received	-	-	-	-	20,721
Acquisition of Non-controlling Interest	-	-	(397,058)	(515,908)	(705,034)
Capital reduction by subsidiaries	-	-	-	-	(287,494)
Net Investment in Equity Accounted Investee	-	(1,133,289)	(1,352,106)	(1,740,345)	(1,592,249)
Net Investment in Financial Assets	(887,758)	(561,142)	-	(398,161)	(2,838,107)
Capital Grant Received	-	-	-	-	-
Deferred income Received	33,416	43,022	56,547	34,202	122,004
Proceeds from consumable biological assets	198,068	9,728	(43,545)	(38,572)	17,488
Net Movement in Loans Given to Related Parties	957,424	(1,184,540)	(8,372)	(22,339)	32,358
Proceeds from Loans Given to Related Parties	-	-	-	-	-
Loans Granted to Related Parties	38,823	7,138	152,081	18,271	29,136
Proceeds from Disposal of Property, Plant and Equipment	-	-	58,559	1,892,727	-
Proceeds from Disposal of Other Financial Assets	-	-	315,452	-	-
Loan Settlements	-	-	(2,695,528)	-	-
Investment in long term non financial assets	-	-	-	-	-
Investment in Short Term Non Financial Assets	-	-	-	-	-
Dividend Income Received	36,389	7,851	53,134	79,905	66,634
Interest Income Received	542,823	420,718	537,819	385,194	169,834
Net Cash Generated from/Used in Investing Activities	(5,212,851)	(13,420,033)	(8,870,469)	(4,473,486)	(5,521,737)
Cash flows from Financing Activities					
Proceeds from Interest Bearing Liabilities	7,193,845	7,468,389	3,793,675	8,720,391	5,088,417
Repayment of Interest Bearing Liabilities	(2,764,706)	(3,667,427)	(3,048,884)	(4,752,398)	(3,054,550)
Net movement in short term borrowings	1,381,858	2,311,974	3,525,323	43,853	347,879
Lease Rentals Paid	(286,218)	(195,200)	(6,652)	(32,290)	(43,931)
Loans Obtained from Related Parties	-	-	-	-	-
Repayment of Loans from Related Parties	-	-	-	-	-
Net movement in Loans from Related Parties	15,440,527	(505,532)	2,636,121	414,261	55,324
Issue of Ordinary shares by Subsidiaries	-	1,500	827,847	-	38,183
Rights issue of shares	-	-	7,057,500	-	-
Shares purchased from Non-controlling Interest	(17,008,724)	-	-	-	-
Shares issued by Subsidiaries to Non-controlling interest	9,378,546	-	-	-	-
Dividend Paid	-	-	-	(208,698)	(85,873)
Net Cash Generated from/Used in Financing Activities	13,336,737	5,422,655	14,785,630	2,185,327	2,335,448
Net Increase/(Decrease) in Cash and Cash Equivalents during the year	2,262,747	919,278	(412,265)	(4,740,538)	3,590,614
Cash and Cash Equivalents at the beginning of the year	468,926	(450,352)	(38,087)	4,711,439	1,150,825
Cash and Cash Equivalents at the end of the year	2,671,674	468,926	(450,352)	(38,687)	4,711,439
Analysis of Cash and Cash Equivalents at the end of the year					
Cash at Bank and in Hand	2,978,887	1,547,089	1,470,550	889,883	5,432,718
Bank Overdrafts	(307,213)	(1,178,163)	(1,920,902)	(927,970)	(721,279)
Cash and Cash Equivalents	2,671,674	468,926	(450,352)	(38,687)	4,711,439

The figures in brackets indicate deductions.

BROWN AND COMPANY PLC
Five Year Summary

Statements of financial position

	Company				
	As at 31 March				
	2021	2020	2019	2018	2017
Rs.000	Rs.000	Rs.000	Rs.000	Rs.000	
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	2,486,075	1,846,561	1,858,187	2,746,114	3,009,913
Right-of-Use Assets	397,359	435,755	-	-	-
Investment Properties	12,534,776	12,069,952	10,011,436	4,403,650	3,586,600
Prepaid Lease Rentals	-	-	-	119,764	121,578
Intangible Assets	3,226	5,816	7,708	10,122	1,027
Bearer Biological Assets	-	-	-	-	-
Consumable Biological Assets	-	-	-	-	-
Investments in Subsidiaries	23,358,633	10,295,319	12,054,779	11,636,019	8,919,642
Investments in Equity Accounted Investees	1,227,958	1,227,958	875,698	875,698	261,998
Other Financial Assets	55,000	55,000	-	-	-
Deferred Tax Assets	-	-	-	33,081	216,446
Loans to Related Parties	-	-	-	-	136,327
Other non-current assets	-	-	-	-	-
Total Non-Current Assets	40,065,027	25,936,361	24,807,807	19,824,428	16,255,530
Current Assets					
Inventories	2,268,847	2,845,294	4,184,861	3,600,142	2,945,230
Trade and Other Receivables	3,253,431	3,746,453	4,210,151	3,188,341	2,616,553
Loans to Related Parties	6,026,783	10,123,408	8,566,808	2,333,962	1,968,587
Loans Receivables	-	-	-	154,151	-
Amounts due from Related Parties	1,017,733	1,127,174	947,761	303,651	669,331
Income Tax Recoverable	115,106	160,111	100,377	3,032	-
Other Financial Assets	1,814,175	1,609,521	1,609,030	2,174,081	2,134,019
Cash and Cash Equivalents	172,471	81,085	482,437	270,250	385,067
Total Current Assets	14,868,547	19,693,046	20,101,425	12,028,610	10,908,787
Total Assets	54,733,574	45,629,407	44,909,232	31,853,038	27,164,317
EQUITY AND LIABILITIES					
Equity					
Stated Capital	9,093,101	9,093,101	9,093,101	2,005,601	2,905,601
Capital Reserves	3,173,841	2,658,540	2,658,540	1,733,565	1,881,139
Revenue Reserve	18,011,324	16,241,239	15,237,414	13,404,004	12,653,308
Equity Attributable to Equity holders of the Company	30,278,266	27,992,880	26,989,055	17,143,170	16,540,046
Non-controlling Interests	-	-	-	-	-
Total Equity	30,278,266	27,992,880	26,989,055	17,143,170	16,540,046
Non-Current Liabilities					
Loans and Borrowings	2,394,972	2,169,815	1,875,125	1,649,463	966,483
Finance Lease Obligations	-	-	-	-	-
Lease Liabilities	376,251	377,761	-	-	-
Retirement Benefit Obligations	112,515	93,646	92,346	97,725	92,652
Deferred Tax Liabilities	710,410	284,798	148,117	-	-
Deferred Income	14,080	16,060	19,770	35,461	78,207
Loans from Related Parties	-	-	-	-	-
Total Non-Current Liabilities	3,606,228	2,942,070	2,136,358	1,782,639	1,137,342
Current Liabilities					
Trade and Other Payables	3,434,539	2,579,381	3,100,444	3,340,495	2,562,792
Loans and Borrowings	2,872,585	1,555,831	1,535,932	1,311,757	1,122,699
Finance Lease Obligations	-	-	-	133	430
Lease Liabilities	65,587	71,215	-	-	-
Loans from Related Parties	1,956,904	203,704	1,012,706	1,528,582	71,546
Amounts due to Related Parties	843,875	474,189	510,072	669,242	221,956
Income Tax Payable	-	-	-	-	32,535
Dividend Payable	5,912	22,504	50,188	50,320	58,728
Short Term Borrowings	11,567,041	8,886,384	8,047,649	5,062,978	4,940,708
Bank Overdrafts	106,637	801,250	1,526,850	743,722	475,524
Total Current Liabilities	20,847,080	14,694,457	15,783,820	12,927,229	9,486,927
Total Equity and Liabilities	54,733,574	45,629,407	44,909,232	31,853,038	27,164,317

The figures in brackets indicate deductions.

