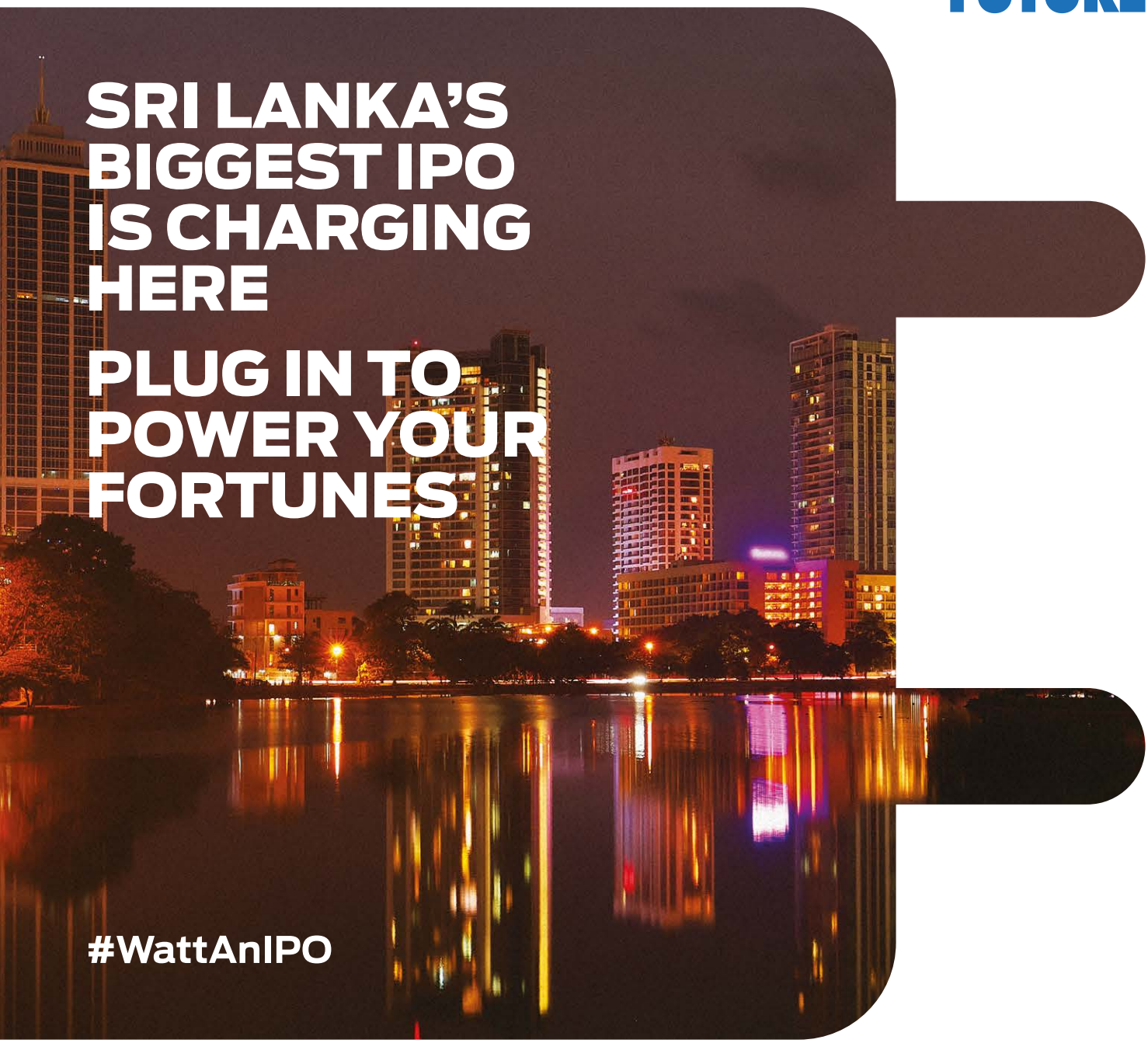
PROSPECTUS
INITIAL PUBLIC OFFERING

POWER TO THE FUTURE



An offer for subscription of up to 1,379,310,400 new ordinary voting shares at an issue price of LKR 14.50 per share, to raise up to LKR 20,000,000,800/-.

Joint Managers to the Issue

NDB Investment Bank

CT CLSA
Commitment. Trust. Continuity

LTL HOLDINGS LIMITED

PROSPECTUS

LTL HOLDINGS

Local Engineering, at its Global best

PB 00274329

OFFER FOR SUBSCRIPTION OF
UP TO 1,103,448,300 NEW ORDINARY VOTING SHARES OF
LTL HOLDINGS LIMITED (INITIAL ISSUE) WITH AN OPTION TO ISSUE UP
TO A FURTHER 275,862,100 NEW ORDINARY VOTING SHARES AT THE
DISCRETION OF THE BOARD OF DIRECTORS (FURTHER ISSUE) IN THE
EVENT OF AN OVERSUBSCRIPTION OF THE INITIAL ISSUE RESULTING IN
A TOTAL ISSUANCE OF UP TO 1,379,310,400 NEW ORDINARY VOTING
SHARES AT
LKR 14.50 PER SHARE

TO BE LISTED ON THE MAIN BOARD OF THE
COLOMBO STOCK EXCHANGE

ISSUE OPENS ON SEPTEMBER 10, 2024

JOINT FINANCIAL ADVISORS AND MANAGERS TO THE ISSUE

NDB Investment Bank

NDB Investment Bank Limited
Level 1, NDB Capital Building
No. 135, Bauddhaloka Mawatha
Colombo 04
Tel : +94 11 230 0385-90
Fax: +94 11 230 0393
www.ndbib.com

CT CLSA
Commitment. Trust. Continuity

CT CLSA Capital (Private) Limited
No. 4-15 , Majestic City
10, Station Road
Colombo 04
Tel : +94 11 258 4843
Fax: +94 11 258 0181
www.ctclsa.lk

AT A GLANCE OUR OPERATIONS

NON-RENEWABLE ENERGY

Combined cycle and engine-based power plants with a capacity of 868 MW in Sri Lanka and Bangladesh.

MANUFACTURING

State - of - the - art manufacturing facility in Sri Lanka produces up to 4,000 distribution transformers annually, while another advanced facility in India specializes in the production of low and medium voltage switchgear products.

RENEWABLE ENERGY

26 MW capacity of hydro and wind power plants in Sri Lanka and Nepal.

HEAVY ENGINEERING

Facility with a 24,000 MT annual hot-dip galvanizing capacity and 12,000 MT annual steel fabrication capacity in Sri Lanka.

ENGINEERING SERVICES

> 1,100 MW EPC and O&M contracts undertaken across Sri Lanka, Bangladesh, Nepal and Maldives.

NEW ENERGY, NEW HORIZONS

PROVIDING ENGINEERINGS, CONSTRUCTION, OPERATION AND MAINTENANCE SERVICES FOR POWER SECTOR GLOBALLY

ESTABLISHING NEW PRODUCTION FACILITIES AND NEW PRODUCTS FOR TRANSMISSION AND DISTRIBUTION SYSTEMS

DEVELOPING INFRASTRUCTURE AND SUPPLY OF LNG FOR POWER GENERATION

450+ MW OF SECURED PROJECT PIPELINE IN COMBINED CYCLE AND SOLAR POWER PLANTS

The Prospectus is dated August 29, 2024.

The delivery of this Prospectus shall not under any circumstances constitute a representation or create any implication or suggestion that there has been no material change in the affairs of the Company since the date of this Prospectus. If any such material change occurs, the same will be notified by the Company via a market announcement to the Colombo Stock Exchange (CSE).

If you are in any doubt regarding the contents of this Prospectus or if you require any advice in this regard you should consult a lawyer, or any other professional advisor.

The CSE has taken reasonable care to ensure full and fair disclosure of information in this Prospectus. However, the CSE assumes no responsibility for the accuracy of the statements made(including with regard to any relevant information that may have been omitted), opinions expressed or reports included in this Prospectus. Moreover, the CSE does not regulate the pricing of the Shares which is decided solely by the Company. In the unlikely instance of any inconsistencies between content herein and the relevant provisions in the CSE Listing Rules the CSE Listing Rules shall prevail.

This Prospectus has been prepared from the information provided by LTL Holdings Limited ('LTLH' or 'the Company') and its Directors and/or from publicly available sources. The Company and its Directors having made all reasonable inquiries and having seen and approved this Prospectus, confirm that 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 LTLH 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, in their best judgement, are considered to be reasonable at the present point in time.

The Company accepts responsibility for the information contained in this Prospectus. While the Company has taken reasonable care to ensure full and fair disclosure of information, prospective investors are advised to carefully read this Prospectus and rely on their own examination and assessment of the Company including the risks involved prior to making any investment decision.

No person is authorised to give any information or make any representation not contained in this Prospectus and if given or made, any such information or representation must not be relied upon as having been authorised by the Company.

All Applicants (both resident and foreign) should indicate their respective National Identity Card (NIC) number or Company Registration number or Passport Number, as the case may be, in the Application Form. Individual Resident Applicants should indicate their Passport number in the Application Form only if they do not have an NIC Number.

As per the Directive of the Securities and Exchange Commission (SEC) made under Circular No. 08/2010 dated November 22, 2010 and Circular No. 13/2010 issued by the Central Depository System (Private) Limited (CDS) dated November 30, 2010, all Shares allotted must be directly uploaded to the CDS Accounts. As such, all Applicants should indicate their CDS Account number in the Application Form. Applicants who do not have a CDS Account are advised to open a valid CDS Account prior to submitting the Application, in order to facilitate the uploading of allotted Shares to their CDS Account.

Please note that upon the allotment of Shares under this Issue, the allotted Shares will be credited to the Applicant's CDS Account so indicated. Please note that **SHARE CERTIFICATES SHALL NOT BE ISSUED.** Any Application which does not carry a valid CDS Account number or indicates a number of a CDS Account which is not opened at the time of Issue Closing Date or which indicates an inaccurate/incorrect CDS Account number shall be rejected and no allotment will be made.

You can open a CDS Account through any Trading Participants of the CSE as set out in Annexure B or through any Custodian Bank as set out in Annexure C of this Prospectus. You can also open a CDS Account through the 'CSE Mobile App'. The CSE Mobile App can be downloaded from the Apple App Store (for Apple IOS users) or the Google Play Store (for Google Android users).

REGISTRATION OF THE PROSPECTUS

A copy of this Prospectus has been delivered to the Registrar General of Companies in Sri Lanka for registration. The following documents were also attached to the copy of the Prospectus delivered to the Registrar General of Companies.

- **The Written Consent of the Joint Financial Advisors and Managers to the Issue**

The Joint Financial Advisors and Managers to the Issue have given and have not before the delivery of a copy of the Prospectus for registration withdrawn the written consent for the inclusion of the name as Joint Financial Advisors and Managers to the Issue and for the inclusion of the Research Report in the form in which it is included in the Prospectus.

- **The Written Consent of the Registrars to the Issue**

The Registrars to the Issue have given and have not before the delivery of a copy of the Prospectus for registration withdrawn the written consent for the inclusion of the name as Registrars to the Issue in the Prospectus.

- **The Written Consent of the Auditors and Reporting Accountants to the Company and to the Issue**

The Auditors and Reporting Accountants to the Company and to the Issue have given and have not before the delivery of a copy of the Prospectus for registration withdrawn their written consent for the inclusion of the name as Auditors and Reporting Accountants to the Company and to the Issue and for the inclusion of the Accountants' Report in connection to the Issue in the Prospectus.

- **The Written Consent of the Lawyers to the Issue**

The Lawyers to the Issue have given and have not before the delivery of a copy of the Prospectus for registration withdrawn their written consent for the inclusion of the name as Lawyers to the Issue in the Prospectus.

- **The Written Consent of the Bankers to the Company**

The Bankers to the Company have given and have not before the delivery of a copy of the Prospectus for registration withdrawn the written consents for the inclusion of the name as Bankers to the Company in the Prospectus.

- **The Written Consent of the Bankers to the Issue**

The Bankers to the Issue have given and have not before the delivery of a copy of the Prospectus for registration withdrawn the written consent for the inclusion of the name as Bankers to the Issue in the Prospectus.

- **The Written Consent of the Company Secretaries**

The Company Secretaries have given and have not before the delivery of a copy of the Prospectus for registration withdrawn their written consent for the inclusion of the name as Company Secretaries in the Prospectus.

- **The Declaration by the Directors**

A declaration has been made by each of the Directors of the Company confirming that each of them has read the provisions of the Companies Act No. 7 of 2007 (as amended) relating to the issue of the Prospectus and that those provisions have been complied with.

REGISTRATION OF THE PROSPECTUS IN JURISDICTIONS OUTSIDE OF SRI LANKA

This Prospectus has not been registered with any authority outside of Sri Lanka. Foreign investors may be affected by the laws of the jurisdictions of their residence. Such investors are responsible for compliance with the laws relevant to their country of residence and the laws of Sri Lanka, when making their investment.

REPRESENTATION

No person is authorised to give any information or make any representation not contained in this Prospectus and if given or made, any such information or representation must not be relied upon as having been authorised 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 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, the performance of financial markets both globally and locally, changes in domestic and foreign laws, regulation of taxes and changes in competition in the industry and further uncertainties that may or may not be in the control of the Company.

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

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

INVESTMENT CONSIDERATIONS

It is important that this Prospectus is read carefully prior to making an investment decision. For information concerning certain risk factors, which should be considered by prospective investors, see 'Investment Considerations and Associated Risk Factors' in Section 7.13 of this Prospectus.

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', and 'Rs.' are references to the lawful currency of Sri Lanka. Reference to 'USD' is with reference to United States Dollars, the lawful currency of the United States of America. Reference to 'EUR' is with reference to the Euro, the lawful currency of 20 member states of the European Union. Reference to 'BDT' is with reference to Bangladesh Taka, the lawful currency of Bangladesh. Reference to 'INR' is with reference to Indian Rupee, the lawful currency of India. Reference to 'NPR' is with reference to Nepalese Rupee, the lawful currency of Nepal.

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

PRESENTATION OF MACROECONOMIC AND INDUSTRY DATA

Economic and industry data used throughout this Prospectus are derived from various industry data sources, which the Company believes to be reliable, but the accuracy and completeness of that information is not guaranteed. Similarly, industry surveys and other publications, while believed to be reliable, have not been independently verified and neither the Company nor the Managers to the Issue make any representation as to the accuracy of that information.

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ISSUE AT A GLANCE

Company	LTL Holdings Limited
Number of Shares to be Issued	Initial issue of up to 1,103,448,300 new Ordinary Voting Shares of the Company at the Share Issue Price (Initial Issue) and in the event of an oversubscription of the Initial Issue to issue up to a further 275,862,100 new Ordinary Voting Shares of the Company at the Share Issue Price at the discretion of the Board of Directors of LTLH (Further Issue) resulting a total issuance of up to 1,379,310,400 new Ordinary Voting Shares of the Company (Total Issue).
Share Issue Price	LKR 14.50 per Share
Amount to be Raised via Share Issue	Up to LKR 16,000,000,350/- via the Initial Issue and in the event of an oversubscription of the Initial Issue to raise a further sum of up to LKR 4,000,000,450/- at the discretion of the Board of Directors of LTLH via a Further Issue resulting in a total amount of up to LKR 20,000,000,800/- being raised via the Total Issue by way of an offer for subscription.
Minimum Investment per Application	Minimum investment per Application is 500 Shares (LKR 7,250/-). Applications exceeding the minimum investment should be in multiples of 100 Shares. Minimum investment of 500 Shares will be allotted to each successful Applicant.
Opening of the Subscription List (Issue Opening Date)	September 10, 2024
Closure of the Subscription List (Issue Closing Date)	October 2, 2024 or the day on which the Issue becomes oversubscribed, whichever is earlier
Earliest Issue Closing Date	September 10, 2024
Basis of Allotment	The basis of allotment is detailed in Section 6.6 of this Prospectus
CSE Listing	To be listed on the Main Board of the CSE subject to compliance with the CSE Listing Rules, SEC Act and SEC Directives (as applicable)

1 CORPORATE INFORMATION

The Company	LTL Holdings Limited
Legal Form of the Company	A company incorporated in Sri Lanka as a private limited liability company under the Companies Ordinance No. 51 of 1938 on July 4, 1980 as Lanka Transformers Limited and re-registered as Lanka Transformers (Private) Limited under the Companies Act No. 07 of 2007 (as amended) on February 21, 2008. The Company changed its name from Lanka Transformers (Private) Limited to L.T.L. Holdings (Private) Limited on October 21, 2008. The Company changed its status from L.T.L. Holdings (Private) Limited to L.T.L. Holdings Limited under the Companies Act No. 07 of 2007 (as amended) on March 13, 2023 and consequently changed its name to LTL Holdings Limited on July 18, 2023. Authority of Incorporation: Registrar General of Companies (ROC), Colombo, Sri Lanka.
Company Registration Number	PB 00274329
Registered Office	No. 77, Level 1, Park Street Colombo 02, Sri Lanka Tel : +94 11 269 5007 Fax : +94 11 268 4900 E-mail: info@ltl.lk Web : www.ltl.lk
Board of Directors	Mr. Nalinda Sampath Illangakoon — Chairman, Non-Executive Director, Non-Independent Mr. Mapalagama Rupage Vijithananda Ruwan Meepura — Non-Executive Director, Non-Independent Mr. Jothipala Panangala Gamage — Non-Executive Director, Independent Mr. Condagamage Vajira Kulathilake — Non-Executive Director, Independent Mr. Mohamed Reyaz Mihular — Non-Executive Director, Independent Prof. Abeyratne Dissanayake Mudiyanselage Sirimal Ashoka Abeyratne — Non-Executive Director, Independent Mr. Upali Dayaratne Jayawardana — Non-Executive Director, Non-Independent Mr. Mohamed Jalaldeen Mohamed Nuhuman Marikkar — Chief Executive Officer, Executive Director Mr. Ravindra Kumar Pitigalage* — Deputy Chief Executive Officer, Executive Director *Mr. Utumange Gamini Sarath who is the Deputy Chief Executive Officer (Finance) of the Company has been appointed by Mr. Ravindra Kumar Pitigalage as his alternate director to act in his stead.