BROWN AND COMPANY PLC
Five Year Summary

Statements of profit or loss

	Company				
	For the year ended 31st March				
	2021	2020	2019	2018	2017
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Revenue from Contracts with Customers	16,451,336	11,343,738	12,952,965	13,327,220	12,083,452
Cost of Sales	(12,831,377)	(8,880,927)	(10,388,811)	(10,777,082)	(9,712,550)
Gross Profit	3,619,959	2,462,811	2,564,154	2,550,138	2,370,902
Other Income/(Expenses)	462,214	(251,054)	(394,556)	671,411	210,832
Distribution Expenses	(569,683)	(1,241,337)	(818,512)	(576,742)	(705,661)
Administrative Expenses	(933,785)	(1,122,850)	(1,493,480)	(1,351,609)	(1,223,416)
Finance Income	865,548	1,308,698	1,157,848	341,981	414,567
Finance Costs	(1,846,463)	(1,951,805)	(1,924,581)	(1,148,297)	(978,355)
Net Finance Cost	(960,915)	(641,906)	(766,733)	(807,306)	(563,788)
Change in Fair Value of Investment Properties	453,809	1,843,783	2,497,405	309,050	1,458,308
Change in Fair Value of Consumable Biological Assets	-	-	-	-	-
Gain on Disposal of Investment in Subsidiaries	-	147,500	-	-	-
Gain on Bargain Purchase	-	-	-	-	-
Reclassification of translation reserve on step acquisition	-	-	-	-	-
Share of Loss of Equity Accounted Investees (Net of Tax)	-	-	-	-	-
Profit before Taxation	2,071,599	1,197,246	1,648,177	794,943	1,547,177
Income Tax Expense	(310,631)	(214,487)	180,854	(51,888)	(69,985)
Profit for the Year	1,760,968	982,759	1,829,032	743,055	1,477,192
Profit Attributable to: Equity holders of the Company	1,760,968	982,759	1,829,032	743,055	1,477,192
Non-Controlling Interests	-	-	-	-	-
Profit for the Year	1,760,968	982,759	1,829,032	743,055	1,477,192
Basic Earnings per Share (Rs.)	8.28	4.62	10.36	10.48	20.84
Diluted Earnings per Share (Rs.)	8.28	4.62	10.36	10.48	20.84

The figures in brackets indicate deductions.

BROWN AND COMPANY PLC
Five Year Summary

Statements of comprehensive income

	Company				
	For the year ended 31 March				
	2021	2020	2019	2018	2017
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Profit/(Loss) for the Year	1,760,968	982,759	1,829,032	743,055	1,477,192
Other Comprehensive Income					
Items that will not be Reclassified to Profit or Loss					
Revaluation of Property, Plant and Equipment	678,028	-	1,265,156	43,392	-
Revaluation of Right-of-Use Assets	-	-	-	-	-
Deferred Tax impact on Revaluation	(162,727)	-	(360,181)	(190,966)	-
Actuarial Gain/ (Loss) on Retirement Benefit Obligation	(7,471)	(5,814)	4,378	7,641	8,044
Deferred Tax impact on Actuarial Gain/ (Loss) on Retirement Benefit Obligation	-	-	-	-	-
Share of Other Comprehensive Income of Equity Accounted Investees (Net of Tax)	-	-	-	-	-
Change in Fair Value of FVOCI Financial Assets	-	-	-	-	-
Deferred Tax impact on Change in Fair Value of FVOCI Financial Assets	-	-	-	-	-
Items that may be Reclassified to Profit or Loss					
Exchange Differences on Translation of Foreign Operations	-	-	-	-	-
Reclassification of translation reserve on step acquisition	-	-	-	-	-
Other Comprehensive Income for the Year	507,830	(5,814)	929,353	(139,933)	8,044
Total Comprehensive Income for the Year (Net of Tax)	2,268,798	976,945	2,758,385	603,122	1,485,236
Attributable to:					
Equity Holders of the Company	2,268,798	976,945	2,758,385	603,122	1,485,236
Non-Controlling Interests	-	-	-	-	-
Total Comprehensive Income for the Year	2,268,798	976,945	2,758,385	603,122	1,485,236

The figures in brackets indicate deductions.



BROWN AND COMPANY PLC
Five Year Summary

Statements of changes in equity - Company

	Stated Capital	Revaluation Reserve	Retained Earnings	Total Equity
	Rs.000	Rs.000	Rs.000	Rs.000
Balance as at 1st April 2016	2,005,601	1,881,139	11,203,509	15,090,249
Profit for the year	-	-	1,477,192	1,477,192
Other Comprehensive Income				
Defined Benefit Plan Actuarial Gain, (Net of Tax)	-	-	8,044	8,044
Other Comprehensive Income for the year	-	-	8,044	8,044
Total Comprehensive Income for the year	-	-	1,485,236	1,485,236
Transactions with owners directly recorded in the Equity				
Dividend paid	-	-	(35,438)	(35,438)
Balance as at 31st March 2017	2,005,601	1,881,139	12,653,308	16,540,048
Balance as at 01st April 2017	2,005,601	1,881,139	12,653,308	16,540,048
Profit for the year	-	-	743,055	743,055
Other Comprehensive Income				
Revaluation of Property, Plant and Equipment	-	43,392	-	43,392
Deferred Tax impact on Revaluation	-	(190,966)	-	(190,966)
Defined Benefit Plan Actuarial Gain, (Net of Tax)	-	-	7,641	7,641
Other Comprehensive Income for the year	-	(147,574)	7,641	(139,933)
Total Comprehensive Income for the year	-	(147,574)	750,696	603,122
Transactions with owners directly recorded in the Equity				
	-	-	-	-
Balance as at 31st March 2018	2,005,601	1,733,565	13,404,004	17,143,170
Profit for the year	-	-	1,829,032	1,829,032
Other Comprehensive Income				
Revaluation of Property, Plant and Equipment	-	1,285,156	-	1,285,156
Deferred Tax impact on Revaluation	-	(360,181)	-	(360,181)
Defined Benefit Plan Actuarial Gain, (Net of Tax)	-	-	4,378	4,378
Other Comprehensive Income for the year	-	924,975	4,378	929,353
Total Comprehensive Income for the year	-	924,975	1,833,410	2,758,384
Transactions with owners directly recorded in the Equity				
Rights issue of shares during the year	7,087,500	-	-	7,087,500
Balance as at 31st March 2019	9,093,101	2,658,540	15,237,414	26,989,055
Balance as at 01st April 2019	9,093,101	2,658,540	15,237,414	26,989,055
Profit for the year	-	-	982,759	982,759
Other Comprehensive Income				
Other Comprehensive Income for the year	-	-	(5,814)	(5,814)
Total Comprehensive Income for the year	-	-	976,945	976,945
Transactions with owners directly recorded in the Equity				
Forfeited Dividend	-	-	26,880	26,880
Balance as at 31st March 2020	9,093,101	2,658,540	16,241,239	27,992,880
Profit for the year	-	-	1,760,968	1,760,968
Revaluation of Property, Plant and Equipment	-	-	-	-
Deferred Tax impact on Revaluation	-	-	-	-
Defined Benefit Plan Actuarial Gain, (Net of Tax)	-	-	(9,831)	(9,831)
Other Comprehensive Income				
Other Comprehensive Income for the year	-	615,301	(7,471)	607,830
Dividend Forfeited	-	-	-	-
Total Comprehensive Income for the year	-	615,301	1,753,497	2,268,798
Transactions with owners directly recorded in the Equity				
Forfeited Dividend	-	-	16,588	16,588
Transactions with owners directly recorded in the Equity				
Rights issue of share during the period	-	-	-	-
Balance as at 31st March 2021	9,093,101	3,173,841	18,011,324	30,278,266