Company Secretaries	**S S P Corporate Services (Private) Limited** No. 101, Inner Flower Road Colombo 03, Sri Lanka. Tel : +94 11 257 3894/+94 11 257 6871 Fax: +94 11 257 3609
Auditors to the Company	**Ernst & Young (Chartered Accountants)** No. 109, Galle Road Colombo 03, Sri Lanka Tel : +94 11 246 3500 Fax: +94 11 269 7869
Bankers to the Company	**CITI Bank** No. 65C, Dharmapala Mawatha Colombo 07, Sri Lanka Tel : +94-11 244 7316-8 Fax: +94 11 244 5487 **Commercial Bank of Ceylon PLC** No. 21, Sir Razik Fareed Mawatha, Colombo 01, Sri Lanka Tel : +94 11 448 6000 Fax: +94 11 244 9889 **Hatton National Bank PLC** Level 17, No. 479, T B Jayah Mawatha Colombo 10, Sri Lanka Tel : +94 11 246 2462 Fax: +94 11 266 2759 **People's Bank** No. 75, Sir Chittampalam A. Gardiner Mawatha Colombo 02, Sri Lanka Tel : +94 11 248 1481 Fax: +94 11 247 3340 **Sampath Bank PLC** No.110, Sir James Peiris Mawatha Colombo 02, Sri Lanka Tel : +94 11 473 0113 Fax: +94 11 230 0603 **Standard Chartered Bank** No. 37, York Street Colombo 01, Sri Lanka Tel : +94 11 248 0000 Fax: +94 11 232 3676

2 RELEVANT PARTIES TO THE ISSUE

Joint Financial Advisors and Managers to the Issue	**NDB Investment Bank Limited** Level 1, NDB Capital Building No. 135, Bauddhaloka Mawatha Colombo 4, Sri Lanka Tel : +94 11 230 0385-90 Fax : +94 11 230 0393 Web: www.ndbib.com **CT CLSA Capital (Private) Limited** No. 4-15, Majestic City 10, Station Road Colombo 4, Sri Lanka Tel : +94 11 258 4843 Fax : +94 11 258 0181 Web: www.ctclsa.lk
Lawyers to the Issue	**F J & G de Saram** Attorneys-at-Law No. 216, De Saram Place Colombo 10, Sri Lanka Tel : +94 11 460 5100 Fax : +94 11 267 7863 Web: www.fjgdesaram.com
Auditors and Reporting Accountants to the Issue	**Ernst & Young (Chartered Accountants)** No.109, Galle Road Colombo 03, Sri Lanka Tel : +94 11 246 3500 Fax : +94 11 269 7869 Web : www.ey.com
Registrars to the Issue	**S S P Corporate Services (Private) Limited** No. 101, Inner Flower Road Colombo 03, Sri Lanka Tel : +94 11 257 3894/+94 11 257 6871 Fax : +94 11 257 3609 Web: www.sspcorporateservices.com
Bankers to the Issue	**Hatton National Bank PLC** Level 17, No. 479, T B Jayah Mawatha Colombo 10, Sri Lanka Tel : +94 11 246 2462 Fax : +94 11 266 2759 Web: www.hnb.lk **Sampath Bank PLC** No.110, Sir James Peiris Mawatha Colombo 02, Sri Lanka Tel : +94 11 473 0113 Fax : +94 11 230 0603 Web: www.sampath.lk

3 ABBREVIATIONS

A	Ampere
ABB	ASEA Brown Boveri
ADB	Asian Development Bank
AGA	American Galvanisers Association
Asiatic/AES	Asiatic Electrical & Switchgear (Private) Limited
AWPLR	Average Weighted Prime Lending Rate
BDT	Bangladeshi Taka
BESS	Battery Energy Storage System
Bn	Billion
BOI	Board of Investments of Sri Lanka
BOO	Build-Own-Operate
BOOT	Build-Own-Operate-Transfer
BLS	Bonar Long of Scotland
BPC	Bangladesh Petroleum Corporation
BPDB	Bangladesh Power Development Board
Bright/BIP	Bright International Power (Pte) Limited
c.	circa
CAGR	Compound Annual Growth Rate
CBSL	Central Bank of Sri Lanka
CDS	Central Depository System (Private) Limited
CEB	Ceylon Electricity Board
CEFT	Common Electronic Fund Transfer Switch
CEO	Chief Executive Officer
COD	Commercial Operation Date
COFACE	Compagnie Française d'Assurance pour le Commerce Extérieur
CPC	Ceylon Petroleum Corporation
CPRI	Central Power Research Institute, India
CSE	Colombo Stock Exchange
CSR	Corporate Social Responsibility
DC	Direct Current
DG	Diesel Generator
Din	Deutsches Institute fur Normung
DO	Diesel Oil
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
ECA	Export Credit Agency
EEPC	Engineering Export Promotion Council of India
EFF	Extended Fund Facility
EPC	Engineering, Procurement and Construction
EUR	Euro
FDI	Foreign Direct Investment
Feni Lanka/Feni	Feni Lanka Power Limited
FSRU	Floating Storage Regassification Unit
FY	Financial Year
GE	General Electric
GoSL	Government of Sri Lanka
GT	Gas Turbine
GTG	Gas Turbine Generators

GW	Gigawatt
GWh	Gigawatt hour
H_2	Hydrogen
Heladhanavi	Heladhanavi Limited
HFO	Heavy Fuel Oil
HT	High Tension
i.e.	That is
IDCOL	Infrastructure Development Company of Bangladesh
IEA	International Energy Agency
IIA	Inward Investment Account
IMF	International Monetary Fund
Infra/Infra & Engineering	Infra & Engineering (Private) Limited
IPP	Independent Power Producer
ISO	International Organization for Standardization
JV	Joint Venture
kA	Kiloampere
kV	Kilovolt
kW	Kilowatt
kWh	Kilowatt hours
kWp	Kilowatt peak
LAK/Lakdhanavi	Lakdhanavi Limited
Lakdhanavi Bangla	Lakdhanavi Bangla Power Limited
LC	Letter of Credit
LD	Liquidated Damage
LD Heavy Engineering	LD Heavy Engineering (Private) Limited
LECO	Lanka Electricity Company Limited
LKR	Sri Lanka Rupee
LLC	Limited Liability Company
LNG	Liquefied Natural Gas
LOI	Letter of Intent
LT	Low Tension
Ltd.	Limited
LTGEP	Long Term Generation Expansion Plan
LTL Energy	LTL Energy (Private)Limited
LTLG/LTL Galvanizers	LTL Galvanizers (Private) Limited
LTLH	LTL Holdings Limited/LTL Holdings Limited and its subsidiaries (wherever applicable)
LTLT/LTL Transformers	LTL Transformers (Private) Limited
LV	Low Voltage
Makari Gad	Makari Gad Hydro Power (Private) Limited
Mn	Millions
MT	Metric Ton
MV	Medium Voltage
MVA	Mega Volt-Ampere
MW	Megawatt
N/A	Not Applicable
NCE	National Chamber of Exporters

NGO	Non Governmental Organisation
NIC	National Identity Card
Nividhu	Nividhu (Private) Limited
Nividhu Assupiniella	Nividhu Assupiniella (Private)Limited
NM	Not Meaningful
NPAT	Net Profit After Tax
NSD	New Sulzer Diesel
O&M	Operations and Maintenance
OEM	Original Equipment Manufacturer
p.a.	Per annum
P/E	Price to Earnings Ratio
Pawandanavi	Pawan Danavi (Private)Limited
POA	Power of Attorney
PPA	Power Purchase Agreement
PPP	Public, Private Partnership
PV	Photovoltaic
PVkWp	Peak Watt (kWp) of a Photovoltaic (PV) system
Pvt	Private
R&D	Research and Development
Raj Lanka	Raj Lanka Power Company Limited
Rividhanavi	Rividhanavi (Private) Limited
ROA	Return on Assets
ROCE	Return on Capital Employed
ROE	Return on Equity
RTGS	Real Time Gross Settlements
Sahasdhanavi	Sahasdhanavi Limited
SAPS	South Asian Partnership Summit
SCAPC	Special Cabinet Approval Project Committee
SDG	Sustainable Development Goals
SEC	Securities and Exchange Commission of Sri Lanka
SLIPS	Sri Lanka Interbank Payment System
SLNQA	Sri Lanka National Quality Award
SLSEA	Sri Lanka Sustainable Energy Authority
Sobadhanavi	Sobadhanavi Limited
SOP	Standard Operating Procedures
SPPA	Standardized Power Purchase Agreement
SPV	Special Purpose Vehicle
STELCO	State Electric Company Limited
TIL	Teckpro Investment Limited
TP	Triple Pole
US Exim	Export-Import Bank of the United States
USD	United States Dollar
VCB	Vacuum Circuit Breaker
VRE	Variable Renewable Energy
w.e.f	with effect from
WCP/West Coast/Yugadhanavi	West Coast Power (Private)Limited

4 GLOSSARY

TERMS RELATED TO THE ISSUE

Applicant/s	An investor who submits an Application Form in terms of this Prospectus
Application Form/ Application	The Application form that constitutes part of this Prospectus through which the investors may apply for the New Shares
Articles of Association	Articles of Association of LTL Holdings Limited
Board/ Board of Directors/ Directors	The Board of Directors of LTL Holdings Limited
Companies Act	Companies Act No. 07 of 2007 (as amended)
CSE Listing Rules/Listing Rules	Listing rules of the Colombo Stock Exchange as amended from time to time
Foreign Investor	Investors who are: a) Citizens of Sri Lanka who are Resident outside Sri Lanka and above 18 years of age; b) Corporate bodies incorporated or established outside Sri Lanka; c) Foreign citizens above 18 years of age (irrespective of whether they are Resident in Sri Lanka or overseas); or d) Regional and country funds approved by the SEC; Please refer Section 6.1 for further information
Further Issue	Issue of a further 275,862,100 New Shares at the Share Issue Price at the discretion of the Board of Directors in the event of an oversubscription of the Initial Issue
GoSL/Government	Government of the Democratic Socialist Republic of Sri Lanka
IIA	Inward Investment Account
Initial Issue	Issue of 1,103,448,300 New Shares of LTLH at the Share Issue Price
IPO/ Issue Opening Date, Earliest IPO/ Issue Closing Date or IPO/Issue Closing Date	The dates of the opening and closing of the subscription list as set out in Section 5.9 of this Prospectus
Issue/Share Issue/ Total Issue/IPO	Issue of up to 1,379,310,400 New Shares comprising of Initial Issue and Further Issue as the case may be as detailed in Section 5 of this Prospectus of the Company
Joint Application Forms	Application Forms submitted by natural persons not exceeding three
LTLH/ the Company	LTL Holdings Limited
LTLH Group/ the Group	LTL Holdings Limited and its subsidiaries
Lawyers to the Issue	F J & G de Saram
Local Time	Sri Lanka Time
Joint Managers to the Issue/Joint Financial Advisors and Managers to the Issue/Managers to the Issue	NDB Investment Bank Limited and CT CLSA Capital (Private) Limited
Market Day	Any day on which CSE is open for trading
New Shares	Up to 1,379,310,400 new Ordinary Voting Shares to be issued by the Company to the public at the Share Issue Price
Non-Retail Investor Category	Investors who do not fall under the Retail Individual Investor Category and Unit Trust Investor Category

Ordinary Shares/ Issued and Paid-up Ordinary Shares/ Ordinary Voting Shares/ Shares	Ordinary voting Shares of the Company, which confer on the holders thereof, with regard to each share: a) the right to one vote on a poll at a meeting of the Company on any resolution; b) the right to an equal share in dividends paid by the Company; and c) the right to an equal share in the distribution of the surplus assets of the Company on liquidation.
Prospectus	This prospectus dated August 29, 2024 issued by the Company in connection with the Share Issue
Public Holding	As set out in the CSE Listing Rules
Registrars to the Issue	S S P Corporate Services (Private) Limited
Retail Individual Investor Category	Individual investor who subscribes for a value of not more than LKR 200,000/-(i.e. upto 13,700 Shares).
SEC Act	Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021
Share Issue Price/Issue Price	The price at which New Shares will be issued to the public as detailed in this Prospectus, i.e. LKR 14.50 per Ordinary Voting Share
Stated Capital	The stated capital of LTLH
Unit Holder	An individual who has made an investment in units not exceeding the value of LKR 10,000,000/- in a particular Unit Trust Fund that subscribes for New Shares, as per SEC Directive dated June 6, 2011 (Ref: SEC/LEG/11/06/01)
Unit Trust Investor Category	Growth and Balanced Unit Trusts operated by managing companies licensed under the SEC to operate such Unit Trusts, where such Unit Trusts comprise not less than 500 Unit Holders Resident in Sri Lanka who together hold at least 50% of that Unit Trust, as per SEC Directive dated June 06, 2011 (Ref: SEC/Leg/11/06/01)

5 DETAILS OF THE ISSUE

All financial information and figures pertaining to FY24 in this section are based on the Audited Financial Statements of LTLH for the period ended March 31, 2024 and Unaudited Interim Financial Statements for the period ended June 30, 2024.

5.1 THE ISSUE

The Issue contemplated herein shall constitute an invitation made to the public to subscribe for the initial issue of up to 1,103,448,300 new Ordinary Voting Shares of the Company (Initial Issue) and in the event of an oversubscription of the Initial Issue, for a further issue of up to 275,862,100 new Ordinary Voting Shares of the Company (Further Issue) at the Share Issue Price of LKR 14.50 per Share at the discretion of the Board of Directors of LTLH resulting in a total issuance of up to 1,379,310,400 new Ordinary Voting Shares of the Company (Total Issue) to raise up to LKR 20,000,000,800/- via the Initial Public Offering (IPO).

5.2 NATURE OF THE NEW SHARES

From the date of allotment, the New Shares shall rank equal and pari passu in all respects with the existing Ordinary Voting Shares and each New Share shall confer on the holder thereof the right to one vote on a poll at a meeting of the Company on any resolution, the right to an equal share in any dividend that may be paid by the Company and the right to an equal share in the distribution of the surplus assets of the Company in a liquidation.

5.3 SIZE OF THE ISSUE

The Company intends to raise up to LKR 20,000,000,800/- via the Issue.

5.4 SHARE ISSUE PRICE

The Share Issue Price will be LKR 14.50 per Share. The Board of Directors of LTLH are of the opinion that the Share Issue Price is fair and reasonable to the Company and to all existing shareholders of the Company in terms of the Companies Act. Advice for the determination of the Share Issue Price for the IPO was sought from the Joint Financial Advisors and Managers to the Issue, NDB Investment Bank Limited (NDBIB) and CT CLSA Capital (Private) Limited (CT CLSA), in accordance with the Research Report (as disclosed in Annexure A) compiled by NDBIB and CT CLSA in line with Rule 3.1.4 of the CSE Listing Rules.

The Net Asset Value per share of the Company (NAV) as per the Audited Financial Statements as at March 31, 2024 is LKR 11.79.

A summary of the valuation methods used to determine the Share Issue Price is as follows:

Table 5-1 Summary of Valuation

Valuation Method	Value per Share (LKR)	Upside to the Fair Value (%)
Primary Valuation Methodology Sum-Of-The-Parts approach (combination of DCF and NAV methodologies)	19.39	33.75%
Secondary Valuation Methodology 2-year Forward Price-to-Earnings Relative valuation method	36.32	150.46%

Source: Research Report (Annexure A)

**The pre-IPO number of Shares has been considered to arrive at the value per share since the pre-money forward earnings was considered for this methodology. This is also consistent with the approach followed in the Primary Valuation Methodology. The resultant Per Share Value and Upside to the Fair Value based on the post-IPO number of Shares is LKR 28.21 and 94.56%, respectively.*

The Share Issue Price of LKR 14.50 per New Share amounts to an upside of 33.75% to the fair value derived from the primary valuation methodology of LKR 19.39. The IPO Price is at a discount to the Fair Value in order to give a potential upside on the investment.

The investors should read the quantitative and qualitative factors given in Section 5.5, the risk factors included under Section 7.13 of this Prospectus and the details of the Company, and its financial statements included in this Prospectus.

5.5 QUANTITATIVE AND QUALITATIVE FACTORS PERTAINING TO THE ISSUE

5.5.1 Quantitative Factors

Earnings per Share (EPS), Return on Equity (ROE) and Price to Earnings Ratio (P/E)

Historical Earnings per Share (EPS), Return on Equity (ROE) and Price to Earnings Ratio (P/E) are given below.

Table 5-2 EPS, ROE & P/E

Period Ended	Basic EPS Adjusted for the Sub-division (LKR)*	ROE (%)**	P/E (X)***
March 31, 2022	3.04	43.5%	4.78
March 31, 2023	2.16	21.8%	6.71
March 31, 2024	0.91	7.9%	15.95
Three-Year Average	2.04	24.4%	7.12
Three Months Ended June 30, 2024 (as per Unaudited Interim Financials, not annualised)	0.19	NM	NM
Three Months Ended June 30, 2024 (as per Unaudited Interim Financials, annualised)	0.77	6.9%	18.78

Source: LTLH Audited Financial FY22, FY23 and FY24 and Unaudited Interim Financial Statements for the period ended June 30, 2024

$$*\text{Earnings per share (LKR)} = \frac{\text{Net profit attributable to equity shareholders}}{\text{Weighted average number of equity Shares outstanding during the year/period}}$$

**On March 27, 2023, LTLH sub-divided its ordinary Shares at a sub-division ratio of 197 ordinary Shares for each share held by the shareholders. In addition, again on March 04, 2024, the Company sub-divided its ordinary Shares at a sub-division ratio of 1,462 Shares for every 1,000 Shares held by the shareholders. A proforma adjustment was made to calculate the EPS for the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024 based on the sub-division ratio.*

$$**\text{ROE} = \frac{\text{Net profit attributable to equity shareholders}}{\text{Average Equity Attributable to Shareholders}}$$

****P/E ratio is calculated based on the Share Issue Price of LKR 14.50. The Average P/E of 7.12 times is calculated based on the Average Basic EPS (Adjusted for Sub-division) of LKR 2.04.*

The EPS from FY22 to FY24 reduced due to the decline in PAT mainly as a result of one-off exchange gains realized on foreign exchange deposits of the LTLH Group in FY22 and FY23 and non-receipt of dividend income from WCP in FY24. The PAT of FY23 and FY24 were further impacted by the increase in finance costs with the increase in borrowings obtained by LTLH Group for working capital financing during the two financial years and finance costs incurred by LAK as the EPC contractor to SOBA to continue the construction of the power plant, utilising its working capital facility limits and cash reserves until the commencement of drawdown of the project loan by SOBA. As a result, the interest paid on these borrowings obtained by LAK to finance the construction work of the SOBA power plant was reflected in the finance cost of FY23 and FY24 (without being capitalized as part of the project cost of SOBA). Net finance costs further increased in FY24 due to the reduction in finance income with the utilization of cash reserves of LAK to finance the construction of SOBA. One off impairment expenses recognized on the delay interest charged on the invoices raised to the BPDB and exchange losses incurred on translation of USD denominated borrowings of the Bangladesh power plants due to the depreciation of the BDT against the USD also impacted the FY23 and FY24 PAT. Refer Annexure A – Research Report for further information.

P/E Ratio

- Based on Basic EPS (post share sub-division) of LKR 0.91 for the year ended March 31, 2024, the P/E is 15.95 times.
- Based on the three-year adjusted average (FY22 – FY24) Basic EPS (post share sub-division) of LKR 2.04, the P/E is 7.12 times.
- As detailed under "Comparison of Accounting Ratios" below, only one peer company is considered for comparison purposes. Hence, the applicable P/E for the Industry is 17.43 times.

Name of the Peer Entity	P/E (x)*
WindForce PLC	17.43

Source: Based on Audited Financial Statements for the year ended March 31, 2024 published on the CSE Website (Accessed on July 10, 2024)

Sector Classification: Utilities

**Market capitalization is as at July 10, 2024 and earnings are on a trailing twelve-month basis as at March 31, 2024.*

Net Asset Value (NAV) per Share

The Net Asset Value (NAV) per Share of the Company is as follows:

Table 5-3 NAV per Share

As at	NAV per Share Adjusted for the Sub-division (LKR)*
March 31, 2023	11.28
March 31, 2024	11.79
June 30, 2024 (Unaudited, Interim Financial Statements)	11.19
Post - IPO (Only Initial Issue)	11.81
Post - IPO (Initial Issue and Further Issue)	11.93

$$\text{*Net Asset Value per share(LKR)} = \frac{\text{Equity attributable to the Parent}}{\text{Number of equity Shares as at the end of the period}}$$

**On March 27, 2023, LTLH sub-divided its ordinary Shares at a sub-division ratio of 197 ordinary Shares for each share held by the shareholders. The Company, again on March 04, 2024, sub-divided its ordinary Shares at a sub-division ratio of 1,462 Shares for every 1,000 Shares held by the shareholders. A proforma adjustment was made to calculate the NAV per share for the financial years ended March 31, 2022, March 31, 2023 and March 31, 2024 based on the sub-division ratio.*

$$\textit{NAV per Share adjusted for Sub-division} = \frac{\textit{Net Asset Value as at Specified Date}}{\textit{4,801,193,380}}$$

- The Share Issue Price is LKR 14.50.

Comparison of Accounting Ratios

In selecting comparable peer companies under GICS classification "Utilities", companies that own and operate installed capacity exceeding 100 MW and operations beyond Sri Lanka were short listed, considering LTLH's existing operational capacity of 894 MW and its presence in Bangladesh, India and Nepal in addition to Sri Lanka. As such, only WindForce PLC was considered as a proxy to LTLH. It should be noted that WindForce PLC too is a proxy and not a directly comparable peer, given LTLH's operations in manufacturing of power distribution equipment and in the provision of heavy engineering services (in addition to power generation and EPC/O&M services), the significant difference in scale of LTLH's current operational capacity (over 3.5x that of the proxy) and its significant exposure to thermal power, where the tariffs earned via the PPAs are typically structured differently to the tariff structures of renewable power projects. SPPA based renewable power projects contains only an energy charge based on the units of electricity generated. PPA based thermal power projects contain a capacity charge and an energy charge which are paid by the respective off-taker (i.e. the CEB in case of Sri Lanka), as detailed in below Section 5.5.2.

Table 5-4 Comparison of Key Ratios Among Peers

Peer Entity	NAV per Share (LKR)	EPS (LKR)	P/E* (x)	ROE** (%)
WindForce PLC	17.02	1.15	17.39	6.8

Source: Based on Audited Financial Statements for the year ended March 31, 2024 published on the CSE Website (Accessed on July 10, 2024).

Sector Classification: Utilities

Earnings based metrics are on a trailing twelve-month basis as at the last published quarter prior to July 10, 2024.

All balance sheet information of the respective peers is as at the last published quarter prior to July 10, 2024.

**Market capitalization is as at July 10, 2024 and earnings are on a trailing twelve-month basis as at the last published quarter on July 10, 2024.*

$$\textit{**ROE} = \frac{\textit{Net profit attributable to equity shareholders}}{\textit{Average Equity Attributable to Shareholders}}$$

Please refer Annexure A – Research Report for further information regarding industry-related details and financial highlights of LTLH.

5.5.2 Qualitative Factors

In order to arrive at the Share Issue Price, the following qualitative factors were considered:

- **Diversified Portfolio of Power Sector related Services and Products**

LTLH is a leading engineering company with noteworthy presence through its subsidiaries across the power sector value chain, with operations in the spheres of power generation, Engineering, Procurement & Construction (EPC) of power plants and Operations & Maintenance (O&M) of power plants, as well as the manufacturing of distribution transformers and switchgear, and the fabrication/galvanizing of steel structures. LTLH is engaged in the generation of both renewable and thermal power generation and has the experience and internal capabilities to undertake engineering services for renewable and thermal power plants as an EPC and O&M contractor. The operations of LTLH are spread across several countries in South Asia. The Power Purchase Agreements (PPAs) and O&M agreements entered into by LTLH for power plants are all on long-term basis.

The diversified operations of the Company aids in securing future business contracts as opposed to a stand-alone IPP due to the ability to cross-integrate the services and offerings of each of the companies in the Group when carrying out projects, resulting in cost efficiencies, value enhancements and a stable pipeline group-wide.

- **Contractual Revenue Flows**

The power generation subsidiaries of the LTLH Group operate in the Business to Government (B2G) space. The payment structures stipulated in the existing PPAs of its thermal power generation subsidiaries along with the O&M agreements entered into with power plants, enable the LTLH Group to receive contractually guaranteed cash-flow streams (such revenue amounted to c. 24% of FY2024 Group revenue, adjusted for the fuel charge earned on the thermal power plants, which is a pass through expense to the power off-taker).

The typical structure of thermal PPAs include a "capacity charge" and an "energy charge" which are paid by the respective off-taker (i.e. the CEB in the case of Sri Lanka) under the PPAs entered into for the thermal power plants, the LTLH Group is making available the contracted capacity of the power plants for the power off-taker to dispatch, as required, depending on the requirements of the grid. Irrespective of the level of dispatch/ energy generation of the power plants, the LTLH Group is paid the capacity charge for making available the contracted capacity of the power plant to the power off-taker as per the terms of the PPA. The capacity charge includes a capital cost recovery charge to compensate for the capital cost invested for the development of the power plant, including the return on the equity investment expected at the time of bidding for the project, and a fixed O&M charge to recover the fixed operating expenses (such as salaries, power plant insurance and other fixed overheads) incurred in having the power plant made available for dispatch by the power off-taker. Additionally, when the power plant is dispatched, the energy charge is paid to compensate for the fuel cost and variable O&M expenses incurred when generating electricity.

Another salient feature in the thermal PPAs entered into by LTLH Group is that a part of the capacity charge and energy charge include hard currency linked (USD and/or EUR) tariffs, given that a significant portion of the project cost is typically incurred in the said hard currencies. This provides a natural hedge against exchange rate risks (especially against LKR and BDT depreciation against hard currencies) and an LKR and BDT revenue that appreciate in a scenario where the LKR and/or BDT depreciates against such currencies. Further, the tariffs are inflation indexed for the respective currencies during the full tenure of the PPAs, thereby mitigating any inflationary risks in the geographies in which LTLH's thermal IPP subsidiaries operate.

- **Large Scale Independent Power Producer (IPP) in Sri Lanka**

LTLH, through its subsidiary Lakdhanavi Limited (LAK), remains to this date, one of the few, Sri Lankan based thermal IPPs to develop and operate thermal power plants with capacities in excess of 100MW, in Sri Lanka and abroad. LAK has also undertaken projects with a cumulative capacity of over 1,100 MW (thermal and renewable), in its 25-year history. Upon listing, LTLH will be the largest listed IPP on the CSE (based on installed capacity of listed IPPs on the CSE[1]) by far, and the only IPP with exposure to both thermal and renewable power generation (excluding listed companies which have exposure to both thermal and renewable power generation as financial investors). LTLH is a regionally comparable power company operating in Sri Lanka at present with no direct local competitors of similar scale and product offerings in the power generation space, and once listed, the Group's enhanced ability to attract foreign investment will further its standing in the region.

The expertise and experience, garnered by the Senior Management Personnel in operating in multiple countries, along with the skills of 250+ technical staff of LAK, who are well versed in undertaking work streams across the power plant procurement value chain have laid the foundation for the company to take on and successfully execute its future plans to continue expanding the capacity of the LTLH Group in both thermal and renewable power generation.

- **Expertise in Transformer & Switchgear Manufacturing, Steel Fabrication and Galvanizing**

LTL Transformers (Private) Limited (LTLT) and LTL Galvanizers (Private) Limited (LTLG), both of which are leading players in their respective markets locally, intend to expand their foothold in the local private sector, whilst undertaking capacity expansions in international markets by leveraging on the expertise and business networks built over the years.

LTLH's Indian based subsidiary, Asiatic Electrical & Switchgear (Private) Limited (AES) which was established in 1972 has witnessed steady growth in operational performance since the acquisition of the company by LTLH in 2016. AES is poised to capture more market share in the Indian market by capitalizing on the strong economic growth India is witnessing whilst continuously enhancing its export sales. AES has undertaken multiple initiatives recently to enhance sales volumes across its core operations and to diversify into related business operations within India such as solar power generation, where the company has secured PPAs for two (2) projects to develop a combined capacity of 8MW. Initiatives related to its core operations are expected to facilitate strong revenue growth in the near future,while the two (2) solar projects are viewed as a means to access the massive IPP market and potential in India for renewable energy.

5.6 OBJECTIVES OF THE IPO

The Company intends to raise a sum of up to LKR 20,000,000,800/- via the Total Issue.

Upon receipt of the total IPO proceeds, the Company will invest the entirety of such proceeds (less the cost of IPO) in its subsidiary, LAK by subscribing to new Shares in LAK through a rights issue of LAK. In this regard, LTLH, as the majority shareholder of LAK (with a shareholding of 81.7% in LAK), has indicated to LAK that it will render its support in obtaining the necessary shareholder approval to invest the entirety of the IPO proceeds and facilitate the proposed rights issue in LAK. After the completion of the rights issue, the current shareholding of LTLH in LAK, which is currently 81.7% will increase to a higher percentage in the event the other shareholders of LAK do not fully subscribe to the Shares offered to them under the said rights issue.

1 Based on the latest Annual Reports published on the CSE website (www.cse.lk) of respective IPPs listed on the CSE, Accessed on August 21, 2024

At the time of carrying out the said rights issue, the Board of Directors of LAK will be required to decide the consideration for which the Shares will be issued and to also opine that such consideration is fair and reasonable to LAK and to all existing shareholders of LAK. The price ceiling for the said rights issue of LAK will be the valuation for LAK and its subsidiaries (please refer Section 7.5 for details of LAK's subsidiaries) derived from the Primary Valuation Methodology as at March 31, 2024 (as indicated in Annexure A - Research Report) adjusted for the c. 25% IPO discount. The proposed rights issue is expected to be carried out in 4Q 2024, upon the completion of the IPO. Upon listing of LTLH and once the Board of Directors of LAK makes a decision on the proposed rights issue of LAK, a market announcement will be made by LTLH on the rights issue along with the terms thereof including the price per share, proportion, number of Shares to be issued etc. in respect of the rights issue.

The funds raised by the Company from the Issue which will be invested by the Company as aforesaid in LAK under the said rights issue will be utilized by LAK to meet the following objectives:

Table 5-5 Estimated Utilization of IPO Funds

Estimated Utilization of Funds	Assuming full subscription for Initial Issue (c. LKR Mn*)	Assuming full subscription for Total Issue (c. LKR Mn*)
Financing of full equity investment of Lakdhanavi Limited in Rividhanavi (Private) Limited – 100MW solar power project at Siyambalanduwa, Sri Lanka (refer Section 5.6.1)	6,047.4	6,047.4
Part financing of equity investment in Sahasdhanavi Limited - 350 MW combined cycle power plant project at Kerawalapitiya, Sri Lanka (refer Section 5.6.2)	9,552.6	13,502.6
Cost of the IPO (refer Section 5.10)	400.0	450.0
Total	**16,000.0**	**20,000.0**

**Based on the USD/LKR rate (Mid Rate) of LKR 302.37 as at July 31,2024 as published by CBSL*

Note – The above table indicates an estimated utilization of IPO proceeds. Any proceeds remaining after financing of full equity investment of Lakdhanavi Limited in Rividhanavi (Private) Limited and incurring funds for the cost of the IPO, will be used for part financing of equity investment in Sahasdhanavi Limited.

The objectives of the IPO do not amount to a Major Transaction for the Company in terms of Section 185 of the Companies Act.

5.6.1 Financing of Full Equity Investment of Lakdhanavi Limited in Rividhanavi (Private) Limited (RPL)

The consortium led by Lakdhanavi Limited with WindForce PLC, was awarded the tender by the CEB on August 16, 2023 for the development of Sri Lanka's first large scale ground mounted solar power plant[2] of 100MW$_{AC}$ in Siyambalanduwa, Sri Lanka on Build-Own-Operate (BOO) Basis and construction of 132kV transmission facility on Turnkey Basis ("the Solar Project") to supply electricity to the national grid of CEB for a 20 year period under a PPA. The Project company under the name of Rividhanavi (Private) Limited was incorporated on September 12, 2023 to develop the Solar Project.

2 https://www.ft.lk/top-story/Siyambalanduwa-sprouts-SL-s-first-integrated-renewable-energy-project/26-752158 Accessed on July 05,2024

Table 5-6 Key Project Information - Rividhanavi (Private) Limited

<table>
<tr><td>Location</td><td>Siyambalanduwa in the Uva Province of Sri Lanka</td></tr>
<tr><td>Type of Power Plant</td><td>Ground Mounted Solar with Single Axis Trackers and BESS (Battery Energy Storage System) for Ramp Rate Control</td></tr>
<tr><td>Capacity</td><td>Solar Park: 125MW$_{DC}$ and 100MW$_{AC}$
BESS: 12MWh</td></tr>
<tr><td>Project Land</td><td>200 Hectares of Government owned land to be subleased by the Sri Lanka Sustainable Energy Authority (“SLSEA”) to Rividhanavi (Private) Limited</td></tr>
<tr><td>Transmission Facility</td><td>27km, 132kV transmission line and a grid substation comprising of 2 x 63.5MVA 33/132kV step up transformers and other grid components, to be constructed and handed over to CEB</td></tr>
<tr><td>Tariff: Solar Park</td><td>Fixed tariff of USD cents 8.0 per kWh paid in equivalent LKR over the 20 Year term of the Power Purchase Agreement (“PPA”)</td></tr>
<tr><td>Annuity Payments: Transmission Facility</td><td>Semi-annual annuity of USD 2,288,624.85 paid in equivalent LKR over the 10 year term of the Contract for Development of Transmission Facility (“TF Agreement”)</td></tr>
<tr><td>Estimated First Year Annual Energy Generation</td><td>219 GWh</td></tr>
<tr><td>Estimated Total Project Cost</td><td>
<table>
<tr><th></th><th>USD Mn</th><th>c. LKR Mn*</th></tr>
<tr><td>Solar Plant and BESS</td><td>108.0</td><td>32.656.0</td></tr>
<tr><td>Transmission Facility</td><td>25.0</td><td>7,559.3</td></tr>
<tr><td>Total</td><td>133.0</td><td>40,215.3</td></tr>
</table>
*Based on the USD/LKR rate (Mid-Rate) of LKR 302.37 as at July 31, 2024 as published by CBSL
</td></tr>
<tr><td>Funding Mix</td><td>
<table>
<tr><th></th><th>%</th><th>USD Mn</th><th>c. LKR Mn*</th></tr>
<tr><td>Debt</td><td>70%</td><td>93.0</td><td>28,120.4</td></tr>
<tr><td>Equity</td><td>30%</td><td>40.0</td><td>12,094.8</td></tr>
<tr><td>Total</td><td>100%</td><td>133.0</td><td>40,215.2</td></tr>
</table>
*Based on the USD/LKR rate (mid-rate) of LKR 302.37 as at July 31, 2024 as published by CBSL
</td></tr>
<tr><td>Shareholding Structure of Rividhanavi (Private) Limited/ Source of Equity Funding</td><td>
<table>
<tr><th></th><th>Shareholding %</th></tr>
<tr><td>Lakdhanavi Limited</td><td>50%</td></tr>
<tr><td>WindForce PLC</td><td>50%</td></tr>
</table>
</td></tr>
<tr><td>Investment by LAK (Utilizing IPO Proceeds)</td><td>LKR 6,047.4 Mn (for 50% of the total equity amount, amounting to USD 20.0 Mn based on the USD/LKR rate (mid rate) of LKR 302.37 as at July 31, 2024 as published by CBSL)</td></tr>
<tr><td>Source of Debt Funding</td><td>Negotiations with both local banks and Development Financial Institutions (DFIs) are currently underway to obtain LKR and USD denominated long term project financing</td></tr>
<tr><td>Estimated Timeline</td><td>
<table>
<tr><td>Commencement of Construction</td><td>4Q 2024</td></tr>
<tr><td>Commissioning Date</td><td>3Q 2026</td></tr>
</table>
Rights Issue funds will be made available for the project latest by end of 4Q 2024.
</td></tr>
</table>

The Power Purchase Agreement and the Contract for Development of the Transmission Facility for the Solar Project were entered into between CEB and Rividhanavi on February 8, 2024 and April 25, 2024 respectively. The Implementation Agreement for the Solar Project between the GoSL and Rividhanavi was entered into on July 15, 2024 whilst the Sublease Agreement with the SLSEA for the Solar Project land is expected to be signed in the fourth quarter of 2024.

Upon reaching financial closure for the Solar Project and after fulfilling other preliminary period obligations as per the terms of the Power Purchase Agreement and the Contract for Development of the Transmission Facility, the construction work for the Solar Plant and the Transmission Facility are expected to commence, with a view of connecting the Solar Project to the National Grid in 2026, to support the Sri Lankan Government's commitment towards increasing the share of renewable energy to 70% by 2030[3].

The key permits, licenses, consents, and approvals required for the Project in accordance with the project agreements and other applicable laws are disclosed in Annexure G.

5.6.2 Part Financing of Equity Investment in 350 MW Combined Cycle Power Project (Sahasdhanavi Limited)

Lakdhanavi Limited (LAK), a subsidiary of LTLH, incorporated on May 28, 1996, has been awarded the Letter of Intent (LOI) dated December 12, 2023 by the CEB to develop a 350 MW Combined Cycle Power Plant on a Build-Own-Operate-Transfer (BOOT) basis marking the third such plant in Kerawalapitiya. This power project will increase LTLH's LNG footprint to 1,000 MW. LAK will serve as the project developer, EPC and O&M contractor for the project. Lakdhanavi has incorporated the project company under the name of Sahasdhanavi Limited on April 18, 2024 for the development of the power plant.

Table 5-7 Key Project Information - Sahasdhanavi Limited

<table>
<tr><td>Location</td><td>Kerawalapitiya, Western Province</td></tr>
<tr><td>Type of Power Plant</td><td>350 MW Combined Cycle Power Plant on a Build-Own-Operate-Transfer (BOOT) basis</td></tr>
<tr><td>Capacity</td><td>The power plant will feature multi fuel capability(diesel, LNG and LNG +30% H_2 [i.e. plant runs primarily on LNG with H_2 taking up 30% of capacity]) and is anticipated to primarily operate on LNG once the necessary infrastructure is developed to make available LNG for the generation of electricity in the country.</td></tr>
<tr><td>Project Land</td><td>12 acre plot of land

It will be located on a 12-acre plot of land adjoining the 300 MW West Coast power plant and 350 MW Sobadhanavi power plant in Kerawalapitiya</td></tr>
<tr><td>Estimated Total Project Cost</td><td>USD 250 Mn</td></tr>
<tr><td>Funding Mix</td><td>
<table>
<tr><th></th><th>%</th><th>USD Mn</th><th>c. LKR Mn*</th></tr>
<tr><td>Debt</td><td>70%</td><td>175.0</td><td>52,914.8</td></tr>
<tr><td>Equity</td><td>30%</td><td>75.0</td><td>22,677.8</td></tr>
<tr><td>Total</td><td>100%</td><td>250.0</td><td>75,592.4</td></tr>
</table>
*Based on the USD/LKR rate (mid-rate) of LKR 302.37 as at July 31,2024 as published by CBSL
</td></tr>
</table>

3 the Long-Term Generation expansion Plan 2023-2042, Ceylon Electricity Board (https://www.ceb.lk/publication-media/planing-documents/121/en), Accessed on July 10, 2024

<table>
<tr><td>Shareholding Structure of Sahasdhanavi Limited</td><td>
<table>
<tr><th></th><th>%</th></tr>
<tr><td>Lakdhanavi Limited</td><td>100.0%</td></tr>
</table>
</td></tr>
<tr><td>Investment by LAK (Utilizing IPO Proceeds)</td><td>LKR 13,502.6 Mn (part finance the total equity requirement amounting to USD 44.7 Mn based on the USD/LKR rate (mid-rate) of LKR 302.37 as at July 31, 2024 as published by CBSL)

In the event, the Further Issue is not carried out,the shortfall will be financed via internally generated funds.</td></tr>
<tr><td>Source of Debt Funding</td><td>Negotiations with both local and foreign lenders are to be undertaken to raise the required debt for the project on long term project financing basis.

Having an established mechanism to raise equity (via this IPO) in a timely manner, is essential for discussions with foreign and local lending institutions, whilst maintaining ongoing negotiations to finalise the project agreements with the CEB and the GoSL. Furthermore, being listed on the CSE will enhance the confidence of international lenders especially on governance structures.</td></tr>
<tr><td>Estimated Timeline</td><td>The LOI was issued to LAK on December 12, 2023 with a 25-year PPA Term from Combined Cycle Operation date.

<table>
<tr><td>Negotiations with the Special Cabinet Approval Project Committee which comprises of representatives from the CEB, CPC, CEA, Ministry of Finance and Ministry of Power and Energy</td><td>Already Commenced</td></tr>
<tr><td>Signing of the PPA and the Land Lease Agreement with the CEB, Implementation Agreement with GoSL and the Fuel Supply Agreement with the CPC</td><td>4Q 2024</td></tr>
<tr><td>Commencement of Construction</td><td>2Q 2025</td></tr>
<tr><td>Commercial Operation Date: Open Cycle – 220 MW</td><td>4Q 2026</td></tr>
<tr><td>Commercial Operation Date: Combined Cycle – 350 MW</td><td>4Q 2027</td></tr>
</table>

Rights Issue funds will be made available prior to the commencement of construction of this plant i.e. by the end of 4Q 2024.</td></tr>
</table>

LAK is currently negotiating the terms of the key project agreements which include the Power Purchase Agreement, Fuel Supply Agreement, Implementation Agreement and Land Lease Agreement with CEB and the GoSL. The key permits, licenses, consents, and approvals required for the project are disclosed in Annexure G.

Please refer Annexure H for the Letter issued by the CEB to the SEC on the status of the development of Sahasdhanavi as a committed project under the CEB's LTGEP and its inclusion as one of the main recommendations in the LTGEP to ensure adequate, economical and reliable supply of electricity in the near and long term.

It should be noted that, LTLH intends to invest the funds raised via the IPO in either one or a combination of government securities, deposits in licensed commercial banks and money market funds generating a return of at least the prevailing overnight REPO rate in the interim period until such funds are utilized for the objective identified above.