The figures in brackets indicate deductions.



BROWN AND COMPANY PLC
Five Year Summary

Statements of cash flows

	Company				
	For the year ended 31st March				
	2021	2020	2019	2018	2017
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Cash flows from Operating Activities					
Profit/(Loss) before Taxation	2,071,599	1,197,246	1,646,177	794,943	1,547,177
Adjustments for:					
Share of Profit/Loss of Equity Accounted Investees (Net of Tax)	-	-	-	-	-
Gain on Disposal of Group Investments	-	-	-	-	-
Depreciation on Property Plant and Equipment	78,504	63,042	66,146	76,026	69,901
Amortisation of ROU Assets	54,070	51,434	-	-	-
Amortisation of Bearer Biological Assets	-	-	-	-	-
Amortization of Prepaid Lease Rentals	-	-	1,814	1,814	1,814
Amortisation of Intangible Assets	2,749	2,618	2,621	913	4,465
Amortisation of Deferred Income	(45,009)	(26,736)	(63,735)	(60,712)	(50,975)
Provision for Retirement Benefit Obligations	20,822	19,331	20,581	20,222	18,538
Provision/ (Reversal of Provision) for Bad and Doubtful Debts	41,085	258,455	75,286	7,691	115,291
Provision for Other Receivables	26,113	-	-	-	-
Provision for Impairment of Investment in Subsidiaries	14,241	-	-	(440,000)	-
Impairment/ Reversal of Provision for Related Party Receivables	(115,000)	-	-	-	20,000
Provision/ (Reversal of Provision) for Impairment Losses for Inventories	(98,267)	371,541	152,835	5,138	33,270
Gain on Bargain Purchase	-	-	-	-	-
Write off of Bearer/ Consumable biological assets	-	-	-	-	-
Dividend Income	(34,893)	(1)	(51,401)	(79,807)	(106,385)
Interest Income	(885,548)	(1,309,898)	(1,157,848)	(341,991)	(414,567)
Change in Fair Value of Investment Properties	(453,809)	(1,843,783)	(2,497,405)	(309,050)	(1,458,308)
Change in Fair Value of Consumable Biological Assets	-	-	-	-	-
Gain on Disposal of Subsidiary/ Group Investments	-	(147,800)	-	-	-
Impairment of Goodwill	-	-	-	-	-
Impairment Losses on Property, Plant and Equipment, Bearer Biological Assets	-	-	-	-	-
(Gain)/ Loss on Changes in Fair Value of Short term Investments	(204,582)	433,478	616,278	3,832	(25,394)
Gain on Disposal of Investment properties	-	-	-	-	1,140
Loss/(Gain) on Disposal of Property, Plant and Equipment	1,142	(44)	(36,853)	(6)	(3,777)
Gain on Disposal of Bearer Biological assets	-	-	-	-	-
Deferred Income	-	-	-	-	-
Interest expense on lease liabilities	-	-	-	-	-
Interest Expense	1,846,463	1,951,605	1,924,581	1,149,297	978,355
Operating Profit before Working Capital Changes	2,319,680	1,040,688	703,066	828,308	730,545
Changes in					
Inventories	674,713	968,026	(737,554)	(660,052)	(710,320)
Trade and Other Receivables	(365,765)	105,496	(1,152,124)	(380,658)	(421,315)
Amounts due from Related Companies	236,363	(179,413)	(644,110)	355,881	(319,247)
Trade and Other Payables	1,646,399	(521,850)	(240,051)	777,704	1,152,786
Amounts due to Related Companies	355,744	(36,883)	(379,170)	705,476	155,734
Cash Generated from/ (Used in) Operations	4,869,153	1,377,851	(2,449,943)	1,626,440	588,185
Interest Paid	(1,793,942)	(1,923,318)	(1,924,577)	(1,149,266)	(978,235)
Income Tax / ESC Paid	(30)	(75,781)	(97,346)	(98,008)	(63,970)
Retiring Gratuity Paid	(11,784)	(26,105)	(19,879)	(4,536)	(16,257)
Net Cash Generated from/(Used In) Operating Activities	3,063,397	(647,353)	(4,491,745)	374,629	(470,278)
Cash flows from Investing Activities					
Acquisition of Property, Plant and Equipment	(51,051)	(103,325)	(281,420)	(298,944)	(325,641)
Investment in Bearer Biological Assets	-	-	-	-	-
Proceeds from Disposal of Bearer Biological Assets	-	-	-	-	-
Acquisition of Investment Properties	(15,515)	(182,937)	(636,829)	-	-
Proceeds from Disposal of Subsidiaries	-	1,600,000	-	-	-
Proceeds from Disposal of Investment Properties	4,500	(725)	-	-	6,060
Acquisition of Intangible Assets	(159)	(725)	-	-	-
Investment in Subsidiaries	(13,077,556)	(45,000)	(413,929)	(2,314,375)	-
Capital Grant Received	-	-	-	-	-
Acquisition of Non-controlling Interests	-	-	-	-	-
Capital reduction by subsidiaries	-	-	-	-	-
Net Investment in Equity Accounted Investees	-	(55,000)	-	-	-
Net Investment in Financial Assets	(74)	(394,720)	-	(613,700)	-
Capital Grant Received	-	-	-	-	-
Deferred Income Received	43,039	23,016	48,054	17,956	119,395
Proceeds from consumable biological assets	-	-	-	-	-
Net Movement in Loans Given to Related Parties	-	-	(6,078,695)	(381,198)	318,265
Proceeds from Loans Given to Related Parties	11,199,775	4,791,727	-	-	-
Loans Granted to Related Parties	(7,103,149)	(4,053,749)	-	-	-
Proceeds from Disposal of Property, Plant and Equipment	7,919	157	68,532	10,108	7,912
Proceeds from Disposal of Other Financial Assets	-	-	-	-	-
Loan Settlements	-	-	-	-	-
Investment in long term non financial assets	-	-	-	-	-
Investment in Short Term Non Financials Assets	-	-	-	-	-
Dividend Income Received	34,893	1	51,401	35,912	106,385
Interest Income Received	885,548	1,309,898	1,157,848	341,991	414,567
Net Cash Generated from/(Used) in Investing Activities	(8,071,830)	2,889,344	(6,085,038)	(3,210,250)	646,942

The figures in brackets indicate deductions.