5.6.3 Benefits to the Shareholders of the Company from the Objective of the Issue

As the first solar power project and first large-scale renewable power project to be undertaken by LTLH, the investment in Rividhanavi (Private) Limited will spearhead LTLH Group's investments into the renewable energy sector of the country. In addition to the equity investment in this power project, LAK will be the joint EPC and O&M contractor to the power plant, which will provide additional revenue streams to the LTLH Group. The investment in Sahasdhanavi Limited will further expand the LNG footprint of the LTLH Group and enable the LTLH Group to achieve the milestone of having an operating power generation capacity of over 1,000 MW (with the commissioning of Rividhanavi (Private) Limited and Sahasdhanavi Limited, LTLH will have close to 1,350MW of operating power generation capacity in total, including 1,000MW of LNG capable capacity). LAK will also be the EPC and O&M contractor to the Sahasdhanavi power plant. The experience and expertise of LAK as the EPC and O&M contractors for Sobadhanavi, Rividhanavi and Sahasdhanavi power plants will place LAK in a stronger footing to secure more such projects locally and especially overseas in the future. Further, LAK can leverage on the internal capabilities and experience garnered through these projects to secure EPC and O&M contracts for the development of power plants for overseas market and external parties.

The income earned through the EPC and O&M contracts as well as dividends from the power projects would boost the future profitability and cash flows of LAK and therefore that of the Company. Furthermore, income from Rividhanavi, Sahasdhanavi and other projects in the pipeline have not been factored into the IPO valuation or pricing and are also not reflected in the forecast financial statements included in the Research Report (Annexure A).

5.7 SPECIFIC RISKS ASSOCIATED WITH THE OBJECTIVES OF THE ISSUE

5.7.1 Risk of Cost Overruns

Any potential increase in the estimated project cost will have an impact on the viability and expected returns of a project. LAK through its extensive project implementation experience maintains stringent internal controls to ensure that project costs are within the budget. However, costs can still escalate due to adverse macro-economic conditions,which are beyond the control of the company. Any cost escalations will be bridged through additional equity capital or via bank borrowings in order to ensure that the projects are completed on time, in the unlikely scenario of a cost overrun.

Given the long-standing experience in project execution,LTLH has not experienced any situations of requiring additional equity and debt financing during the project execution stage after reaching financial closure when undertaking past power projects.

Project costs of Sahasdhanavi and Rividhanavi have been estimated with necessary contingency provisions in place to counter possible cost escalations. Any LKR-based cost escalations can be covered by the committed equity amounts by the shareholders.

Furthermore, since Sahasdhanavi's project debt is expected to be USD denominated, there will be minimal impact on debt financing upon the depreciation of the LKR. The majority of Rividhanavi's project debt is also expected to be USD denominated.

The depreciation of LKR will cause to reduce the local costs in USD terms and will reduce the overall project cost in USD terms.

5.7.2 Risk of Schedule Overrun

Since the power projects of LAK are large scale infrastructure projects, delays in project implementation can arise from various factors such as holdups in project approvals (as mentioned in Annexure G) and macroeconomic conditions which are beyond the company's control. However, considering that the project agreements stipulate stringent timelines for the completion of projects, ensuring timely project implementation is critical.

Given the long-standing experience and positioning as a leading player in the integrated power industry, having commissioned numerous projects both in Sri Lanka and overseas markets within the stipulated project timelines, LAK does not foresee, at this point in time, any challenges in the implementation of the power projects within stipulated time frames.

LTLH through its expertise of over 25 years in development of power projects on turnkey basis has the required internal capabilities to undertake the full spectrum of engineering work from designing using advanced design software to commissioning of power plants with minimal dependency on external sub-contractors and agency support, carrying out procurements through reliable OEM suppliers who have long standing relationships with LTLH and undertaking site construction and erection. This provides LTLH with the requisite project planning capabilities to manage timely delivery of power projects within the stipulated contractual timelines.

5.7.3 Risk of Not Being Able to Raise Adequate Funds to Subscribe for the Envisaged Rights Issue at LAK

The Company will **invest the entirety** of IPO proceeds (**subject to the cost of IPO**) in LAK by subscribing to new Shares through a rights issue of LAK . In the event of an undersubscription of either the Initial Issue or the Total Issue, the Company will evaluate alternative financing options including internally generated funds, external borrowings and/or further equity raising as appropriate together with funds raised via the IPO to subscribe for the envisaged rights issue at LAK, thereby meeting the objective of the Issue set out in Section 5.6 herein.

It is the intention of LAK to structure the Rights Issue in consultation with shareholders of LAK which would ensure full subscription of the Rights Issue and hence there will not be any delays in utilization of Rights Issue funds towards the projects identified.

5.7.4 Risk of the GoSL not pursuing with the Sahasdhanavi Project as per the CEB's LTGEP

LTLH was awarded the Sahasdhanavi project by an LOI subsequent to a competitive procurement process by the CEB. Despite that, there may be a risk of the GoSL not pursuing with the project.

It should be noted that Sahasdhanavi is an integral addition as the 2nd committed LNG-powered combined cycle plant in Kerawalapitiya, as listed in CEB's LTGEP which was published in 2023, adding 350 MW of firm power capacity to the national grid. The timely commissioning of this project is also listed under the main recommendations identified in the LTGEP. Furthermore, due to the capability of the plant to run on LNG (which is a cleaner alternative to coal and diesel-powered plants), this addition aligns with GoSL's initiatives on transitioning towards cleaner power generation.

Considering the delays already experienced in the implementation of CEB's LTGEP[4], it is imperative that the CEB proceeds with the commissioning of Sahasdhanavi, particularly given that 385 MW of firm power (power plants) is due for retirement by end-2026, necessitating the timely additions of firm power to the grid. As such, the CEB has shown interest in proceeding with the processes relating to the commissioning of Sahasdhanavi as evidenced by the ongoing negotiations between the SCAPC and LTLH.

Furthermore, the CEB would not be able to facilitate the connection of significant renewable energy capacity to the grid without adequate additions of firm power due to the intermittent nature of renewable power, making the timely commissioning of Sahasdhanavi critical.

4 *https://www.ceb.lk/front_img/img_reports/1677040471CEB_LTGEP_2023-2042_DL-LINK-.pdf, Accessed on August 23,2024*

Since LNG is a cheaper source of fuel and given CEB's plans of powering SOBA with LNG, the quantity of LNG required for SOBA alone will not optimize the economies of scale of LNG distribution and storage infrastructure. As such, it would be imminent for CEB to continue with Sahasdhanavi, so that adequate capacity would be in place to operate plants (including SOBA) with LNG in the most optimum manner.
Considering the above, it is unlikely that the GoSL will decide not to proceed with the current project (i.e. Sahasdhanavi).

5.7.5 Risk of Not Being Able to Invest the Funds Raised for the Stipulated Objectives and/or the Stipulated Timelines

LTLH does not intend to deviate from the objectives mentioned above when utilising the proceeds raised through the Issue. However, in the event the Company cannot proceed with the said objectives, for any reason not attributed to the Company, the Company would evaluate the next best alternative of investing such funds without undue delay.

In the event proceeds raised via the Issue are utilised for any purpose other than the objectives mentioned above, or if there is any deviation from the stipulated time frame to achieve the objectives or any deviation from the amount allocated for the objectives, the Company will make necessary disclosures to the shareholders via the CSE and include relevant disclosures in the Interim Financial Statements and the Annual Report as appropriate and will take steps to obtain any necessary approvals of the relevant parties including the shareholders as appropriate at that point in time .

In the event the Company decides to utilise proceeds of the IPO for the purpose of any related party transactions, such utilisation would be carried out in compliance with Section 9 of the CSE Listing Rules by obtaining the requisite approvals from the Related Party Transaction Review Committee prior to carrying out such transactions.

The Company will disclose the information pertaining to the utilisation of proceeds of the Issue in the Annual Report and in Interim Financial Statements from the date of raising funds until the objective is achieved, and until funds are fully utilised as per the template referred to below;

Table 5-8 Continuous Disclosure on Utilisation of Proceeds of the Issue

Objective No.	Objective as per Prospectus	Amount allocated as per Prospectus in Rs.	Proposed Date of Utilisation as per Prospectus	Amount allocated upon the receipt of proceeds in Rs. [A]	As a % of Total Proceeds	Amount Utilised in the Objective Rs. [B]	% of Utilisation against allocation [B/A]	Clarification if not fully Utilised including where the funds are invested (i.e. (e.g. whether given to related parties etc.)

5.8 APPROVAL FOR THE ISSUE AND COMPLIANCE WITH THE SEC ACT AND LISTING RULES

The Issue contemplated herein constitutes an issue of up to One Billion Three Hundred and Seventy Nine Million Three Hundred and Ten Thousand Four Hundred (1,379,310,400) New Ordinary Voting Shares at the Share Issue Price of LKR 14.50 per Share to raise a total sum of up to Sri Lanka Rupees Twenty Billion Eight Hundred(LKR 20,000,000,800/-).

If the Total Issue is fully subscribed, the New Shares will amount to 22.32% of the Ordinary Shares of the Company subsequent to the IPO.

Ceylon Electricity Board being a shareholder and a public corporation, obtained the approval of the Cabinet of Ministers, on December 19, 2022, for the issuance and listing of up to 5,500,000 new Ordinary Voting Shares of the Company (which amounts to 1,584,077,000 Ordinary Voting Shares pursuant to the sub division of Shares referred to in Section 7.10), for the purpose of raising requisite capital from the capital market to fund the identified new projects of the LTLH Group. Pursuant to the said approval of the Cabinet of Ministers, the Ceylon Electricity Board at its board meeting held on January 10, 2023 decided to implement the Cabinet Decision, which in turn was considered by the LTLH Board on July 09, 2024.

The Board of Directors of the Company, having considered the current macro-economic environment of the country, and the immediate capital requirements to finance the objectives mentioned in Section 5.6 of the Prospectus, resolved to issue up to 1,379,310,400 Ordinary Voting Shares, which constitute 87% of the total number of Shares approved for issuance as aforementioned (i.e. 1,584,077,000 Ordinary Voting Shares) by the Cabinet of Ministers and the Board of Directors of CEB. The Company has the option to issue the remaining 204,766,600 Ordinary Voting Shares (i.e. 13% of the total number of Shares approved for issuance), subsequent to the listing of the Company, as more fully disclosed in Section 7.10.2 of the Prospectus. The shareholders of the Company approved the same by resolution passed on August 22, 2024.

An Application has been made and approved in principle by the CSE for a listing of up to Six Billion One Hundred and Eighty Million Five Hundred and Three Thousand Seven Hundred and Eighty (6,180,503,780) Ordinary Voting Shares being the entirety of the issued Shares of the Company subsequent to the IPO.

However, the CSE has reserved the right to withdraw such approval, in the circumstances set out in Rule 2.3 (b) of the Listing Rules of the CSE.

Furthermore, LTLH has obtained the requisite approval from CSE for the IPO. The Company has lodged a copy of the Prospectus with the CSE in terms of Section 82 of the SEC Act. LTLH has already complied with Rule 2.1.2 (A) (i) (b) and (d) of the CSE Listing Rules for a listing on the Main Board.

It is expected that the Company will meet the minimum Stated Capital requirement as set out in Rule 2.1.2 (A) (i) (a) and the minimum public holding requirement as set out in Rule 2.1.2 (A) (i) (c) via the IPO pursuant to which the listing of the entire Ordinary Shares of the Company will take place on the Main Board of the CSE.

However, in the event LTLH is unable to meet the requirements of Rule 2.1.2 (A) (i) (a) and (c) of the CSE Listing Rules as mentioned above, upon closure of the Issue, the Company would alternatively opt for a listing on the Diri Savi Board of the CSE, subject to meeting the minimum public holding requirement set out in Rule 2.1.2 (A) (ii) (c) of the CSE Listing Rules. In the event the Company is unable to meet the necessary criteria for listing on the Main Board or Diri Savi Board subsequent to the IPO, the Company will not be listed on the CSE and the monies received from Applicants will be returned to the Applicants.

It should be noted that the aforesaid public holding requirements would be calculated by considering all Shares that are freely tradable on the date of listing. The details of Shares subject to lock-in are mentioned in Section 7.10 of the Prospectus.

5.9 OPENING AND CLOSING OF THE SUBSCRIPTION LIST

The subscription list for the New Shares will open at 9.00 a.m. on September 10, 2024 and shall, subject to the occurrence of the events in the following paragraph, remain open for fourteen (14) Market Days (including the date of opening) until closure at 4.30 p.m. October 2, 2024.

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. Accordingly the Earliest Issue Closing Date shall be Issue Opening Date (i.e. September 10, 2024):

i. The maximum of Total Issue amounting to 1,379,310,400 New Shares being fully subscribed;
ii. The Board of Directors of LTLH decides to close the Issue upon the Initial Issue of 1,103,448,300 New Shares becoming fully subscribed.

In the event of an oversubscription of the Initial Issue, if the Board of Directors of the Company decides to proceed with the Further Issue but subsequently decides to close the subscription list upon subscription of part of the Further Issue, such decision will 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 LTLH decides to close the Issue without the full subscription of the Initial Issue, such decision will 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.

However, in the event of an oversubscription, the subscription list will be closed on an earlier date at 4.30 p.m. with notification to the CSE. Accordingly, the Earliest Issue Closing Date shall be Issue Opening Date (i.e. September 10, 2024).

The Board of LTLH reserves the right to close the subscription list on any Market Day within the period of fourteen (14) Market Days, irrespective of whether the Issue is oversubscribed or not, by providing one (01) Market Day's prior notice to the CSE.

Applications may be made forthwith in the manner set out in Section 6 of this Prospectus.

5.10 COST OF THE ISSUE

The costs associated with the Total Issue are estimated to be c. LKR 450 Mn translating to c. 2.25% of the Total Issue. In the event the Further Issue is not exercised, the costs associated with the Initial Issue is estimated to be c. LKR 400 Mn translating to c. 2.5% of the Initial Issue. These include all direct costs and indirect expenses associated with the Issue, inclusive of but not limited to the initial listing fees to the CSE, management/advisory fees payable to the Joint Managers to the Issue, brokerage commission, fees for the registrar function, fees for bankers, legal, consultancy and accountancy fees, advertising and promotional costs and printing costs. The costs borne by LTLH will be recovered from the IPO proceeds.

5.11 BROKERAGE

Brokerage at the rate of zero decimal five per centum (0.5%) of the value of New Shares will be paid in respect of the number of New Shares allotted on Applications delivered physically, bearing the original seal of any bank operating in Sri Lanka or Trading Participants of the CSE or Joint Financial Advisors and Managers to the Issue or any other party identified by the Company and/or Joint Financial Advisors and Managers to the Issue engaged in the placement of the Issue.

5.12 MINIMUM SUBSCRIPTION AND UNDERWRITING

The Issue is not conditional upon any minimum subscription amount being raised through this IPO.

The Company has not entered into any underwriting arrangement with regard to the Issue.

In the event the either Initial Issue or Total Issue is undersubscribed, the subscribers shall be allotted the New Shares they have applied for in full (subject to LTLH meeting the necessary criteria for listing on the Main Board or Diri Savi Board subsequent to the IPO), and the Company will evaluate alternative financing options including internally generated funds, external borrowings and/or further equity raising as appropriate together with funds raised via the IPO to meet the objective of the Issue set out in Section 5.6 herein.

5.13 INSPECTION OF DOCUMENTS

Articles of Association, Auditors' Report and Audited Financial Statements for the five (5) financial years ended March 31, 2024, March 31, 2023, March 31, 2022, March 31, 2021, March 31, 2020, Accountants Report and Summary Financial Statements for the five (5) financial years immediately preceding the date of this Prospectus, Interim Financial Statements for the period ended June 30, 2024, Material Contracts and Management Agreements (if any), Research Report prepared by Managers to the Issue would be made available for inspection by the public during normal working hours at the registered office of the Company, at No. 77, Level 1, Park Street, Colombo 02 from the date hereof, until the subscription list is closed or up to 14 Market Days, whichever is later as per Rule 3.1.19 (a) of the CSE Listing Rules.

The Prospectus, Application Form and Articles of Association of the Company will be available on the website of the CSE, www.cse.lk, on the website of the Company, www.ltl.lk and, on the website of the Managers to the Issue www.ndbib.com and www.ctclsa.lk, from the date hereof for a period of not less than Fourteen (14) Market Days as stipulated in Rule 3.1.19 (b) of the CSE Listing Rules.

The Research Report justifying the Share Issue Price will be available on the website of the CSE, www.cse.lk, on the Company website, www.ltl.lk, and on the website of the Managers to the Issue www.ndbib.com and www.ctclsa.lk from the date hereof, for a period of not less than two (2) months as stipulated in Rule 3.1.19 (c) of the CSE Listing Rules.

6 PROCEDURE FOR APPLICATION

6.1 ELIGIBLE APPLICANTS

Applications are invited from the following categories of investors, having a valid **CDS Account in the CDS**:

i. Citizens of Sri Lanka who are Resident in Sri Lanka and above 18 years of age; or
ii. Citizens of Sri Lanka who are Resident outside Sri Lanka and above 18 years of age; or
iii. Companies, corporations or institutions incorporated or established within Sri Lanka; or
iv. Corporate bodies incorporated or established outside Sri Lanka; or
v. Approved unit trusts licensed by the SEC; or
vi. 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); or
vii. Foreign citizens above 18 years of age (irrespective of whether they are Resident in Sri Lanka or overseas); or
viii. Global, regional and country funds approved by the SEC.

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.**

Applications submitted by investors mentioned in (ii), (iv), (vii) and (viii) should be in accordance with the provisions of Foreign Exchange Act No.12 of 2017 and any regulations and/or directions issued thereunder.

Applications submitted under the Unit Trust Investor Category should conform to the criteria defined by the SEC Directive dated June 06, 2011 (Ref: SEC/LEG/11/06/01).

Eligible Applicants may fall into one of the following categories.

i. Retail Individual Investor Category
ii. Unit Trust Investor Category
iii. Non-Retail Investor Category

Please refer "Glossary of Terms Related to the Issue" for the definitions of the aforementioned categories.

6.2 THE PROCEDURE FOR APPLICATION

6.2.1 How to Apply

Availability of Prospectus and Application Form

Applicants applying for New Shares should submit their Applications in the manner set out below as applicable to you.

i. Via Physical Delivery

The Prospectus and Application Form will be made available free of charge from the collection points listed in Annexure B. The Prospectus and the Application Form can also be downloaded from **www.cse.lk, www.ltl.lk,** the websites of the Managers to the Issue **www.ndbib.com** and **www.ctclsa.lk. Please refer Section 6.2.8 for submission of Application Forms.**

Applicants must apply for the New Shares through the Application Form, which constitutes part of this Prospectus. The Application Form should be legibly completed and be received by the Registrars to the Issue.

ii. Via CSE Mobile App

Applicants who register with the CSE Mobile App should follow the instructions set out in the said Mobile App and submit their Applications as per the instructions. Submission of digital Application Forms through such CSE Mobile App is limited to both citizens of Sri Lanka who are Resident in or outside Sri Lanka and are above 18 years of age and, foreign citizens above 18 years of age (irrespective of whether they are Resident in Sri Lanka or overseas) only.

The Mobile App, currently, does not facilitate Applications made through Powers of Attorney (POA),Margin Trading, Joint Applicants and the categories referred to in Section 6.1 sub-sections iii, iv, v, vi and viii to apply. Therefore, such Applicants may send their Applications physically as disclosed above.

Please note that the Applicants who wish to use the integrated Helakurusuper Payment App platform through the CSE Mobile App should have the 'Helakurusuper' Mobile App installed in their mobile devices. Please refer Section 6.3.5 for more details on Helakurusuper Mobile App.

iii. CDS Web Portal

The Applicant can use the online Application Web Portal accessible via https://ipo.cse.lk/ or www.cds.lk or https://www.linkedin.com/company/cds-srilanka. Only Resident and non-Resident individual Applicants who have a valid CDS Account at the time of Application can apply via the CDS Web Portal.

This option is not permitted for Applicants applying via POA,Margin Trading, Joint Applicants, foreign citizens, corporate bodies and Unit Trusts.

The Applicant must comply with the instructions given on the Web Portal when submitting the online Application.

Users must first register for the Web Portal and read the instructions given on the Web Portal carefully and click on "Apply Now" option. Users will be directed to a page to self-register and create a login by validating their mobile number and email address. Once the user logs-in to the Web Portal the Application can be completed and submitted via the CDS Web Portal.

(iv) CDS eConnect

Institutional users (CDS Account types of Local Customer and Foreign Customer) who are registered to the CDS eConnect facility are allowed to apply for the IPO through their registered CDS eConnect.

Registered eConnect Institutional users (Applicant categories iii, iv, v, vi, viii mentioned in Section 6.1 Eligible Applicants), have an option for "eIPOs" within their eConnect facility, through which they are enabled to select the relevant IPO and apply.

APPLICANTS SHOULD APPLY ONLY THROUGH ONE INVESTOR CATEGORY (INCLUDING JOINT APPLICANTS AND MARGIN APPLICANTS) AND ARE PERMITTED TO SUBMIT ONLY ONE APPLICATION FORM. TWO OR MORE APPLICATIONS SUBMITTED BY THE SAME APPLICANT EITHER UNDER THE SAME CATEGORY OR UNDER DIFFERENT CATEGORIES WILL BE CONSTRUED AS MULTIPLE APPLICATIONS AND WILL BE REJECTED.

Retail Individual and Non-Retail Investor Category

Applicants falling under the **Retail Individual and Non-Retail Investor Categories** should apply for New Shares through the **WHITE coloured** Application Form printed for this purpose, which constitutes part of this Prospectus (please refer Section 6.2.1 above for methods of obtaining the Prospectus and Application Form).

Exact size copies of the Application Form will also be permissible under the Retail Individual and Non-Retail Investor Categories. The completed Application Forms should be submitted to the Registrars to the Issue in accordance with Section 6.2.8 of the Prospectus.

Local and Foreign Investor/s who apply for value of not more than LKR 200,000/- (i.e. upto13,700 Shares) will be categorised as Retail Individual Investors for share allotment purposes .

All foreign Applicants and corporate Applicants should ensure that the Passport Number/Company Registration number (as applicable) is stated in the relevant cages of the Application Form.

Unit Trust Investor Category

Applicants applying under the **Unit Trust Investor Category** should apply for the New Shares using the separate **YELLOW coloured** Application Form printed for this purpose which constitutes part of this Prospectus. Such Application Forms will be made available through the Joint Managers and Financial Advisors to the Offer, NDB Investment Bank Limited, Level 1, NDB Capital Building, No. 135, Bauddhaloka Mawatha,Colombo 04 and CT CLSA Capital (Private) Limited, No. 4-15, Majestic City, 10, Station Road, Colombo 04.

The completed Application Forms should be submitted to the Joint Managers and Financial Advisors to the issue who will forward the same to the Registrars to the Issue in accordance with Section 6.2.8

Only one Application should be made by an Applicant under the **Unit Trust Category.**

Applications submitted under the Unit Trust Investor Category should submit a confirmation by the trustee that such Unit Trust is in conformity with the criteria defined by the SEC Directive dated June 06, 2011
(Ref: SEC/LEG/11/06/01).

Joint Applications
An Applicant of a Joint Application, applying through another Application Form, is deemed to have made multiple Applications and will be rejected.

An Applicant who has made an Application under a Margin Trading account should not apply individually or jointly on a separate Application Form. Such Applications will also be construed as multiple Applications and will be rejected.

Subject to the above, the Company/Managers/Registrars to the Issue reserve the right to reject multiple Applications and suspected multiple Applications which are not allowed or to accept only one Application Form at their discretion.

Notwithstanding any provision contained herein, the Board of Directors shall reserve the right to refuse any Application or to accept any Application in full or part, without any explanation or reason.

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

Application Forms stating third party CDS Accounts instead of their own CDS Account numbers, except in the case of Margin Trading accounts detailed in Section 6.2.5 will be rejected.

The CDS Account number stated on the Application you submit should be registered under your name. Kindly contact your stockbroker if you are in doubt about the CDS Account number. Application Forms stating third party CDS Accounts instead of their own CDS Account numbers, except in the case of Margin Trading accounts, will be rejected.

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.

All Applicants (both resident and foreign) should indicate their respective NIC number or Company Registration number or Passport Number, as the case may be, in the Application Form. Individual Resident Applicants should indicate their Passport number in the Application Form only if they do not have an NIC Number.

As per the Directive of the SEC made under Circular No. 08/2010 dated November 22, 2010 and Circular No. 13/2010 issued by the CDS dated November 30, 2010, all Shares allotted must be directly uploaded to the CDS Accounts. As such, all Applicants should indicate their CDS Account number in the Application Form. Applicants who do not have a CDS Account are advised to open a valid CDS Account prior to submitting the Application, to facilitate the uploading of allotted Shares to their CDS Account.

Please note that upon the allotment of New Shares under this Issue, the allotted New Shares will be credited to the Applicant's CDS Account so indicated. Please note that **SHARE CERTIFICATES SHALL NOT BE ISSUED.**

Any Application which does not carry a valid CDS Account number or indicates a CDS Account number which is not opened at the time of Issue Closing Date or which indicates an inaccurate/incorrect CDS Account number, shall be rejected and no allotment will be made.

You can open a CDS Account through any Trading Participants of the CSE as set out in Annexure B or through any Custodian Bank as set out in Annexure C of this Prospectus. You can also open a CDS Account through the CSE Mobile App. The CSE Mobile App can be downloaded from the Apple App Store (for Apple IOS users) or the Google Play Store (for Google Android users).

PLEASE NOTE THAT AN ALLOTMENT OF NEW SHARES WILL ONLY BE MADE IF YOU HAVE A VALID CDS ACCOUNT AT THE TIME OF SUBMISSION OF APPLICATION.

Applicants have the option of having their Shares 'locked' in the CDS. Shares that are 'locked' will not be available for trading purposes and will not be visible to the participants. Such Applicants would have to fill in the relevant section in the Application Form for this purpose. If the Applicant has not specified that the Shares need to be deposited to his/her 'locked' balance in the CDS Account, the said Shares would be deposited to Applicant's 'trading' balance in the CDS Account.

Operation of a 'locked' balance in the CDS
In order to preserve the confidentiality of shareholder information and to ensure that securities are not made available for trading for those shareholders who do not want to trade the securities, the CDS provides a mechanism where securities can be 'locked' in the CDS Account.

The CDS maintains two balances for each CDS Account, namely a 'trading' balance and a 'locked' balance. The trading balance would be visible to the CDS participant and all dealings and trading would be permitted on the said trading balance, as done normally.

As opposed to the trading balance, the locked balance will not be visible to the CDS participant and all dealings on such locked balance would be suspended thereby maintaining the confidentiality of the information and also safeguarding the account holder from any unauthorised sale by a broker.

At the request of an account holder, the CDS would transfer a named quantity of securities from the locked balance to the trading balance of a CDS Account and/or from the trading balance to the locked balance.

6.2.2 Number of Shares Applied

Application should be made for a minimum of Five Hundred (500) Shares for a value of Sri Lanka Rupees Seven Thousand Two Hundred and Fifty (LKR 7,250/-) and in multiples of One Hundred (100) Shares thereafter.
The maximum number of Shares that can be applied through one Application under the IPO would be limited to One Billion Three Hundred and Seventy Nine Million Three Hundred and Ten Thousand Four Hundred (1,379,310,400) Ordinary Voting Shares, i.e. the total number of Shares issued under the IPO rounded to nearest 100 shares. Any Applications for over and above 1,379,310,400 Shares would be either capped at the maximum number of Shares as aforesaid or rejected at the outset at the discretion of the Board of Directors.

Applications made for less than Five Hundred (500) Shares or for a number which is not in multiples of One Hundred (100) Shares will be rejected and the accompanying cheques, bank drafts or bank guarantees will not be sent for clearing but will be returned via ordinary post at the risk of the Applicant, or in the case of Joint Applicants, the first named Applicant. **The cheque or bank draft or bank guarantee or RTGS/CEFT/SLIPS transfer or payment via the payment gateway provided through the CDS Web Portal/CSE Mobile App should be issued/carried out to the exact number of New Shares applied for multiplied by the Share Issue Price.** Any Application not conforming to the above requirement will be rejected and the Application monies will be returned as aforementioned.

Please refer Section 6.3 for details with respect to the mode of remittance.

6.2.3 Identification Information

All Applicants should disclose their identification/registration information by filling in the space provided in the Application Form for this purpose.

Applicants are requested to state their residency and nationality in the appropriate spaces provided in the Application Form.

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

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

Tabulated below is the relevant identification information that a prospective investor should provide depending on the legal status:

Table 6-1 Investor Identification Required

Citizenship/Legal Form	Identification Information			
	NIC Number	Passport Number	Company Registration Number	Common Seal or Rubber Stamp
Sri Lanka Citizens	X			
Sri Lanka Citizens with no NIC Number*		X		
Foreign Citizens**		X		
Corporate Entities***			X	X

**In the case of Sri Lankan citizens, the Passport number will be accepted only when the NIC number is not available. The CDS Account must be for the same Passport Number.*
*** Foreign citizens must state the Passport number in the space provided in the Application Form.*
**** In case of a corporate entity, the Company Registration number must be provided. The common seal or rubber stamp should be affixed, and the Application Form duly signed as stipulated in the constitutional documents of such Applicants.*

A valid CDS Account number must be stated in the Application Form. All foreign Applicants and corporate Applicants should ensure that the Passport Number/Company Registration number is stated in the relevant cages of the Application Form. All information about the Applicant (i.e., name, address, nationality and NIC or Passport Number) will be downloaded from the database of the CDS, based on the number given in the Application Form. In the event of any discrepancy between the information in the CDS and in the Application Form, the information in the CDS shall take precedence.

If the CDS Account number is not indicated in the Application Form, or the number indicated in the Application Form is found to be inaccurate/incorrect, or the account number indicated is not opened at the Issue Closing Date, such Application will be rejected, and no allotments of Shares will be made.

6.2.4 Key Responsibility of a Foreign Investor

Foreign Investors may be affected by the laws of the jurisdiction of their residence. If Foreign Investors wish to apply for the New Shares, it is their responsibility to comply with the laws relevant to the jurisdiction of their residence and of Sri Lanka.

6.2.5 Margin Trading

Applicants who wish to apply through their Margin Trading account should submit the Applications in the name of the 'Margin Provider/Applicant's name' signed by the Margin Provider.

The Applicants should state the relevant CDS Account number relating to the Margin Trading account in the space provided for the CDS Account number in the Application Form. The New Shares shall be uploaded to the CDS Account indicated in the Application Form.

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

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

A photocopy of the Margin Trading agreement must be submitted along with the Application.

Please note that the Margin Provider can apply under its own name and such Applications will not be construed as multiple Applications. Details regarding multiple Applications are available under Section 6.2.1.

Please note that the CSE Mobile App and CDS Web Portal do not facilitate an Application by Applicants through a Margin Trading facility.

6.2.6 Applications Made Under Power of Attorney

In the case of Applications made under POA, said POA should be valid and in conformity with the applicable law and, a copy of the said POA, **certified by a Notary Public** to be a true copy of the original, should be submitted to the Registrars to the Issue along with the Application Form. **The original POA should not be attached.** If the said POA is not valid or in conformity with the law, the Application will be rejected.

Please note that the CSE Mobile App and CDS Web Portal do not facilitate an Application by a POA.

6.2.7 Joint Applications

If the ownership of the New Shares is desired in the name of one Applicant, such Applicant should make the Application for an **individual CDS Account**. 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.

Joint Application Forms are permitted only for natural persons not exceeding three (3) Applicants. Joint Applicants should note that there should not be a combination of residents of Sri Lanka and non-residents. An Applicant of a Joint Application shall not apply through a separate Application Form either individually or jointly.

Please note that the CSE Mobile App, CDS Web Portal and CDS eConnect do not facilitate an Application by Joint Applicants.

6.2.8 Submission of Applications

a) Applicants Applying via CSE Mobile App or CDS Web Portal

Application Forms properly and legibly filled in accordance with the instructions thereon, along with the applicable remittance/proof of remittance as applicable (Payment Gateway or CEFT or SLIPS or RTGS) for the full amount payable on Application Form shall be forwarded online as referred to Section 6.2.1.

b) Applicants Applying via Physical Delivery

Application Forms properly and legibly filled in accordance with the instructions thereon, along with the applicable remittance/proof of remittance as applicable [cheque or bank draft or bank guarantee or **RTGS transfers only for Application valued above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-)**], for the full amount payable on Application Form may be forwarded by way of delivery (by hand or post) enclosed in a sealed envelope marked **'LTL Holdings Limited - IPO'** on the top left-hand corner and be addressed and dispatched by post or courier or delivered by hand to the Registrars to the Issue at the following address prior **to 4.30 p.m. Local Time on the Issue Closing Date**.

S S P Corporate Services (Private) Limited
No. 101, Inner Flower Road
Colombo 03

Applications may also be handed over to the Company, Managers to the Issue, Bankers to the Issue and its designated branches and, Trading Participants of the CSE, as set out in Annexure B **prior to 4.30 p.m. Local Time on the Issue Closing Date.**

In the case of Applications dispatched by post, such Applications should reach the Registrars to the Issue **not later than 4.30 p.m. Local Time on the Market Day immediately following the Issue Closing Date.**

Any Applications received after the above deadlines shall be rejected even if the courier or post mark is dated prior to the Issue Closing Date.

6.3 PAYMENT OF APPLICATION MONIES

6.3.1 Cheques or Bank Drafts - Resident Sri Lankan Investors

Cheque or Bank Drafts payments as a mode of payment are only applicable for Applicants applying **via Physical Delivery.**

Cheques or bank drafts should be drawn on any Licensed Commercial Bank in Sri Lanka and crossed **'Account Payee Only'** and made payable to **"LTL HOLDINGS LIMITED - IPO".**

Cheques or bank drafts accompanying Application Forms made for less than Five Hundred (500) Shares, i.e. for a value less than Sri Lanka Rupees Seven Thousand Two Hundred and Fifty (LKR 7,250/-) or not multiples of One Hundred (100) Shares thereafter (as mentioned in Section 6.2.2) will not be sent for clearing and shall be returned via ordinary post at the risk of the Applicant or, in the case of joint Applicants, to the first named Applicant.

In the event that cheques are not realized within **Two (2) Market Days** from the date of presenting the same to the bank for clearing, the Directors reserve the right to reject the Applications and return the Application cheques. No Allotment of New Shares will be made to such Applicants.

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

6.3.2 Bank Guarantees – Resident Sri Lankan Investors

Applications made by Resident Sri Lankan investors backed by bank guarantees presented in line with the requirements set out in Section 6.3.6 will be accepted.

Bank guarantees will be presented to the respective banks only after the New Shares have been allotted by the Company.

Bank Guarantees as a mode of payment are only applicable for Applicants applying **via Physical Delivery.**

Bank guarantees should be issued by any Licensed Commercial Bank in Sri Lanka and in favour of **"LTL HOLDINGS LIMITED - IPO"** in a manner acceptable to the Company and payable on demand.

Please note that the original bank guarantee should be lodged with the Registrars to the Issue along with the Application Form prior to 4.30 p.m. local time on the Issue Closing Date, in order to claim funds in respect of such Applications made via bank guarantees.

Bank guarantees should be valid for a minimum of One (1) month from the Issue Opening Date(i.e. October 10, 2024).

Applicants are advised to ensure that sufficient funds/facilities 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.

6.3.3 CEFT/SLIPS Transfers -Resident Sri Lankan Investors

In case of CEFT/SLIPS transfers (**only for Application made via the CSE Mobile App and CDS Web portal**) such transfers should be made to the credit of **"LTL HOLDINGS LIMITED IPO – ONLINE"**, bearing the **account number 003010554703 at Hatton National Bank PLC, Head Office** (**Bank Code - 7083, Branch Code - 003**) on or before the Issue Closing Date (i.e. the funds to be made available to the above account).

Applicants are required to indicate their CDS Account number or NIC number as payment reference for CEFT/ SLIPS transfers. Any Applications accompanying fund transfers confirmations without the payment reference as aforementioned will be rejected.

The Applicants 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 New Shares applied for to the credit of **"LTL HOLDINGS LIMITED IPO – ONLINE"** and the fund transfer confirmation should be submitted with the Application Form.

IMPORTANT: When CEFT, SLIPS transfers are made, ensure to enter the CDS Account number or the NIC number of the Applicant in the 'Beneficiary Narration/Beneficiary Remark/ Reference/Remark/Comment' field to identify the payments. If such identification details are not provided, Application willbe rejected.

6.3.4 RTGS Transfers -Resident Sri Lankan Investors

In case of RTGS transfers, such transfers should be made to the credit of the following accounts for Applications submitted via;

1. **Physical Delivery - Only for Application valued above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-)** should be made to the credit of **"LTL HOLDINGS LIMITED IPO - ONLINE" bearing the account number 003010554703 at Hatton National Bank PLC, Head Office (Bank Code - 7083, Branch Code – 003)** on or before the Issue Closing Date (i.e., the funds to be made available to the above account).

2. **CSE Mobile App or CDS Web Portal - Only for Application valued above and inclusive of Sri Lanka Rupees Five million (LKR 5,000,000/-)** should be made to the credit of **"LTL HOLDINGS LIMITED IPO - ONLINE" bearing the account number 003010554703 at Hatton National Bank PLC, Head Office (Bank Code - 7083, Branch Code - 003)** on or before Issue Closing Date (i.e., the funds to be made available to the above account).

The Applicants 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 New Shares applied for to the credit of **"LTL HOLDINGS LIMITED IPO- ONLINE"** for Application submitted via physical delivery or CSE Mobile App or CDS Web Portal. The fund transfer confirmation should be submitted with the Application Form.

IMPORTANT - When RTGS transfers are made, ensure to enter the CDS Account numberor the NIC number of the Applicant in the 'Beneficiary Narration/Beneficiary Remark/ Reference/Remark/Comment' field to identify the payments. If such identification details are not provided, the Application will get rejected.

6.3.5 Payment Options for CSE Mobile APP or CDS Web Portal Applicants

CSE Mobile App and CDS Web Portal are now integrated with the Helakurusuper Payment App.

Only the **LOCAL INDIVIDUAL** Applicants, with applied share values less or equal to LKR 49,900/- will be able to use the Helakurusuper app after completing the Applications on the said eIPO platform. If the Applicant has already made a payment to the IPO account prior to starting the Application process, such applicants should not select the 'Helakurusuper' option.

Customer charges of LKR 100/-charged by 'Helakurusuper' will apply for such payment and to be borne by the Applicants.

Please note that the Applicants who wish to use the integrated 'Helakurusuper' Payment App platform through the CSE Mobile App or CDS Web portal should have the 'Helakuru' Mobile App installed in their mobile devices.

Alternatively, Individual applicants who wish to use the payment modes of SLIPS, CEFTS, RTGS transfers must ensure to initiate such transfers prior to making the Application using the CSE Mobile App, in order to attach the proof of payment which is a mandatory requirement in submitting their applications via CSE Mobile App.

IMPORTANT - When CEFT, RTGS or SLIPS transfers are made, please ensure to enter the CDS Account number or the NIC number of the Applicant in the 'Beneficiary Narration/Beneficiary Remark/ Reference/Remark/ Comment' field to identify the payments. If such identification details are not provided, the Application will get rejected.

6.3.6 Amount Payable and Other Payment Conditions

The amount payable should be calculated by multiplying the number of New Shares applied for under a particular category by the Share Issue Price of Sri Lanka Rupees Fourteen and Fifty Cents (LKR 14.50). If there is a discrepancy in the amount payable and the amount specified in the cheque/bank draft or bank guarantee or amount deposited to IPO account via RTGS/CEFT/SLIPS transfer such Applications will be rejected.

CEFT/SLIPS transfers are subject to a maximum limit of Sri Lanka Rupees Five Million (5,000,000/-) imposed by the CBSL.

Payments for Applications via the payment gateway available on CSE Mobile App and CDS Web Portal is subject to a maximum value limit of Sri Lanka Rupees Fifty Thousand (LKR 50,000/-). i.e. Maximum Application value of LKR 49,900/- and convenience fee of LKR 100/-.