BROWN AND COMPANY PLC
Five Year Summary

Statements of Cash Flows (Contd)

	Company				
	For the year ended 31st March				
	2021	2020	2019	2018	2017
	Rs.000	Rs.000	Rs.000	Rs.000	Rs.000
Cash flows from Financing Activities					
Proceeds from Interest Bearing Liabilities	2,916,600	1,682,235	1,694,880	1,599,999	957,658
Repayment of Interest Bearing Liabilities	(1,374,689)	(1,367,645)	(1,245,043)	(727,963)	(1,201,948)
Net movement in short term borrowings	2,580,636	936,735	2,984,671	122,270	230,611
Lease Rentals Paid	(75,333)	(66,701)	(137)	(328)	(1,715)
Loans Obtained from Related Parties	7,420,700	4,252,695	-	-	-
Repayment of Loans from Related Parties	(5,667,500)	(7,356,277)	-	-	-
Net movement in Loans from Related Parties	-	-	(515,876)	1,457,036	62,876
Rights issue of shares	-	-	7,087,500	-	-
Issue of Ordinary shares by Subsidiaries	-	-	-	-	-
Shares purchased from Non-controlling interests	-	-	-	-	-
Shares Issued by Subsidiaries to Non-Controlling interest	-	-	-	-	-
Dividend Paid	-	(786)	(152)	(8,408)	(31,720)
Net Cash Generated from/(Used in) Financing Activities	5,800,434	(1,917,744)	10,005,842	2,442,606	25,762
Net Increase/(Decrease) in Cash and Cash Equivalents during the year	791,999	324,247	(570,941)	(393,015)	202,426
Cash and Cash Equivalents at the beginning of the year	(720,166)	(1,044,413)	(473,472)	(80,457)	(262,883)
Cash and Cash Equivalents at the end of the year	71,835	(720,166)	(1,044,413)	(473,472)	(80,457)
Analysis of Cash and Cash Equivalents at the end of the year					
Cash at Bank and in Hand	172,471	81,085	462,437	270,250	395,067
Bank Overdrafts	(100,637)	(801,250)	(1,528,850)	(743,722)	(475,524)
	71,835	(720,166)	(1,044,413)	(473,472)	(80,457)

The figures in brackets indicate deductions.

Rasanga Abhishek

Head of Ratings ICRA Lanka

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ICRA Lanka assigns [SL]A(CE) rating with Stable outlook to the proposed Guaranteed Redeemable Debenture Programme of Brown & Company PLC

March 24, 2022

Instrument	Rated Amount (LKR Mn)	Rating Action
Guaranteed Redeemable Debentures Programme	5,000	[SL]A(CE) with Stable outlook; assigned

Rating action

ICRA Lanka Limited has assigned the [SL]A(CE) (pronounced SL A Credit Enhancement) rating with Stable outlook to the proposed LKR 2,000 Million, with the option to increase up to LKR 5,000 Million, Guaranteed Senior Listed Redeemable Debenture Programme of Browns & Company PLC (BROW or the Company). The letters CE in parenthesis suffixed to a rating symbol stand for Credit Enhancement. A CE rating is specific to the rated issue, its terms, and its structure. The CE ratings do not represent ICRA Lanka's opinion on the general credit quality of the issuers concerned.

The rating for the Guaranteed Senior Redeemable Debentures is based on the strength of the unconditional and irrevocable guarantee from LOLC Holdings PLC (LOLC) (rated [SL]A with Stable outlook by ICRA Lanka) covering the principal and two interest instalments (annual) of the proposed issue. The guarantor undertakes the obligation to pay, on demand from the Trustee, LKR 5,000 Million, being the total principal sum, and two interest instalments of the proposed Guaranteed Senior Listed Redeemable Debentures. The rating also assumes that the guarantee will be duly invoked by the Trustee, as per the terms of the underlying trust deed and the guarantee agreement, in case there is a default in payment by BROW (Issuer).

About the Company:

Established in 1875, Brown and Company PLC started off as a mechanical engineering workshop and expanded into Automotive battery manufacturing and trading, agricultural and heavy equipment trading and vet pharmaceuticals segments over a time span of 146 years, through organic and inorganic expansion measures. The entity is presently a 83.42% owned subsidiary of LOLC Holdings. Since the acquisition of the Company by LOLC, the Company has been used as the vehicle to hold all the non-financial businesses/investments of the group, thus becoming a diversified conglomerate on its own. At stand-alone level, Browns & Company is primarily engaging in trading operations, where the company is a dominant player in product segments such as automotive batteries, agriculture heavy machinery, and vet pharmaceuticals.

Guarantor Profile:

LOLC Holdings PLC

Setup in 1980, LOLC Holdings PLC has evolved itself from a financial services provider to a holding company which also has interests in manufacturing, trading, plantations, leisure and energy. The group has diversified geographically into Cambodia, Myanmar, Indonesia, Pakistan, Maldives and in the African region.

During FY2021, LOLC Group reported a consolidated PAT of LKR 53.2Bn (including gains from disposal of subsidiary) on a total asset base of LKR 875Bn, compared to a consolidated PAT of LKR 19.8 Bn on a total asset base of LKR 1,336 Bn, in FY2020.

For the 9M ended December 31, 2021 the group reported a consolidated PAT of LKR 24.4 Bn on a total asset base of LKR 999 Bn.

Key financial indicators of LOLC Holdings PLC

In LKR Mn	FY2019	FY2020	FY2021	9MFY2022
Net Interest Income ¹	53,904	61,621	40,011	34,148
Profit after Tax	19,636	19,792	53,196 ²	24,360
Reported net worth	152,220	212,577	235,268	246,880
Loans and Advances	707,278	897,447	423,787	464,923
Total Assets	1,043,747	1,335,919	874,945	998,853
Return on Average Net Worth	25.09%	22.17%	46.06%	21.53%
Return on Assets	2.10%	1.66%	4.81%	3.40%
Gearing (times)	5.52	5.02	2.48	2.61

¹ Including discontinued operations

² PAT includes the capital gains from the PRASAC divestment in Q1FY2021

ANNEXURE II – CORPORATE GUARANTEE

CORPORATE GUARANTEE

Hatton National Bank PLC of No. 479, T.B. Jayah Mawatha, Colombo 10
Trustee to the Brown and Company PLC
Debenture Issue 2022-2027 (“the Trustee”)