In the case of cheques, bank drafts, RTGS/CEFT/SLIPS transfer and bank guarantees, Application Forms should be accompanied by **only one** cheque or bank draft or RTGS/CEFT/SLIPS transfer (single transfer) or bank guarantee and should be issued for the full amount indicated in the Application Form. Any Application for New Shares, accompanied by two or more cheques or bank drafts or RTGS/CEFT/SLIPS transfers or bank guarantees will be rejected at the outset.

Payments for Applications for values above and inclusive of Sri Lankan Rupees One Hundred Million (LKR 100,000,000/-) will be permitted to submit multiple Bank guarantees issued by Licensed Commercial Banks in Sri Lanka, multiple bank drafts/cheques drawn upon any Licensed Commercial Bank operating in Sri Lanka, or a single RTGS transfer directed through any Licensed Commercial Bank operating in Sri Lanka, each of which should be for values on or before Issue Closing Date.

Cash will not be accepted. Anyone wishing to pay cash should obtain a bank draft from a Licensed Commercial Bank in Sri Lanka.

6.3.7 Foreign Currency Remittances

This section is applicable to:

- Citizens of Sri Lanka who are above 18 years of age and Resident overseas.
- Corporate bodies incorporated or established outside Sri Lanka.
- Regional or country funds approved by the SEC.
- Foreign citizens (irrespective of whether they are Resident in Sri Lanka or overseas) who are above 18 years of age.

A foreign investor may invest through an IIA (previously known as a Securities Investment Account/SIA) maintained with any Licensed Commercial Bank in Sri Lanka. The procedure for arranging payments through an IIA are presented below:

- A Foreign Investor may use the services of a custodian bank as an intermediary when investing in the Sri Lankan securities market.
- The intermediary may open an IIA, on the investor's behalf.
- In conjunction with the IIA, an account with the CDS must be opened in case the investor does not already possess a valid CDS Account.
- In respect of regional or country funds investing for the first time in Sri Lanka, the intermediary will facilitate the approval process regulated by the SEC.
- **Applicants Applying via CSE Mobile App, CDS Web Portal or CDS eConnect**
  - Payment for New Shares should be made through a RTGS/CEFT/SLIPS transfer against the funds arranged through the IIA and made payable to **"LTL HOLDINGS LIMITED IPO - ONLINE"** bearing the account number **003010554703 at Hatton National Bank PLC, Head Office** (**Bank Code - 7083, Branch Code - 003**) prior to 4.30 p.m. local time on or before the Issue Closing Date. Kindly note that the foreign individual Applicants are **NOT** eligible to use the payment gateway option. Therefore, they must ensure to initiate the transfers prior to making the Application using an accepted mode of payment.

IMPORTANT - When CEFT, RTGS or SLIPS transfers are made, please ensure to enter the CDS Account number of the Applicant in the 'Beneficiary Narration/Beneficiary Remark/ Reference/Remark/Comment' field to identify the payments. If such identification details are not provided, the Application will be rejected.

- **Applicants Applying via Physical Delivery**
  - Payment for New Shares should be made through a cheque or bank draft, or bank guarantee issued by a Licensed Commercial Bank in Sri Lanka or a **RTGS transfer only for Application valued above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-) against the funds arranged through the IIA and made payable to LTL HOLDINGS LIMITED IPO - ONLINE bearing the account number 003010554703at Hattion National Bank PLC, Head Office (Bank Code – 7083, Branch Code - 003) prior to 4.30 p.m. local time on or before the Issue Closing Date.**

Cheques or bank drafts or bank guarantees or **RTGS transfers only for Application valued above and inclusive of Sri Lanka Rupees One Hundred Million (LKR 100,000,000/-)** should be endorsed by the issuing custodian bank to the effect that arrangements have been made to facilitate such payment to be made against funds available in the individual's IIA. **The endorsement must be clearly indicated** on the cheque or bank draft or the bank guarantee. Alternatively, a document detailing the endorsement could be submitted along with the payment and Application.

Any refund payments to Foreign Investors are made in terms of Section 6.7 of this Prospectus.

Applications supported by foreign currency remittances should be accompanied by the documentation stipulated by the Head of the Department of Foreign Exchange of the CBSL.

6.3.8. Restrictions Applicable to Foreign Citizens Resident in Sri Lanka

Foreign citizens Resident in Sri Lanka may make payments through Sri Lanka Rupee Accounts, only if they possess dual citizenship where one such citizenship is Sri Lankan. **Foreign citizens having Sri Lankan citizenship should attach a certified copy of the citizenship certificate with the Application Form. In case of an online Application, the certified copy of the citizenship certificate should be uploaded under the relevant field.**

Foreign citizens residing in Sri Lanka having valid residency visas should note that they cannot make remittances via cheques or bank drafts, or bank guarantees or RTGS/CEFT/SLIPS transfers drawn upon Sri Lanka Rupee accounts maintained with any Licensed Commercial Bank in Sri Lanka or payment gateway in the CDS Web Portal but may do so via an IIA account as detailed in Section 6.3.7 above. **Applications made by foreign citizens not in accordance with the foregoing shall be rejected.**

6.4 REJECTION OF APPLICATIONS

i. Application Forms which are incomplete in any way and/or are not in accordance with the terms and conditions set out in this Prospectus will be rejected at the absolute discretion of the Company.
ii. Any Application Form which does not provide the NIC, Passport (where NIC is not available) or Company Registration number as the case may be, will be rejected.
iii. Any Application Forms accompanying fund transfers confirmations without the requisite payment references will be rejected.
iv. Applications delivered by hand or by courier after 4.30 p.m. Local Time on the Issue Closing Date will be rejected. Applications received by post after 4.30 p.m. Local Time on the succeeding Market Day immediately following the Issue Closing Date will also be rejected even if they carry a postmark date earlier than the Issue Closing Date.
v. Applications made for less than Five Hundred (500) New Shares or for a number which is not in multiples of One Hundred (100) New Shares will be rejected.

vi. An Application which does not carry a CDS Account number or indicates a number of a CDS Account which is not opened at the time of Issue Closing Date or which indicates an inaccurate/incorrect CDS Account number shall be rejected and no allotment of New Shares will be made.

vii. Application Forms stating third party CDS Accounts instead of their own CDS Account numbers, except in the case of Margin Trading accounts, will be rejected.

viii. Applicants should apply only through one investor category and would be permitted to submit only one Application Form. Two or more Applications submitted by the same Applicant either under the same category or under different categories will be construed as multiple Applications and will be rejected.

ix. The Company reserves the right to reject multiple Applications and suspected multiple Applications which are not allowed, as mentioned in Section 6.2.1.

x. Payment for Applications of New Shares accompanying two or more cheques and bank drafts or multiple direct deposits or bank guarantees or RTGS/CEFT/SLIPS transfers as mentioned in Section 6.3.6 will be rejected at the outset in the event the value of such Application is below Sri Lanka Rupee One Hundred Million (LKR 100,000,000/-)

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

xii. Physical applications accompanying payments made via RTGS in the event the value of such Application is below Sri Lankan Rupees One Hundred million (LKR 100,000,000/-) or by way of CEFT or SLIPS will be rejected.

xiii. Applications signed on behalf of the Applicant by an attorney under a POA that is not valid or in conformity with the applicable law will be rejected.

Notwithstanding any provision contained herein, the Board of Directors shall reserve the right to refuse any Application or to accept any Application in full or part, without any explanation and reason.

6.5 BANKING OF PAYMENTS

All cheques and bank drafts received in respect of Applications will not be banked until the Market Day following the Issue Closing Date in terms of the CSE Listing Rules.

6.6 BASIS OF ALLOTMENT

As per Rule 2.1.1.(g) (i) of the CSE Listing Rules, the Company is required to determine the basis of allotting the Shares in a fair and equitable manner, in consultation with the CSE.

As such, the basis of allotment of New Shares determined by the Company in consultation with the CSE is as follows:

Table 6-2 Basis of Allotment of New Shares to Various Categories of Applicants

Investor Category	Percentage of Issue (%)	Amount Allocated Under the Total Issue (LKR Mn)
Unit Trusts*	1.5%	300
Retail Individual	5.0%	1,000
Non-Retail	93.5%	18,700
	100.0%	**20,000**

**Unit Trust Investors should be growth or balanced unit trusts operated by managing companies licensed by the SEC, where such unit trusts comprise of not less than 500 unit holders Resident in Sri Lanka who together hold at least 50% of that fund as per the SEC Directive dated March 10, 2011 (Ref: SEC/LEG/11/06/01).*

Applications submitted under the Unit Trust Investor Category should be accompanied by a confirmation by the trustee that such unit trust is in conformity with the criteria defined by the SEC Directive dated June 06, 2011 (Ref: SEC/LEG/11/06/01) and CSE Listing Rules, 2.1.1(g)(ii)(b).

Local and Foreign Investor/s who apply for value of not more than LKR 200,000/- (i.e. upto13,700 Shares) will be deemed as Retail Individual Investors for share allotment purposes.

Investors who do not fall under the Retail Individual Investor Category and Unit Trusts Investor Category stated above will be deemed as Non-Retail investors for share allotment purposes.

The Board of Directors of LTLH reserves the right to preferentially allot up to 80% of the New Shares available to be allotted under the Non-Retail Investor Category to identified investors (i.e. institutional investors including local and foreign funds, high net worth individuals etc. who apply through this category under the IPO.

In determining the basis of allotment within the Retail Individual Investor Category, investors who subscribe for a smaller number of Shares shall be given priority.

The investor categories have been selected to ensure the broadest possible spread of shareholders while treating all Applicants in a fair manner as may be decided by the Board at its discretion.

In the event of an undersubscription in the Unit Trust Investor Category, the Retail Individual Investor Category shall be given first priority in allotment of the New Shares not subscribed for by investors in the Unit Trust Investor Category.

In the event of an undersubscription in the Retail Individual Investor Category, the Unit Trust Investor Category shall be given first priority in allotment of the New Shares not subscribed for by investors in the Retail Individual Investor Category.

In the event of an undersubscription in the Non-Retail Investor Category, Retail Individual Investor Category will be given first priority followed by Unit Trust Investor Category in the allotment of the New Shares not subscribed for by investors in the Non-Retail Individual Investor Category.

In the event of an oversubscription in any one or more of the categories mentioned above, the basis of allotment will be decided by the Board of Directors in a fair and equitable manner.

The Board of Directors will endeavour to decide and announce to the CSE the basis of allotment as soon as practicable so as to ensure compliance with the Listing Rules. Upon the allotment being decided, an announcement will be made to the CSE.

The successful Applicants will be informed of their allotment within 10 Market Days from the Issue Closing Date.

6.7 REFUNDING/RETURNING OF FUNDS ON PARTIALLY ACCEPTED/REJECTED APPLICATIONS

Where an Application is accepted only in part or rejected in its entirety, the balance/entirety of the monies received on an Application, as the case may be, will be refunded. Such refunds will be made on or before the expiry of Eight (8) Market Days from the Issue Closing Date (excluding the Issue Closing Date) as required by the CSE Listing Rules. As required by Rule 2.4(l) of the CSE Listing Rules, Applicants would be entitled to receive interest at the rate of last quoted AWPLR published during the immediately preceding week by the CBSL or any other authority (in the event the CBSL ceases to publish the AWPLR) plus five per centum (5%) for the delayed period on any refunds not made by the expiry of the aforementioned period.

It is the responsibility of Foreign Investors to ensure that their IIA details are accurately provided under 'Refund Payment Instructions' on the Application Form to forward the refund to the IIA through which the Application was made.

With regard to applications which have been fully rejected due to any of the reasons specified in this Section 6, neither the Company nor the Registrars to the Issue nor CDS shall be liable for any delay on the refund of monies to the Applicant if the Applicant has paid the Application monies through a direct deposit or a RTGS/CEFT/SLIPS and has not indicated his NIC number or the CDS Account number as the payment reference.

Refund via Sri Lanka Inter-bank Payment Systems (SLIPS)
The refund payment will be made to the bank account specified by the Applicant through the SLIPS on or before the expiry of Eight (8) Market Days from the Issue Closing Date (excluding the Issue Closing Date) as required by the CSE Listing Rules and a payment advice shall be issued to the Applicant provided that the Applicant has submitted accurate and complete details of Applicant's bank account in the Application Form. However, SLIPS transfers are subject to a maximum limit of Sri Lanka Rupees Five Million (LKR 5,000,000/-) imposed by the CBSL with effect from October 29, 2010, as per Operating Instruction Circular No. 11/2010 dated October 25, 2010.

In the event of refunds over Rupees Five Million (LKR 5,000,000/-), if the Applicant has provided accurate and complete details of his bank account in the Application, refunds will be made via RTGS.

In the event the refund payment is effected via SLIPS based on the bank account details provided by the Applicant in the Application Form, but is rejected by the Applicant's bank due to inaccurate or incomplete information, such refund payments would be made via a crossed cheque in favour of the Applicant and sent by ordinary post at the risk of the Applicant. In such instances, the bank together with the Registrars to the Issue or CDS will send the refund cheques to such Applicants at the earliest possible time and the Applicant should not hold the Company or the bank or the Registrars to the Issue or CDS Accountable for such delays.

Refunds Via Crossed Cheque
If the Applicant has not provided details of the bank account in the Application Form or has provided inaccurate or incomplete details of the bank account with respect to refunds via SLIPS, the refund payment will be made by a crossed cheque in favour of the Applicant and sent by ordinary post at the risk of the Applicant. In the case of a Joint Application, a crossed cheque will be drawn in favour of the Applicant whose name appears first on the Application Form.

6.8 SUCCESSFUL APPLICANTS AND CDS LODGMENT

The New Shares allotted will be directly uploaded to the respective CDS Accounts given in the Application Forms before the expiry of Twelve (12) Market Days from the Issue Closing Date as per the CSE Listing Rules.

Upon completion of crediting the respective CDS Accounts, a written confirmation will be sent to the shareholders within Two (2) Market Days of crediting the CDS Accounts by ordinary post to the address provided by each Applicant in their respective Applications.

Applicants have the option of having their Shares 'locked' in the CDS. Shares that are 'locked' will not be available for trading purposes and will not be visible to the participants. Such Applicants would have to fill in the relevant section in the Application Form for this purpose. If the Applicant has not specified that the Shares need to be deposited to his/her 'locked' balance in the CDS Account, the said Shares would be deposited to Applicant's 'trading' balance in the CDS Account.

New Shares shall not be transferable by the shareholders during the period between the date of allotment of the New Shares and up to the date of listing (excluding the date of listing) of Shares of the Company on the CSE. Further, the Company shall not allot any Shares (other than the allotment of New Shares stemming from this IPO) or register a transfer of existing Shares during the interim period between the date of the Initial Listing Application and the date of listing of the Shares of the Company.

Upon the Shares of the Company being listed on the CSE, such Shares shall be freely transferable except for those Shares mentioned in Section 7.10 of this Prospectus, which will be locked-in to be compliant with CSE Listing Rules.

6.9 DECLARATION TO THE CSE AND SECONDARY MARKET TRADING

The Company will submit to the CSE a declaration on the Market Day ("Declaration") immediately following the date on which the Applicants' CDS Accounts are credited with the New Shares. Trading of the Shares on the secondary market will commence on or before the Third (3rd) Market Day from the receipt of the Declaration by the CSE as per the CSE Listing Rules.

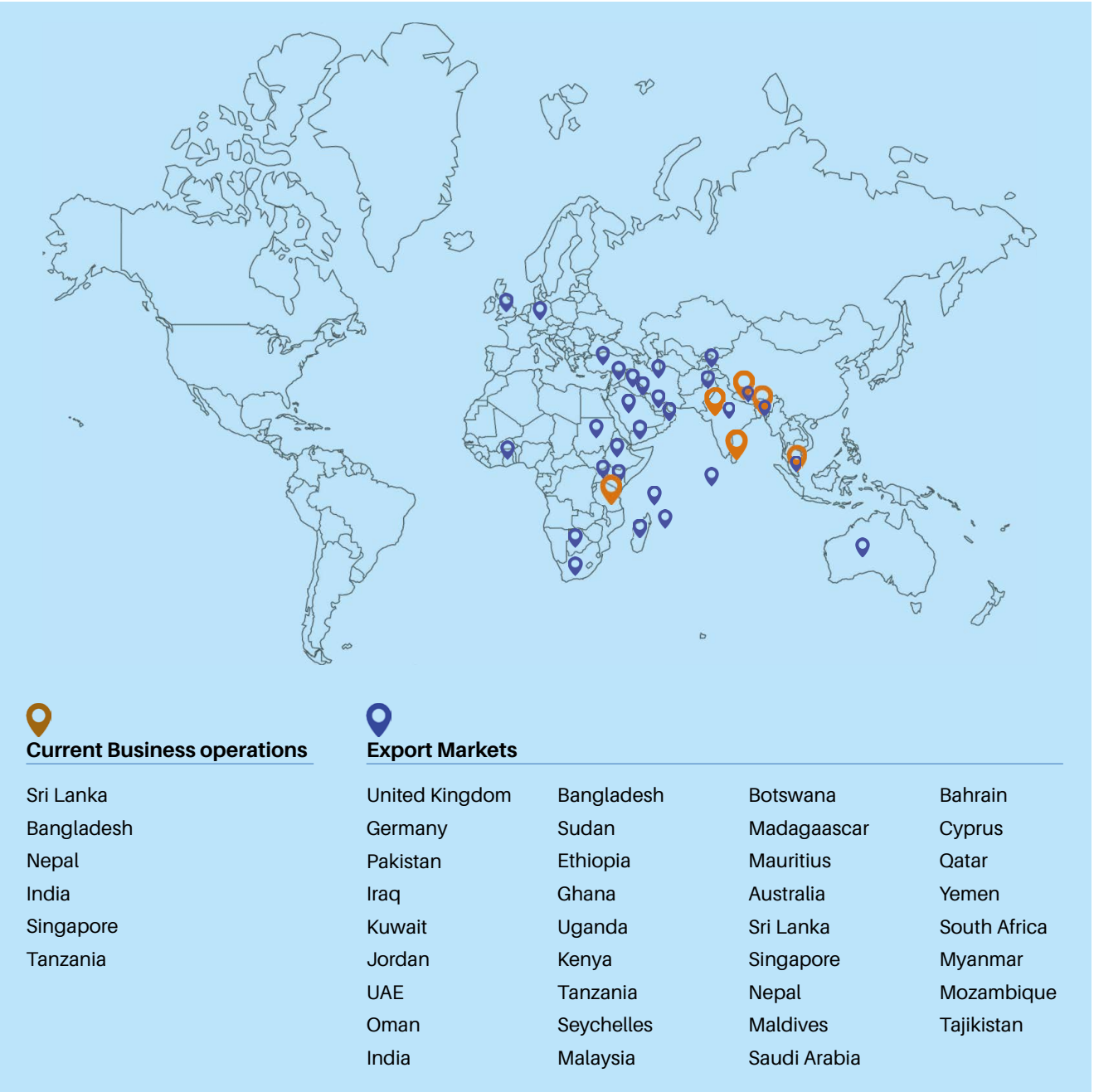
7 BUSINESS OPERATIONS OF LTL HOLDINGS LIMITED

7.1 OVERVIEW OF THE COMPANY

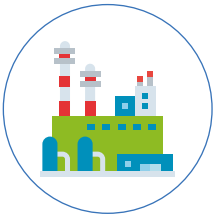
LTL Holdings Limited is renowned as one of Sri Lanka's premier and leading engineering companies, with a distinguished history spanning over 40 years. LTLH is a diversified conglomerate with operations spanning across two continents with investments in Power Generation through renewable and conventional energy solutions, Engineering Services for Power Plants as an EPC (Engineering, Procurement and Construction) and O&M (Operations & Maintenance) contractor, Manufacturing and sale of Distribution Transformers & Electrical Switchgear and Heavy Engineering, in Steel Fabrication and Galvanizing.

The current operational footprint of LTLH includes 9 power plants with a combined capacity of 894 MW in Sri Lanka, Bangladesh and Nepal, 3 manufacturing facilities in Sri Lanka and India and a business support office in Singapore. The wide product range of LTLH are exported to over 30 countries across Asia, Middle East, Africa, Europe and Australia.