Date: 15th March 2022

1. At the request of **Brown and Company PLC** (bearing Registration No PQ 25), a company duly incorporated under the laws of Sri Lanka and having its registered office at No. 481, T.B. Jayah Mawatha (Darley Road), Colombo 10 (hereinafter referred to as “the Company”), we, **LOLC Holdings PLC**, a company duly incorporated in Sri Lanka bearing registration number PQ 70 and having its registered office at No.100/1, Sri Jayewardenepura Mawatha, Rajagiriya (hereinafter referred to as “the Guarantor”) do hereby guarantee undertake bind and oblige to pay to you (including your successors and assigns) on demand at Colombo the principal sum and interest payments for two (02) Interest Periods calculated at the Rate of Interest payable on Listed Rated Guaranteed Senior Redeemable Debentures 2022-2027 (“**Debentures**”) of the par value of Sri Lankan Rupees One Hundred (LKR 100/-) each, bearing interest at a fixed rate of Fifteen decimal Five Zero per centum (15.50%) per annum payable annually and default interest (if any) which may be claimed by you on behalf of the Debenture Holders.
2. All terms not defined herein shall have the same meanings provided to them in the Trust Deed dated 15th March 2022 entered into between the Trustee and the Company (hereinafter referred to as the “**Trust Deed**”).
3. We the Guarantor in consideration of an agreement being reached with the Company and other good and valuable consideration do hereby guarantee undertake bind and oblige to pay to you on the first demand all sums of monies not exceeding the principal sum outstanding together with the interest for two (02) Interest Periods at the Rate of Interest of the Debentures and default interest (if any) as aforesaid due from the said Company or its successors and assigns to you on behalf of the Debenture Holders within fourteen (14) days of demand in writing being made by you as the Trustee.
4. This guarantee shall be valid until 20th April 2027 unless and otherwise extended or renewed for a further period at the sole discretion of the Trustee.
5. Any monies herein mentioned shall be deemed to be owing by the Company notwithstanding any incapacity of or limitation upon the Company or any person acting or purporting to act on behalf or in the name of the Company or any person acting or purporting to act on behalf or in the name of the Trustee. Nor shall this guarantee be or become in any way prejudiced affected or unenforceable either wholly or in part by reason of any fact matter or circumstance concerning the Company or any other person or concerning the account or conduct of or any transaction of or with the Company or any other person whether or not such fact matter or circumstance be known to you or at any time come to your knowledge and whether or not the same be disclosed by you to us.
6. This guarantee shall not be considered as satisfied by any intermediate payment or satisfaction by the Company or any other person of all or any part of the monies aforesaid but shall be a continuing security and shall extend to cover the principal sum outstanding together with the interest for two (02) Interest Periods at the Rate of Interest of the Debentures and default interest (if any) as aforesaid.

LOLC Holdings PLC

Company Registration No: P Q 70

No. 100/1, Sri Jayawardanepura Mawatha, Rajagiriya, Sri Lanka

Tel: 5880880 Fax: General: 2865606 Marketing: 2868648, 2865612, 2865641 Finance: 2865642 Website: www.lolc.com

7. Our obligation shall be unconditional and irrevocable and our liability hereunder shall not be discharged or released by any agreement made between you and the said Company with or without notice to us or by reason of any alteration or amendment of the terms of the Trust Deed entered into between you and the said Company or by any forbearance whether as to payments, performance or otherwise whatsoever.
8. In all matters concerning the Debentures you shall be entitled to act on the instructions of the Company and in the absence of such instructions to act at your discretion and our liability hereunder shall not in any way be affected or reduced by your acting in accordance with such instructions or at your discretions. For the purposes of this guarantee any instructions given by any person being or purporting to be or acting or purporting to act as a Director, Manager or Officer of the Company or by any person expressly or impliedly authorized by the Company shall be deemed to be the instructions of the Company.
9. Your statement that the Company has failed or neglected to redeem the Debentures or pay the interest for two (02) Interest Periods and default interest (if any) described above on the Debentures upon the occurrence of an Event of Default as specified in Clause 10 of the said Trust Deed shall be absolutely binding on us and shall be accepted by us as sufficient and conclusive proof thereof.
10. (i) This guarantee is representing a direct claim on the Guarantor and the extent of the cover is clearly defined and incontrovertible. The guarantee is irrevocable. The Guarantor cannot unilaterally cancel the cover.

(ii) This guarantee is unconditional. The Guarantor is obliged to pay in the event that the Company fails to make the payment(s) due.
11. Any admission or acknowledgement in writing by the Company or by any person being or appearing to be or acting or purporting to act as a Director, Manager or Officer of the Company or by a person expressly or impliedly authorized by the Company of the amount of the monies owing by the Company to you and any judgment recovered by you against the Company in respect thereof shall be binding and conclusive on and against us in all court of law and elsewhere.
12. Any dividend composition and payment which you may receive from the Company or from us or from any other person or persons or from the liquidator of the Company upon a winding up or from the estate or assets of us or of any other person or persons whether in or in consequence of liquidation bankruptcy liquidation by arrangement or composition with creditors or otherwise howsoever shall be taken and applied as payments in gross without any right on our part to stand in your place in respect of or to claim the benefit of any such dividend composition or payment or any security held by you until you shall have received the full amount of all the monies herein mentioned and shall not prejudice your right to recover from us to the full extent of this guarantee.
13. Although our ultimate liability hereunder cannot exceed the limit herein before mentioned yet this present guarantee shall be construed and take effect as a guarantee of the whole and every part of the monies herein mentioned and accordingly neither we nor our liquidator on a winding up shall be entitled as against you to any right of proof in the winding up of the Company or other right of a surety discharging its liability in respect of the principle debt unless and until the whole of the monies herein mentioned including the principal sum outstanding together with the interest for two (02) Interest Periods at the Rate of Interest of the Debentures and default interest (if any) as aforesaid shall have first been completely discharged and satisfied. And further for the purpose of enabling you to sue the Company or prove in any winding up of the Company for the whole of the monies herein mentioned or to preserve intact the liability of the Company or of any other person you may at any time and from time to time place and keep for such time as you may think prudent any monies received recovered or realized hereunder to and at a separate or suspense account to the credit either of us or of such other person or transaction if any as you shall think fit without any

intermediate obligation on your part to apply the same or any part thereof in or towards the discharge of the monies herein mentioned or any intermediate right on our part to sue the Company or prove against its assets in competition with you or so as to diminish any dividend or other advantage that would or might come to you or to treat the liability of the Company as diminished.