Figure 7-1 Business Operations - Geographical Presence



Business Segments of LTLH



Conventional Energy

Combined cycle and engine-based power plants with a capacity of 868 MW in Sri Lanka and Bangladesh and 350MW Combined Cycle Power Plant in the pipeline in Sri Lanka

Renewable Energy

26MW capacity of hydro and wind power plants in Sri Lanka and Nepal and 100MW ground mounted solar power plant under development in Sri Lanka and a further two 4 MW Solar Power Plants under development in India

Engineering Services

>1,100MW of EPC and O&M contracts undertaken across Sri Lanka, Bangladesh, Nepal, and Maldives

Manufacturing

- Manufacturing of distribution transformers in a state-of-the-art manufacturing facility in Sri Lanka with an annual manufacturing capacity of 4,000 transformers and a newly set up transformer assembling facility in Tanzania
- Manufacturing of Low and Medium voltage Switchgear products in a state-of-the-art manufacturing facility in India

Heavy Engineering Services

Facility with a 24,000MT annual hot-dip galvanizing capacity and 12,000MT annual steel fabrication capacity in Sri Lanka

At a Glance

3 Countries
Power Generation - Footprints in South Asia

894MW
Capacity of Existing Power Projects

30+
Export Markets

LKR 137.6 Bn
Total Assets as at June 30, 2024

LKR 59.8 Bn
Annual Revenue in FY24

70%+
Foreign Currency Linked Revenue in FY24

780+
Staff Strength

1.1 GW
Capacity of Projects Undertaken to Date

7.2 EVOLUTION OF THE COMPANY

LTLH commenced its journey under the name of Lanka Transformers Limited in the year 1982 as a Public Private Partnership (PPP) between the CEB and Bonar Long of Scotland (BLS), (BLS later became part of ABB Norway),to manufacture and supply power distribution transformers for the CEB to meet the increasing electrification in the country, which was in its incipient stages as low as 15% at that time. With the development of emerging economies, at that point of time, the demand for power infrastructure had been forecasted to increase dramatically.

Subsequent to the successful implementation and operations of the transformer manufacturing facility at Angulana, Sri Lanka, the Company then expanded its operations by setting up a hot dip galvanizing plant in 1991 in Homagama, Sri Lanka which was later relocated at LINDEL Industrial Estates, Sapugaskanda, Sri Lanka.

The GoSL liberalized grid connected thermal power generation for private investments on Build-Own-Operate (BOO) basis for the first time in 1996. This facilitated an opportunity for LTLH to enter into the business of power generation. At that time, the country's level of electrification and penetration was 60% against the current position of 99.5%, which speaks well as a country. ABB-Norway which was the joint venture partner of the CEB in LTLH at that time, very keenly supported the diversification and increased its investment in Sri Lanka with further infusion of equity capital. The CEB too followed suit by increasing its own investment.

Under this liberalization policy, LTLH submitted a proposal to the CEB to invest in a 24 MW Heavy Fuel Oil (HFO) power plant in Sapugaskanda, quoting the lowest tariff to the CEB, in comparison to other proposals, evaluated at that time. The CEB accepted LTLH'sproposal, and a Special Purpose Vehicle (SPV) was incorporated under the name, Lakdhanavi Limited (LAK) in 1996, as a subsidiary of LTLH, for the construction and development of the power plant.

LTLH had chosen the globally renowned Original Equipment Manufacturer (OEM) Wartsila NSD of Finland as its equipment supplier for the development of the 24 MW Heavy Fuel Oil (HFO) power plant in Sapugaskanda, which ultimately proved to be a long-term partnership for both entities. LTLH recruited a strong professional team from local universities to manage the project, equipping them with required training and technical assistance received from Wartsila NSD, and the new power plant was established and commissioned in a record time of eight months of construction.

As LTLH has played a significant role in the country's journey towards enhancing the level of electrification and in the expansion in power generation capacities, LTLH has been able to secure a number of landmark projects in the country during this period. These include the engine based 100MW Heladhanavi power plant in Puttalam Sri Lanka which was commissioned in August 2004, helping to boost the firm power generation capacity in the country available at the time. Upon the successful completion of the PPA term of 10 years, the power plant was decommissioned. LAK also built and operated a number of emergency power plants to help meet the power shortages in the national system of the country.

LTLH achieved a significant milestone in its history as an engineering company, by securing the 300MW "Yugadhanavi" Combined Cycle Power Plant project (West Coast Power (Private) Limited) in 2007, competing with international competitors, in which LAK played a leading role as the project developer, EPC and O&M contractor. LTLH portrayed its capabilities as an innovative engineering company in the country, with strong design and project management skills through this project, by constructing the first ever combined cycle power plant in the country to operate on HFO[5]. The project supported the Sri Lankan Government's objective of maintaining an uninterrupted power supply, at a lower generation cost. The company was able to successfully mobilize the required funds for "Yugadhanavi" power plant through international Banks and Export Credit Agencies (ECA) for around Euro 150 Mn.

5 Research paper published on 2017 on Effect of Fuel Viscosity on Combustion Performance of Heavy Fuel Oil (HFO) Fired Gas Turbines accessed through https://theiet.lk/wp-content/uploads/2017/10/24-p6.pdf on August 08, 2024

Having secured the international technical support, especially from Germany, LTLH managed to take the challenge of firing a gas turbine with HFO to reduce the generation cost compared to diesel oil which was used as fuel for all gas turbines in the country and the region. The cost savings for Sri Lanka on use of HFO for the operation of the West Coast Power Plant for the last 14 years[6] is estimated to be over LKR 100 billion. The two gas turbines in the power plant has achieved over 124,000 operational hours to date through its 13 years of commercial operations and has played an anchor role in maintaining reliability of the Sri Lankan power grid, being the largest IPP power plant in the country[7].

With the complexity of HFO operation, LAKD has closely worked with the OEM, General Electric USA/France (GE) by contributing technical analysis of use of HFO in gas turbines and to improve fuel flexibility, efficiency and reliability as well as reduction of emissions. As a testament to the successful operations, the power plant has been awarded many accolades which are detailed in Section 7.17 of this Prospectus.

LTLH thereafter leveraged on its internal resources and experience gained in developing and operating the Yugadhanavi power plant, to expand its operations in the international markets, as an IPP, EPC, and O&M contractor in Bangladesh, Nepal and very recently in India for both thermal and renewable power generation.

Power Generation, EPC and O&M Operations of LTLH from 1996 to To-Date

Table 7-1 Power Generation, EPC and O&M Operations of LTLH from 1996 to To-Date

Power Generation/ O&M (MW)				EPC (MW)		
Sri Lanka	Bangladesh	Nepal	Total	Own Plants	Others	Total
880.2	218.4	10	1,108.6	808.6	332	1,140.6

The above has translated into LTLH having experience of operating power plants with cumulative running hours of over 350,000 hours and undertaking over 100 power plant overhaul/ maintenance activities which includes 3 major maintenance of gas/steam turbines.

Along with the expansion in its power generation business, LTLH had been focusing consistently on providing engineering and construction solutions along the entire chain from generation of power to distribution of power to the end consumers. Today, LTLH Group operates globally with its headquarters situated in Colombo, Sri Lanka with international subsidiaries and branches in Singapore, Bangladesh, India, Nepal, Tanzania and trusted local agents in many other countries.

Diversification into Greener Technologies

In the manufacturing side, capitalizing on the strong R&D capabilities developed over the years, LTLH has continuously focused on introducing new types of transformers with less energy losses and developing innovative ideas to reuse waste material in its galvanizing operations to contribute towards a greener future.

Consequent upon concerns expressed by organizations for international environmental protection with regard to environmental impacts, such as climate change, global warming and air pollution, LTLH has repositioned its strategy during the last two decades on the power generation aspect of business operations. It recognized the global shift towards cleaner sources of energy and began pursuing the opportunities as an IPP investor and EPC/O&M contractor for large power projects, capable of being operated with the use of LNG and renewable energy sources. In 2007 itself, the 300MW West Coast power plant was developed with the capability to operate on LNG, anticipating the systematic phasing out of oil-based power generation in Sri Lanka. LTLH also identified Nepal as a market with significant potential and opportunities for generating hydropower and the opportunity to enable cross-border power sales with India. In 2018, LTLH entered into Nepal Power Sector and successfully commissioned a 10 MW hydro power project in March 2023.

6 West Coast Power Plant commissioned on May, 2010

7 Sales and Generation Databook – 2022, Ceylon Electricity Board accessed through https://www.ceb.lk/front_img/img_reports/1696388777Sales_and_Generation_Data_Book_2022.pdf on August 08, 2024

Continuing on this innovative and progressive journey, LTLH secured the 350 MW multi- fuel (LNG, diesel and liquid hydrogen) combined cycle gas turbine power project in 2021, which would be the country's first LNG-fired power plant[8]. An SPV was incorporated in the name of Sobadhanavi Limited to undertake the project. Amidst the tough economic conditions that prevailed in the country over the past few years with the Covid pandemic and the acute economic crisis in Sri Lanka, construction work on the power plant was continued by LTLH, enabling the power plant to achieve commissioning well ahead of the contractual timeline, with the first phase of open cycle operations of 212 MW commenced in August 2024 (the facility has been already tested with the national grid for 235 MW and with all necessary grid interconnection test), followed by the full commissioning of combined cycle operations of 350MW targeted by March 2025. However, until the necessary infrastructure for supply and distribution of LNG is available, the power plant will operate on diesel.

The gas turbine of this power plant is the latest F class machine and would be one of the most efficient gas turbine power plant to operate in Sri Lanka at present and is equipped with the capability to operate with a fuel mix of 30% Hydrogen, enabling to move to the next generation of greener fuel in time to come.

In addition, in 2023, LTLH secured another contract awarded by the CEB for construction of the 350 MW multi-fuel (LNG, diesel and Liquid Hydrogen) combined cycle gas turbine power project in Kerewalapitiya, Sri Lanka. In order to undertake the construction of this plant, an SPV has been established under the name of Sahasdhanavi Limited. This will be the third power plant of this kind to be constructed within the Kerewalapitiya power plant complex adjoining to each other to be operated by LTLH with a total aggregated power generation capacity of 1,000 MW.

LTLH, in partnership with a consortium of investors, secured the 100 MW PV solar power plant project, namely Rividhanavi Limited in Siyambalanduwa, Sri Lanka. This project marks the country's first large-scale solar power project, and the single largest renewable power plant to be undertaken in the country to date under the IPP model[9].

As a project promoter of the 100MW solar power project in Siyambalanduwa, Sri Lanka, LTLH aims to support establishing the required regulatory framework and project agreements structures which are internationally bankable to enable similar large scale renewable projects to be executed efficiently with the ability to access foreign funding through international lenders, by leveraging on the experience gained through developing large scale thermal power projects under the IPP model.

LTLH's commitment towards developing LNG capable power plants is also aligned with the country's target of generating 70% of electricity via renewable sources in 2030, by having the required firm capacity via more cleaner forms of fossil fuels. This facilitates integration of a higher mix of renewable energy to the national grid without compromising on the grid stability, due to the variable nature of renewable energy sources. LTLH is also closely working with the GoSL to provide its support to develop the required infrastructure to enable LNG based power generation to commence in Sri Lanka in the near future.

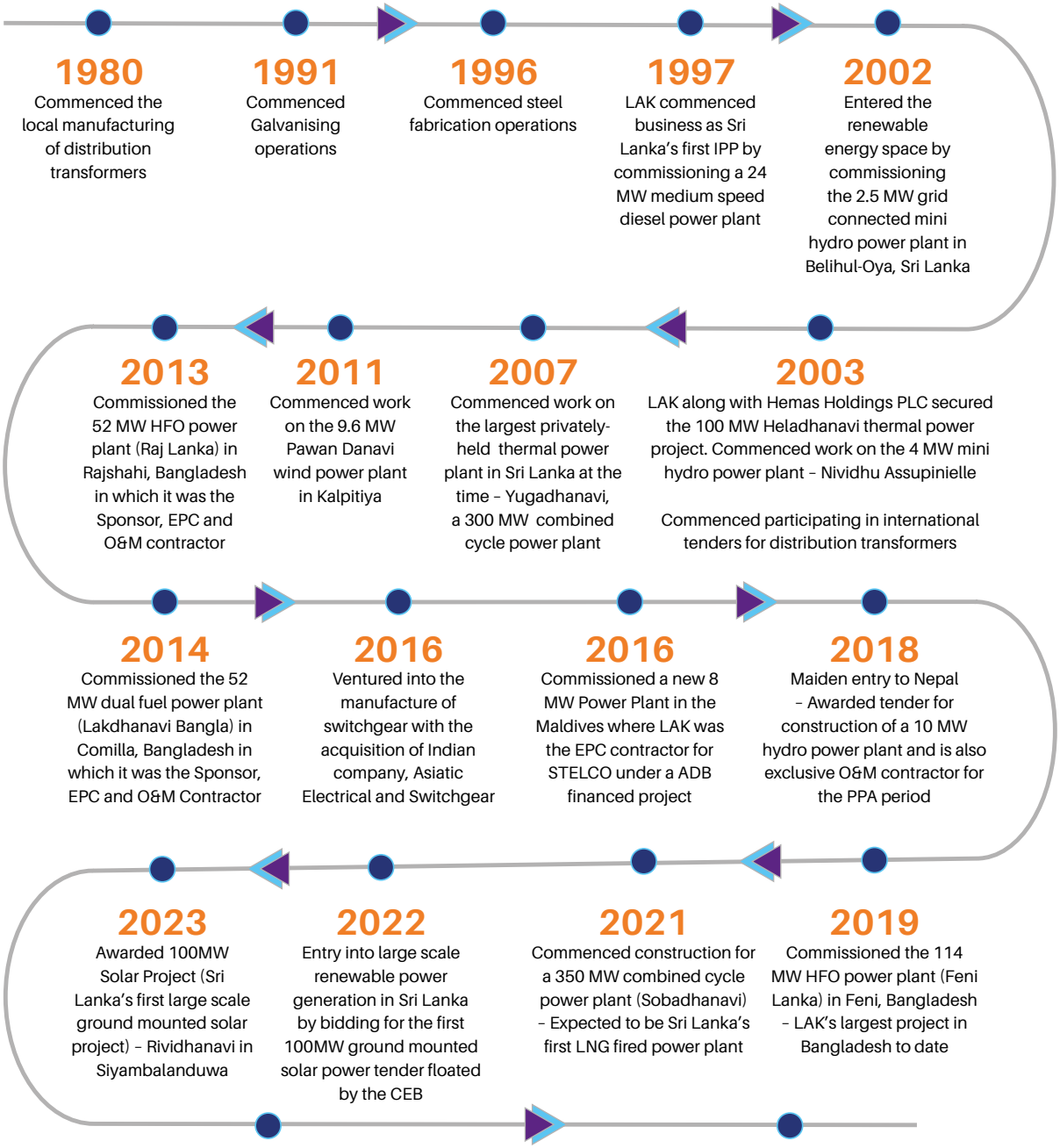
Further details on the 100 MW solar power plant (Rividhanavi) and 350 MW Thermal power plant (Sahasdhanavi) project is provided under Section 5.6 Objectives of the Issue.

8 Progress Report – 2022, Ministy of Power and Energy accessed through https://energymin.gov.lk/web/images/En_Progress_2022-compressed_1.pdf on August 08, 2024

9 https://www.dailynews.lk/2024/02/09/admin-catagories/breaking-news/390123/sri-lankas-first-large-scale-solar-project-unveiled/ accessed on August 08, 2024

7.3 KEY MILESTONES

Figure 7-2 Key Milestones of LTL Holdings Limited[10]



10 Sources: 2007 - Historical Data Book 1969-2015, Ceylon Electricity Board accessed via https://www.ceb.lk/front_img/img_reports/1532066424Historical_Data_Book_1969_-_2015.pdf on August 08, 2024 | 2021 - Progress Report – 2022, Ministry of Power and Energy accessed via https://energymin.gov.lk/web/images/En_Progress_2022-compressed_1.pdf on August 08, 2024

7.4 SHAREHOLDERS OF LTLH

The current shareholders of LTLH are the following.

Table 7-2 Shareholders of LTLH

Name of Shareholder	Shareholding (%)
Ceylon Electricity Board	35%
West Coast Power (Private) Limited	28%
Peradev Limited	27%
Teckpro Investment Limited	10%
Total	**100%**

7.4.1 Ceylon Electricity Board (CEB)

Incorporated as a public corporation by Act No. 17 of 1969, the CEB is the sole power utility in Sri Lanka for the generation, transmission, and distribution of electricity in Sri Lanka. CEB holds 35% ownership stake in LTLH.

Initially, CEB owned 70% stake in LTLH where the balance stake of 30% was owned by ABB Norway.This was later diluted to 63% owned by CEB and 27% by ABB Norway respectively by issuing 10% new Shares through an Employee Share Ownership Trust arrangement in LTLH on December 26, 2001[11]. These Shares were vested in 2017 to Teckpro Investment Limited, an investment company held by employees by transferring to it all the assets and liabilities of Lanka Transformers Limited Employees Share Ownership Trust. On February 08, 2024, CEB transferred 28% of its Shares in LTLH to West Coast Power (Private) Limited (WCP). Consequently, CEB holds a 35% stake in LTLH.

7.4.2 West Coast Power (Private) Limited (WCP)

WCP was incorporated as an SPV under the Companies Act for the development of the 300 MW combined cycle power plant at Kerewalapitiya, Sri Lanka. WCP holds a 28% ownership stake in LTLH.

The shareholders of WCP are as follows.

Name of Shareholder	Shareholding (c.)
The Secretary to the Treasury, Ministry of Finance, Economic Stabilization & National Policies	41%
The Monetary Board of the CBSL (Acting on Behalf of the EPF)	27%
Lanka Electricity Company Limited	18%
Lakdhanavi Limited	13%
Total	**100%**

11 Currently, there are no ongoing Employee Share Ownership Trust arrangements in LTLH. The Shares under the Employee Share Ownership Trust arrangement had been transferred to Teckpro Investment Limited and fully allotted subsequently

7.4.3 Peradev Limited (Peradev)

Peradev Limited, formerly known as "LTL ESOT Limited" was incorporated as an investment company for the Management Buyout of ABB held Shares of LTLH in 2005. It is owned by the employees of the LTLH Group[12] and holds a 27% ownership stake in LTLH.

The major shareholders of Peradev who hold a collective stake of c. 82% are provided below.

- Mr. U D Jayawardana
- Mr. M J M N Marikkar
- Mr. R K Pitigalage
- Mr. D A J Nanayakkara
- Mr. S Annasiwatta
- Mr. H D Chaminda
- Mr. L N S Perera
- Mr. S Ganegoda
- Mr. J A D S Ranjan
- Mr. U C T Warnakulasuriya
- Mr. R Pathberiya
- Mr. H M T Bandara
- Mr. M Ananthavel
- Mr. D V T Jayath
- Mr. S W S A B Bulankulame

7.4.4 Teckpro Investment Limited (TIL)

TIL, the successor to formerly known as Lanka Transformers Limited Employees Share Ownership Trust is an investment company owned by the employees of the LTLH Group[13] and hold the remaining 10% stake in LTLH.

The major shareholders of TIL who hold a collective stake of c. 76% are provided below.