14. No assurance or security given to you which may be avoided and no payment made to you which may be recoverable under any law for the time being in force and no release settlement or discharge which may have been given or made on the faith of any such assurance security or payment self-prejudice or affect your right of recovery from us to the full extent of this guarantee.
15. We have not taken in respect of the liability hereby undertaken by us and we will not take from the Company either directly or indirectly without your consent any sum of money or promissory note, bills of exchange, mortgage, charge or other security involving a charge on any property whatsoever of the Company whereby we or any person or persons claiming through us by endorsement assignment or otherwise would or might on the winding up of the Company and to your prejudice increase the proof in such liquidation or diminish the property distributable amongst the creditors of the Company. And as regards any such security as aforesaid, which we may have taken or may take with such consent as aforesaid, the same shall if so, determined by you in writing be a security to you for the fulfillment of our obligations hereunder and shall be forthwith deposited with you for the purpose by us.
16. Our liability hereunder shall not be affected by any failure on your part to take any security or by any invalidity or insufficiency of any security taken or in the event of this guarantee proving not to be binding on us for any reason whatsoever. And this guarantee shall be in addition to and shall not in any way be prejudiced or affected by any collateral or other security now or hereafter held by you for all or any part of the monies herein mentioned nor shall such collateral or such other security or any lien to which you may be otherwise entitled or the liability of any person not party hereto for all or any part of the monies herein mentioned be in anywise prejudiced or affected by this present guarantee.
17. You shall so long as any monies remain owing hereunder have a lien therefore on all monies now or hereafter standing to our credit with you whether on any current or other account.
18. This guarantee shall be applicable to the ultimate balance that may become due to you from the Company and until repayment of such balance we will not take any steps to enforce any right of claim against the Company in respect of any monies paid by us to you hereunder.
19. This guarantee shall be additional to any other guarantee for the Company executed and given by us that you may at any time hold.
20. We specially agree that you shall be at liberty either in one action to sue the Company and us and also any other person or persons all jointly and severally or to proceed in the first instance against us only and further that we hereby renounce the right to claim that the Company should be excused or proceeded against by action in the first instance and the right to claim that you should divide your claim and bring actions against us or any other person or persons whomsoever each for his portion pro rata and the right to claim in any action brought against us with or without all or any other persons that you should only recover from us a pro rata share of the amount claimed and all other rights and benefits to which sureties are or may be by law entitled IT BEING AGREED that we are liable in all respects hereunder as principal debtor to the extent aforementioned including the liability to be sued before recourse is had against the Company. We hereby specifically agree and confirm having understood the effect in law of the renunciation and provisions aforesaid.
21. No delay or omission on the part of you in exercising any right, power, privilege or remedy in respect of this guarantee shall impair such right, power, privilege or remedy or be construed as a waiver of it nor shall any single or partial exercise of any such right, power, privilege or

remedy preclude any further exercise of it or the exercise of any other right, power, privilege or remedy. The rights, powers, privileges and remedies provided in this guarantee are cumulative and not exclusive of any rights, powers, privileges or remedies provided by law.

22. We may not assign or transfer all or any of its rights, benefits or obligations under this guarantee. The rights and obligations on the part of the Guarantor contained herein shall bind it and its personal representatives, successors and permitted assigns and the rights and obligations of the Trustee shall enure to the benefit of its successors, transferees and assigns whether so expressed or not. For the avoidance of doubt, it is expressly stated hereby that the rights and the obligations of the Trustee hereunder may be assigned by the Trustee, without notice to or approval of the Guarantor and/or the Company.
23. We hereby confirm, represent and warrant to you that in the execution and delivery of this guarantee, we have sought, obtained and relied upon our own independent legal advice and have not relied on any representation, statement or advice from the solicitors or agents or officers of the Trustee and we hereby acknowledge that we have executed and delivered this guarantee on the basis of and in full reliance by the Trustee upon the aforesaid confirmation, representation and warranty and we hereby further agree, covenant and confirm that the aforesaid confirmation, representation and warranty herein shall survive and continue to have full force and effect after the execution and delivery of this guarantee and notwithstanding any investigation by the Trustee.
24. We hereby warrant and represent that this guarantee constitutes legal, valid and binding obligations of the Guarantor enforceable in accordance with its terms and that all authorizations, approvals, consents, licences, exemptions, filings, registrations, notarizations and other requirements of governmental, judicial and public bodies and authorities required or advisable in connection with the entry into, performance, validity and enforceability of this guarantee and the transactions contemplated thereby have been obtained or effected and are in full force and effect and will be maintained by the Guarantor at all times.
25. All costs and expenses (including stamp duty if any payable on this guarantee) incurred in the execution performance and enforcement of this guarantee and in the enforcement of any judgment against the Guarantor for the recovery of monies covered by this guarantee shall be recoverable from the Guarantor on a full indemnity basis.
26.
 - (1) This guarantee is governed by and shall be construed in accordance with the laws of Sri Lanka.
 - (2) The Guarantor irrevocably agrees for the benefit of the Trustee that the courts of Sri Lanka shall have jurisdiction to hear and determine any suit action or proceedings, and to settle any dispute, which may arise out of or in connection with the guarantee and for such purposes hereby irrevocably submits to the jurisdiction of such courts.
 - (3) Nothing contained in this Clause shall limit the right of the Trustee to take proceedings against the Guarantor in any other court of competent jurisdiction, nor shall the taking of any such proceedings in one or more jurisdictions preclude the taking of proceedings in any other jurisdiction, whether concurrently or not (unless precluded by applicable law).
 - (4) The Guarantor irrevocably waives any objection which the Guarantor may have now or in the future to the courts of Sri Lanka being nominated for the purpose of this Clause on the ground of venue or otherwise and agrees not to claim that any such court is not a convenient or appropriate forum.
 - (5) The Guarantor irrevocably waives any immunity from suits and proceedings (including actions in term) and from all forms of execution or attachment to which the Guarantor or the Guarantor's property is now or may hereafter become entitled under the laws of any jurisdiction and declares that such waiver shall be effective to the fullest extent permitted by such laws.
27. The terms and conditions of this guarantee shall not be amended or varied unless such amendment or variation is in writing and is signed by the Trustee in acceptance thereof.

28. In these clauses where the context so permits the singular includes the plural and vice versa and the masculine includes the feminine and neuter genders and person includes a company.

The Common Seal of **LOLC HOLDINGS PLC** is)
hereto affixed in the presence of)
.....*Kapila Jayawardena*..... (Director))
.....*Ravandhini Seneviratne*.....)
(Director/Company Secretary) who do hereby attest)
the sealing thereof)

LOLC HOLDINGS PLC
PQ 70
[Signature]
Director
[Signature]
Director / Secretaries
LOLC Corporate Services
(Private) Limited

Witnesses:

1. *Dasuni Khagya* *[Signature]*
9680812100.
2. *Taniya Hetdirachchi* *[Signature]*
967291420

[Signature] *[Signature]*

ADDENDUM TO CORPORATE GUARANTEE

ADDENDUM TO CORPORATE GUARANTEE

Hatton National Bank PLC of No. 479, T.B. Jayah Mawatha, Colombo 10
Trustee to the Brown and Company PLC
Debenture Issue 2022-2027 ("the Trustee")



Date: 24th March 2022

1. At the request of **Brown and Company PLC** (bearing Registration No PQ 25), a company duly incorporated under the laws of Sri Lanka and having its registered office at No. 481, T.B. Jayah Mawatha (Darley Road), Colombo 10 (hereinafter referred to as "**the Company**"), we, **LOLC Holdings PLC**, a company duly incorporated in Sri Lanka bearing registration number PQ 70 and having its registered office at No.100/1, Sri Jayewardenepura Mawatha, Rajagiriya (hereinafter referred to as "**the Guarantor**") granted a Corporate Guarantee dated 15th March 2022 ("**Original Corporate Guarantee**") in relation to the Company's Debenture Issue 2022-2027.
2. We now wish to amend the Original Corporate Guarantee to reflect the amendments effected by the Company and Trustee to the Trust Deed dated 15th March 2022 in terms of a Supplementary Trust dated 24th March 2022.
3. All terms not specifically defined herein shall have the meanings contained in the Original Corporate Guarantee.
4. Paragraph 1 of the Original Corporate Guarantee to be substituted and replaced in its entirety by the following:

"At the request of **Brown and Company PLC** (bearing Registration No PQ 25), a company duly incorporated under the laws of Sri Lanka and having its registered office at No. 481, T.B. Jayah Mawatha (Darley Road), Colombo 10 (hereinafter referred to as "**the Company**"), we, **LOLC Holdings PLC**, a company duly incorporated in Sri Lanka bearing registration number PQ 70 and having its registered office at No.100/1, Sri Jayewardenepura Mawatha, Rajagiriya (hereinafter referred to as "**the Guarantor**") do hereby guarantee undertake bind and oblige to pay to you (including your successors and assigns) on demand at Colombo the principal sum and interest payments for two (02) Interest Periods calculated at the Rate of Interest payable on Type A Listed Rated Guaranteed Senior Redeemable Debentures 2022-2027 of the par value of Sri Lankan Rupees One Hundred (LKR 100/-) each, bearing interest at a fixed rate of Fifteen decimal Five Zero per centum (15.50%) per annum payable annually and Type B Listed Rated Guaranteed Senior Redeemable Debentures 2022-2027 of the par value of Sri Lankan Rupees One Hundred (LKR 100/-) each, bearing interest at a fixed rate of Fifteen decimal Four Two per centum (15.42%) per annum payable quarterly (Type A Debentures and Type B Debentures shall hereinafter be referred to "**Debentures**") and default interest (if any) which may be claimed by you on behalf of the Debenture Holders."

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LOLC Holdings PLC

Company Registration No: P Q 70

No. 100/1, Sri Jayawardanepura Mawatha, Rajagiriya, Sri Lanka



Tel: 5880890 Fax: General: 2865606 Marketing: 2868648, 2865612, 2865641 Finance: 2865642 Website: www.loic.com

5. Paragraph 2 of the Original Corporate Guarantee to be substituted and replaced in its entirety by the following:

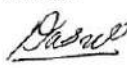

“All terms not defined herein shall have the same meanings provided to them in the Trust Deed dated 15th March 2022 as amended by Supplementary Trust Deed dated 24th March 2022 entered into between the Trustee and the Company (hereinafter referred to as the “Trust Deed”).”

6. We hereby agree that other than the amendments mentioned above, the Original Corporate Guarantee is in full force and effect and this Addendum to Corporate Guarantees shall always be read and construed together with said Original Corporate Guarantee.


The Common Seal of LOLC HOLDINGS PLC is)
 hereto affixed in the presence of)
Kapila Jayawardena..... (Director))
Ravindrani Senevirathne.....)
 (Director/Company Secretary) who do hereby attest)
 the sealing thereof)

LOLC HOLDINGS PLC
 PG 70

 Director

 Director / Secretaries
 LOLC Corporate Services
 (Private) Limited

Witnesses:

1.  Dasani Bhayya 998081280V
2.  Shanika Amarasinghe
777910043V

We hereby acknowledge and accept the amendments made to the Corporate Guarantee dated 15th March 2022 by way of an Addendum to Corporate Guarantee dated 24th March 2022.



HATTON NATIONAL BANK PLC
 Head
 Custody and Trustee Services
 Hatton National Bank PLC

ANNEXURE III – COLLECTION POINTS

The Prospectus and the Application Form can be obtained free of charge from the following Collection Points.

Issuer Brown & Company PLC No. 481, T.B. Jayah Mawatha, (Darley Road) Colombo 10 Tel: +94 11 2 063 000 Fax: +94 11 2 307 380	Bankers to the Issue National Development Bank PLC No. 40, Nawam Mawatha, Colombo 02. Tel: +94 11 2 448 448 Fax: +94 11 2 440 262
Managers and Placement Agents to the Issue NDB Investment Bank Limited Level 1, NDB Capital Building, No. 135, Bauddhaloka Mawatha, Colombo 04. Tel: + 94 11 2 300 385-90 Fax: +94 11 2 300 393	Registrars to the Issue S S P Corporate Services (Private) Limited No. 101, Inner Flower Road, Colombo 03. Tel: +94 11 2 573 894 Fax: +94 11 2 573 609

The Prospectus and the Application Form can also be downloaded from the website of CSE, www.cse.lk, the website of company, www.brownsgroup.com and the websites of the Managers and placement Agents to the Issue, www.ndbib.com.

Members of the CSE

<p>Acuity Stockbrokers (Private) Limited</p> <p>No. 53, Dharmapala Mawatha, Colombo 03.</p> <p>Tel: +94 11 2 206 206 Fax: +94 11 2 206 298-9 E-mail: sales@acuitystockbrokers.com</p>	<p>Asha Securities Limited</p> <p>No.60, 5th Lane, Colombo 03.</p> <p>Tel: +94 11 2 429 100 Fax: +94 11 2 429 199 E-mail: asl@ashasecurities.net</p>
<p>Asia Securities (Private) Limited</p> <p>4th Floor, Lee Hedges Tower, No.349, Galle Road, Colombo 03.</p> <p>Tel: +94 11 7 722 000 Fax: +94 11 258 4864 E-mail: inquiries@asiasecurities.lk</p>	<p>Bartleet Religare Securities (Private) Limited</p> <p>Level “G”, “Bartleet House” No. 65, Braybrooke Place, Colombo 02.</p> <p>Tel: +94 11 5 220 200 Fax: +94 11 2 434 985 E-mail: info@bartleetstock.com</p>
<p>Capital Trust Securities (Private) Limited</p> <p>No. 42, Sir Mohamed Macan Markar Mawatha, Colombo 03.</p> <p>Tel: +94 11 2 174 174 Fax: +94 11 2 174 173 E-mail: inquiries@capitaltrust.lk</p>	<p>CT CLSA Securities (Private) Limited</p> <p>4-14, Majestic City, 10, Station Road, Colombo 04.</p> <p>Tel: +94 11 2 552 290-4 Fax: +94 11 2 552 289 E-mail: info@ctclsa.lk</p>
<p>First Capital Equities (Pvt) Limited</p> <p>No.2, Deal Place, Colombo 03.</p> <p>Tel: +94 11 2 639 898 Fax: +94 11 5 736 264 E-mail: equity@firstcapital.lk</p>	<p>J B Securities (Private) Limited</p> <p>No. 150, St. Joseph Street, Colombo 14.</p> <p>Tel: +94 11 2 490 900 Fax: +94 11 2 430 070 E-mail: jbs@jb.lk</p>
<p>John Keells Stockbrokers (Private) Limited</p> <p>No. 186, Vauxhall Street, Colombo 02.</p> <p>Tel: +94 11 2 306 250 Fax: +94 11 2 342 068 E-mail: jkstock@keells.com</p>	<p>Lanka Securities (Private) Limited</p> <p>No. 228/1, Galle Road, Colombo 04.</p> <p>Tel: +94 11 4 706 757, +94 11 2 554 942 Fax: +94 11 4 706 767 E-mail: info@lankasec.com</p>

<p>Nation Lanka Equities (Private) Limited</p> <p>No. 44, Guildford Crescent, Colombo 07.</p> <p>Tel: +94 11 4 889 061-3/ +94 11 7 898 302 Fax: +94 11 2 688 899 E-mail: info@nlequities.com</p>	<p>NDB Securities (Private) Limited</p> <p>Level 2, NDB Capital Building, No. 135, Baudhaloka Mawatha, Colombo 04.</p> <p>Tel: +94 11 2 131 000 Fax: +94 11 2 314 181 E-mail: mail@ndbs.lk</p>
<p>SC Securities (Private) Limited</p> <p>5thFloor, No. 26B, Alwis Place, Colombo 03.</p> <p>Tel: +94 11 4 711 000, +94 11 4 711 001 Fax: +94 11 2 394 405 E-mail: itdivision@sampathsecurities.lk</p>	<p>Somerville Stockbrokers (Private) Limited</p> <p>No. 1A, Park way, Park Road, Colombo 05.</p> <p>Tel: +94-11 2 502 852/ 54/ 58/ 62 Fax: +94 11 2 502 852 E-mail: contact@somerville.lk</p>

Trading Members

<p>Softlogic Stockbrokers (Private) Limited</p> <p>Level 16, One Galle Face Tower, Colombo 02.</p> <p>Tel: +94 11 7 277 000 Fax: +94 11 7 277 099 Email: ssb.inquiry@softlogic.lk</p>	<p>Capital Alliance Securities (Private) Limited</p> <p>Level 5, "Millennium House" No. 46/58, Navam Mawatha, Colombo 02.</p> <p>Tel: +94 11 2 317 777 Fax: +94 11 2 317 788 Email: info@cal.lk</p>
<p>Candor Equities Limited</p> <p>Level 8, South Wing, Millennium House, No. 46/58, Navam Mawatha, Colombo 02.</p> <p>Tel: +94 11 2 359 100 Fax: +94 11 2 305 522 E-mail: info@candorh.com</p>	<p>First Guardian Equities (Private) Limited</p> <p>32nd Floor, East Tower, World Trade Centre, Colombo 01.</p> <p>Tel: +94 11 5 884 400 Fax: +94 11 5 884 401 E-mail: info@fge.lk</p>
<p>Taprobane Securities (Private) Limited</p> <p>2nd Floor, No. 10, Gothami Road, Colombo 08.</p> <p>Tel: +94 11 5 328 200/ +94 11 5 328 100 Fax: +94 11 5 328 177 E-mail: info@taprobane.lk</p>	<p>LOLC Securities (Private) Limited</p> <p>No.481, T.B. Jayah Mawatha, Colombo 10.</p> <p>Tel: +94 11 5 889 889 Fax: +94 11 2 662 883 E-mail: info@lolcsecurities.com</p>
<p>SMB Securities (Private) Limited</p> <p>No. 02, Gower Street, Colombo 05.</p> <p>Tel: +94 11 5 388 138 Fax: +94 112 550 100 E-mail: info@smbsecurities.lk</p>	<p>Richard Pieris Securities (Pvt) Limited</p> <p>No 310, Highlevel Road, Nawinna, Maharagama.</p> <p>Tel: +94 11 4 310 500 Fax: +94 11 2 802 385 E-mail: communication@rpsecurities.com</p>
<p>Enterprise Ceylon Capital (Private) Limited</p> <p>No.73/1, Dharmapala Mawatha, Colombo 07</p> <p>Tel: +94 11 2 445 644/ +94 11 2 301 861/2 E-mail: info@ecc.lk</p>	

Trading Members (Debt)

<p>NSB Fund Management Company Limited</p> <p>No. 400, Galle Road, Colombo 03.</p> <p>Tel: +94 -11 2 425 010 Fax: +94 11 2 574 387</p>	<p>Capital Alliance Limited</p> <p>Level 5, "Millenium House" No. 46/58, Nawam Mawatha, Colombo 02.</p> <p>Tel: +94 11 2 317 777 Fax: +94 11 2 317 788 E-Mail: info@cal.lk</p>
<p>Wealthtrust Securities Limited</p> <p>No. 102/1, Dr. N.M. Perera Mawatha, Colombo 08.</p> <p>Tel: +94 11 2 675 091 – 4 Fax: +94 11 2 689 605 E-Mail: info@wealthtrust.lk</p>	<p>SEYLAN BANK PLC</p> <p>Level 3, Seylan Towers, No. 90, Galle Road, Colombo 03.</p> <p>Tel: +94 11 2 456 300 Fax: +94 11 2 452 215 E-Mail: info@seylan.lk</p>

ANNEXURE IV – CUSTODIAN BANKS

Bank of Ceylon (Head Office) No 1, BOC Square, Bank of Ceylon Mawatha, Colombo 01, Sri Lanka T: +94 11 2 448 348, 2 338 742/55, 2 544 333	Citi Bank, N A No. 65 C, Dharmapala Mawatha Colombo 07. T: +94 11 2 447 316/8, 2 447 318, 2 449 061
Commercial Bank of Ceylon PLC Commercial House 21, Sir Razik Fareed Mawatha Colombo 01. T: +94 11 2 445 010-15, 238 193-5, 430 420	Deutsche Bank AG No. 86, Galle Road Colombo 03. T: +94 11 2 447 062, 2 438 057
Hatton National Bank PLC HNB Towers No. 479, T. B. Jayah Mawatha Colombo 10. T: +94 11 2 661 762	The Hong Kong and Shanghai Banking Corporation Limited No. 24, Sir Baron Jayathilake Mawatha Colombo 01. T: +94 11 2 325 435, 2 446 591, 2 446 303
People’s Bank (Head Office) No.75, Sir Chittampalam A Gardiner Mawatha Colombo 02. T: +94 11 2 206 782	Standard Chartered Bank No. 37, York Street Colombo 01. T: +94 11 4 794 400, 2 480 450
Sampath Bank PLC No. 110, Sir James Peiris Mawatha Colombo 02. T: +94 11 5 600 374	State Bank of India No. 16, Sir Baron Jayathilake Mawatha Colombo 01. T: +94 11 4 622 350
Seylan Bank PLC Seylan Towers No 90, Galle Road, Colombo 03. Sri Lanka. T: +94 11 2 456 789, 4 701 812, 4 701 819	Union Bank of Colombo PLC No. 64, Galle Road Colombo 03. T: +94 11 2 374 100
Nations Trust Bank PLC No. 242, Union Place, Colombo 2 T: +94 11 4 711 411	Pan Asia Banking Corporation PLC (Head Office) No. 450, Galle Road Colombo 03. T: +94 11 2 565 565
Public Bank Berhard No. 340, R.A. De Mel Mawatha Colombo 03. T: +94 11 2 576 289	Banque Indosuez C/o Hatton National Bank Limited, Cinnamon Garden Branch, 251, Dharmapala Mawatha, Colombo 07. T: +94 11 2 686 537