- Mr. U D Jayawardana
- Mr. M J M N Marikkar
- Mr. R K Pitigalage
- Mr. D A J Nanayakkara
- Mr. S Annasiwatta
- Mr. H D Chaminda
- Mr J A D S Ranjan
- Mr. L N S Perera
- Mr. S Ganegoda
- Mr. U C T Warnakulasuriya
- Mr. H M T Bandara
- Mr. R Pathberiya
- Mr. M Ananthavel
- Mr. S W S A B Bulankulame
- Mr. D V T Jayath

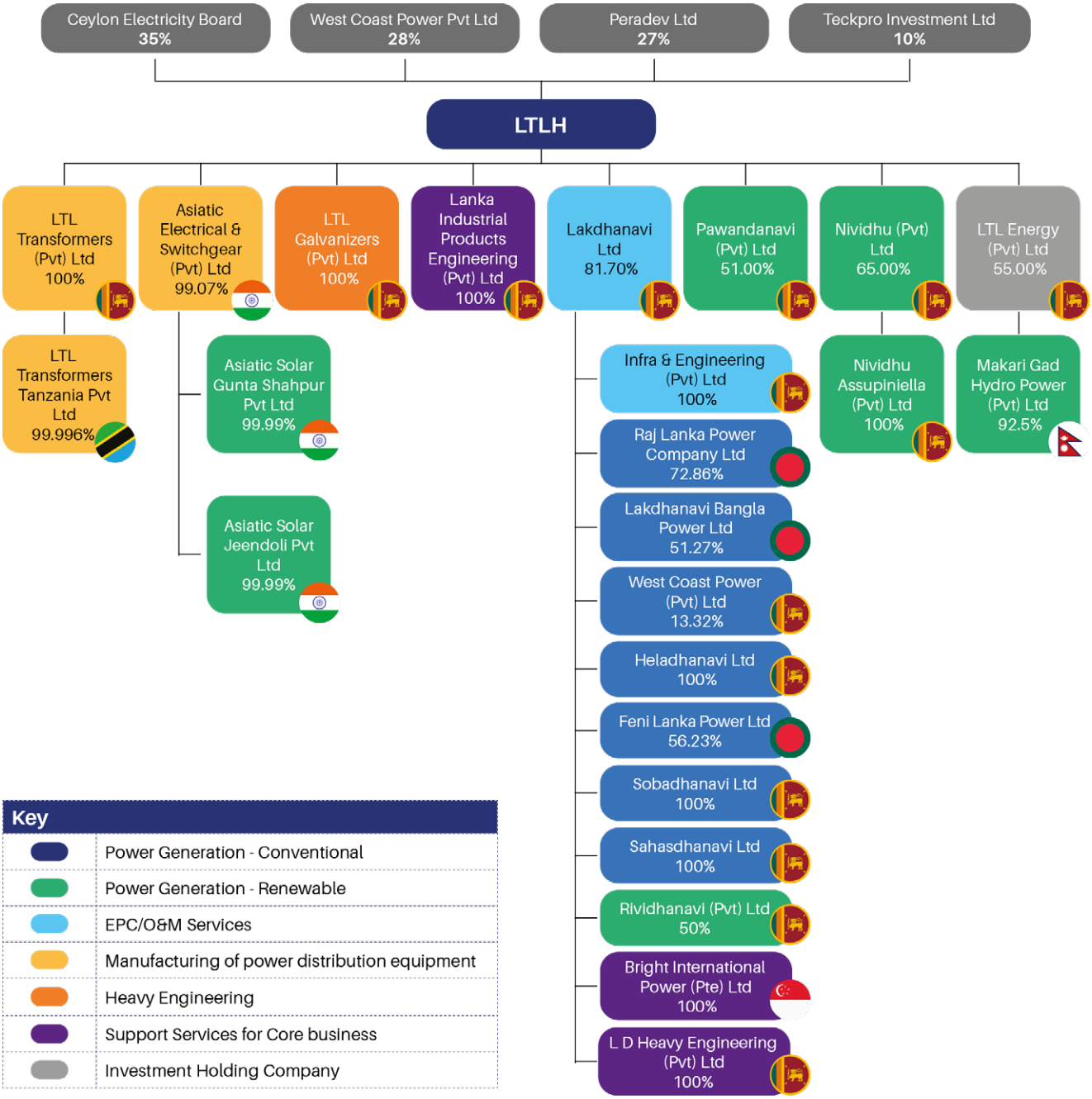
12 Employees as at March 31, 2017

13 Employees as at October 9, 2017

7.5 GROUP STRUCTURE

Over the 40 year operating history, LTLH has diversified and expanded its operations into different verticals in power and related sectors in local and in foreign markets. At present the group consists of twenty four (24) operating companies under LTLH, as depicted in Figure 7.3 below.

Figure 7-3 Group Structure of LTLH



Lanka Industrial Products Engineering (Private) Limited and Heladhanavi Limited are currently non-operational. Heladhanavi Limited was incorporated to operate a 100MW fuel oil-based power plant which was commissioned in August 2004. The plant has been decommissioned upon the completion of the PPA term, however the 57.28 acre land in Puttalam, Sri Lanka, owned by the company is suitable to undertake a future power project.

#LTL Energy is the investment holding company of Makari Gad Hydro Power (Private)Limited and has no other business operations

7.5.1 Other shareholders of LTLH's subsidiaries/associate companies

The following LTLH Group companies have other shareholders who have invested in these companies as venture capital investors, strategic partners and project promoters.

Table 7-3 Venture Capital/Strategic Investors and Project Promoters of LTLH Group

No.	Company	Names of Shareholders	Equity Stake %
01	Lakdhanavi Limited	Teckpro Investment Limited	18.30
02	LTL Energy (Private)Limited	LVL Energy Fund PLC	45.00
03	Asiatic Electric & Switchgear (Private) Limited	Other Individual Shareholders	0.93
04	Nividhu (Private)Limited	LVL Energy Fund PLC Teckpro Investment Limited	25.00 10.00
05	Pawan Danavi (Private)Limited	LVL Energy Fund PLC NDB Capital Holdings Limited	40.00 9.00
06	Makari Gad Hydro Power (Private)Limited	Hydro Vision (Private) Limited Other Individual Shareholders	7.50 0.00
07	Raj Lanka Power Company Limited	Lanka Energy International (Private) Limited Individual Shareholders	20.25 6.89
08	Lakdhanavi Bangla Power Limited	Lanka Energy International (Private) Limited Sawam Holdings Pte Limited	33.16 15.57
09	Feni Lanka Power Limited	Lanka Energy International (Private) Limited Ceylex Engineering (Private)Limited	29.17 14.60
10	West Coast Power (Private) Limited	GoSL via the Treasury Employees Provident Fund Lanka Electricity Company (Private) Limited	41.45 27.05 18.18
11	Rividhanavi (Private) Limited	WindForce PLC	50.00
12	Asiatic Solar Gunta Shahpur (Private) Limited	Other Individual Shareholders	0.01
13	Asiatic Solar Jeendoli (Private)Limited	Other Individual Shareholders	0.01
14	LTL Transformers Tanzania (Private) Limited	Other Individual Shareholders	0.001

7.5.2 Brief description on companies of the LTLH Group

The following is a summary of the companies under the LTLH Group, categorized by business segment, nature of operations and by geographical location.

Table 7-4 Brief Descriptions on Companies under the LTLH Group

Business Segment	Nature of Operations	Name of the Company	Country of Operation
Power Generation	Hydro	• Nividhu (Private) Limited (2.2 MW) • Nividhu Assupiniella (Private) Limited (4 MW) • Makari Gad Hydro Power (Private)Limited (10 MW)	• Sri Lanka • Sri Lanka • Nepal
	Solar	• Rividhanavi (Private) Limited (100 MW)* • Asiatic Solar Jeendoli(Private)Limited (3.9 MW)* • Asiatic Solar Gunta Shahpur (Private)Limited (4.1MW)*	• Sri Lanka • India • India
	Wind	• Pawan Danavi (Private) Limited (10 MW)	• Sri Lanka
	Thermal	• Raj Lanka Power Company Limited (52 MW) • Lakdhanavi Bangla Power Limited (52 MW) • Feni Lanka Power Limited (114 MW) • West Coast Power (Private)Limited (300 MW) • Sobadhanavi Limited (350 MW)† • Sahasdhanavi Limited (350 MW)**	• Bangladesh • Bangladesh • Bangladesh • Sri Lanka • Sri Lanka • Sri Lanka
EPC and O&M Services	Construction/ Operation and Maintenance of Power Plants	• Lakdhanavi Limited • Infra & Engineering (Private) Limited • LD Heavy Engineering (Private) Limited • Bright International (Pte) Limited	• Sri Lanka • Sri Lanka • Sri Lanka • Singapore
Manufacturing	Manufacturing of Distribution Transformers	• LTL Transformers (Private) Limited • LTL Transformers Tanzania (Private)Limited	• Sri Lanka • Tanzania
	Manufacturing of Switchgear Products	• Asiatic Electrical & Switchgear (Private) Limited	• India
Heavy Engineering	Steel Fabrication and Hot-Dip Galvanizing	• LTL Galvanizers (Private) Limited	• Sri Lanka

**Rividhanavi, Asiatic Solar Jeendoli (Private)Limited and Asiatic Solar Gunta Shahpur (Private) Limited are currently under development.*

†Sobadhanavi is currently under construction where open cycle phase was commisionned in August 2024 and the commissioning of combined cycle operations due in March 2025.

***Sahasdhanavi has been incorporated as the Special Purpose Vehicle to undertake the 350 MW combined cycle power plant project in Kerawalapitiya, awarded in December 2023.*

7.6 BUSINESS SEGMENTS OF LTLH

A brief description of each business segment of LTLH is given below.

7.6.1 Power Generation

LTLH will be the only listed IPP in Sri Lanka which own and operate both conventional and renewable power plants, at the time of listing. A summary of the currently operational, under construction and past, power projects of LTLH is given in Tables 7-5, 7-6 and 7-7 below.

Table 7- 5 Details of Currently Operational Power Plants of LTLH

Entity	Location	LTLH's Stake in Entity(%)	Total Capacity (MW)	Power Plant Type	PPA Period	Remaining PPA Term#
Thermal Power Plants						
Sobadhanavi Limited*	Sri Lanka	81.7%	350.0	Multi- Fuel (Combined Cycle)	20 Years	*Refer Note
West Coast Power (Private)Limited	Sri Lanka	10.89%	300.0	Combined Cycle Gas Turbine	May 2009 to May 2035	9 Years and 11 Months
Feni Lanka Power Limited	Bangladesh	45.94%	114.0	Engine Based	Nov 2019 to Nov 2034	9 Years and 5 Months
Lakdhanavi Bangla Power Limited	Bangladesh	41.89%	52.0	Engine Based	Dec 2014 to Dec 2029	4 Years and 6 Months
Raj Lanka Power Company Limited	Bangladesh	59.53%	52.0	Engine Based	Jan 2014 to Jan 2029	3 Years and 7 Months
Renewable Power Plants						
Makari Gad Hydro Power (Private)Limited	Nepal	50.88%	10.0	Hydro	Mar 2023 to Mar 2053	27 Years and 9 Months
Pawan Danavi (Private)Limited	Sri Lanka	51.00%	10.0	Wind	Feb 2013 to Feb 2033	8 Years and 8 Months
NividhuAssupiniella (Private)Limited	Sri Lanka	65.00%	4.0	Hydro	Oct 2004 to Oct 2025	4 Months^
Nividhu (Private) Limited	Sri Lanka	65.00%	2.4	Hydro	Mar 2015 to Dec 2038	13 Years and 6 Months
Total			**894.4**			

 # PPA Years left as at June 30, 2024

^ Likely to be extended as per the government policy

** Open cycle operations of Sobadhanavi was commissioned in August 2024 whereby 212 MW was connected to the national grid. Total capacity of 350 MW through combined cycle operations is expected to be commissioned in March 2025. PPA Period will commence from the date of Commissioning Combined Cycle Operations.*

Table 7- 6 Details of Power Projects Currently Under Development

Entity	Location	LTLH's Stake in Entity (%)	Total Capacity (MW)	Power Plant Type	LTLH'S Role
Rividhanavi (Private) Limited	Sri Lanka	40.85%	100.0	Solar	IPP and Joint EPC and O&M
Sahasdhanavi Limited*	Sri Lanka	81.70%	350.0	Multi- Fuel (Combined Cycle)	Project Sponsor, EPC & O&M Contractor
Asiatic Solar Jeendoli (Private)Limited^	India	99.06%	3.9	Solar	Project Sponsor, EPC & O&M Contractor
Asiatic Solar Gunta Shahpur (Private)Limited^	India	99.06%	4.1	Solar	Project Sponsor, EPC & O&M Contractor
Total			**458.0**		

*Sahasdhanavi Limited is the Special Purpose Vehicle incorporated for the development of the 350 MW LNG based power plant with a 25-year PPA. LAK received the LOI for the project from CEB in December 2023 and the project is currently at a very initial stage. Entering into the PPA and other project agreements would be the immediate next steps to be carried out.

^ Asiatic Solar Jeendoli (Private) Limited and Asiatic Solar Gunta Shahpur (Private) Limited are Special Purpose Vehicles incorporated for the development of the two 4MW Solar Power Plants with a 25 year PPA. Both projects are expected to be completed by end of Q1 2025.

Table 7- 7 Details of Past Power Projects

Location	Total Capacity (MW)	Power Plant Type	Period of Operation/ Construction	LTLH's Role
Sri Lanka	100.0	Thermal (HFO)	October 2004 to November 2015	Designed and commissioned in Puttalam, Sri Lanka and operated on an IPP basis via a JV with Hemas Holdings PLC (LTLH also being exclusive EPC and O&M contractor)
Sri Lanka	24.0	Thermal (Engine Based)	May 2012 to January 2013	Designed and acted as exclusive EPC contractor for CEB in its project in Jaffna, Sri Lanka
Sri Lanka	40.0	Thermal (Diesel)	June 2002 to May 2003	Designed and commissioned in Puttalam, Sri Lanka for short term use and operated on IPP basis (with LTLH also being exclusive EPC and O&M contractor)
Sri Lanka	30.0	Thermal (Diesel)	May 2002 to November 2002	Designed and commissioned in Embilipitiya, Sri Lanka for short term use and operated on IPP basis (with LTLH also being exclusive EPC and O&M contractor)
Sri Lanka	20.0	Thermal (Diesel)	April 2000 to December 2004	Designed and commissioned in Sapugaskanda, Sri Lanka for short term use and operated on IPP basis (with LTLH also being exclusive EPC and O&M contractor)
Sri Lanka	24.0	Thermal (HFO)	November 1997 to November 2012	Designed and commissioned in Sapugaskanda, Sri Lanka and operated on an IPP basis (with LTLH also being exclusive EPC and O&M contractor)
Maldives	8.0	Thermal (Engine Based)	April 2016 to June 2017	Designed and acted as exclusive EPC contractor for STELCO- the Power Utility of Republic of Maldives
	246.0			

7.6.2 Engineering Services

LAK is the leading subsidiary in the LTLH Group, which provides engineering services to power plants as an EPC and O&M contractor. Infra and Engineering Limited and LD Heavy Engineering Limited provide the required technical support for the EPC and O&M services of LAK. Bright International Limited, assists the O&M operations of the LTLH Group by procuring the required spare parts.

LAK has undertaken over 1,100 MW of EPC and O&M contracts to date across Sri Lanka, Bangladesh, Nepal and Maldives, the details of which are provided under Section 7.2 of the Prospectus.

7.6.3 Manufacture and Sale of Power Distribution Equipment

The subsidiaries of LTLH's, namely LTL Transformers (Private)Limited and Asiatic Electrical & Switchgear (Private) Limited, India are engaged in the manufacture and sale of power distribution transformers and switchgear, for both local and international markets.

LTLT has a dominant local presence catering to 100% of the transformer requirement for CEB and LECO and one of the market leaders in supplying the private sector, which includes commercial, industrial and IPPs. LTLT strategically entered the international transformer market in 2003 and has **served over 55 Power Utilities globally** in more than 20 international markets to date. The product range of LTLT includes oil-filled transformers, low-voltage distribution transformers, and pre-fabricated compact MV substations.

In August 2016, LTLH acquired Asiatic Electrical & Switchgear (Private) Limited (AES), in India, enabling LTLH to further strengthen the value chain in power generation and distribution in the region. AES, which is located in Bhiwadhi, Rajasthan, has over 30 years of operating history and specializes in designing, manufacturing, and marketing a wide range of electrical accessories such as High Tension (HT – 33 kV)/ Low Tension (LT) switchgear products, namely, LV Distribution Boards, Feeder Pillars, Service Cabinets, and 25 kV Composite Insulators.

AES sells its products to Indian and international power utilities in UK, Cyprus, Abu Dhabi, Yemen, Tanzania, Kenya, Uganda, Ethiopia, Türkiye, Ghana, Qatar, Dubai, Nepal, Bangladesh,Bahrain, Oman, Kuwait, South Africa and in Sri Lanka.

7.6.4 Heavy Engineering Services

LTL Galvanizers (Private)Limited (LTLG) provides Steel Galvanizing and Steel Fabrication services under the heavy engineering segment of LTTH, as a fully owned subsidiary.

LTLG uses hot dip galvanizing, which is the process of coating steel structures with a zinc membrane for the protection of steel structures used in power, telecommunication, construction, shipping, steel infrastructure and other industries. In addition, LTLG also offers Thermal Spray Metallizing which is an effective and durable method to apply a protective coating to standing steel structures such as Bridges.

LTLG also specializes in the Design, Fabrication and Installation of power transmission towers, communication towers, steel masts, steel buildings, steel bridges, and other steel structures, all built to industrial standards. The steel fabrication plant is equipped with cutting-edge equipment which can be controlled by computerized systems with a high level of accuracy, repeatability, and output rate.

7.7 HUMAN CAPITAL

LTLH employed 785 staff as at 30th June 2024, who possess the required engineering, technical and managerial expertise and experience to undertake and effectively manage the overall business operations of the LTLH Group. A trade union of executive and clerical employees, in the name of "Lanka Transformers Ltd Staff Union" was formed under the laws of Sri Lanka on May 14, 2002. This trade union has a membership of 255 as of the date of the Prospectus. There are no other labour unions within the Group, and the Company has not entered into any agreements with any Trade Union including Lanka Transformers Ltd Staff Union.

A Human Capital policy of LTLH is to provide varied opportunities for young graduates from local universities and other professionals to engage with the LTLH Group as employees immediately after the completion of their studies. This has enabled the LTLH Group to create a strong and competent resource pool, and to achieve the unique milestones reached in the past. As its Human Capital is considered a significant asset within the Group, this will also position the Group in a manner to embark on more challenging projects it envisages accomplishing in the future.

All employees are trained on the job as well as through structured local and international training and development programs to ensure that they are equipped with the state-of-the-art and cutting-edge technologies, the latest know-how, and industry best practices, to meet the needs of the continuously evolving power and energy sector.

Composition of the talent pool of the LTLH Group as at June 30, 2024 is depicted below.

Table 7-8 Headcount of Each Business Unit

Company	No of Employees
LTL Holdings Limited	10
Lakdhanavi Limited and its Subsidiaries	418
LTL Transformers (Private)Limited	70
LTL Galvanizers (Private)Limited	48
Asiatic Electrical &Switchgear (Private)Limited	229
Makari Gad Hydro Power (Private) Limited	10
Total	**785**

Figure 7-4 Headcount Based on Profession

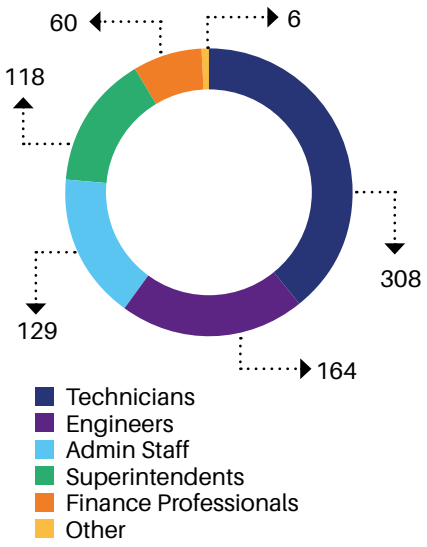
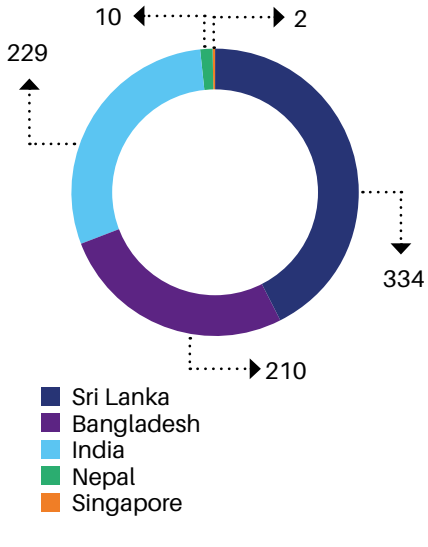


Figure 7-5 Headcount Based on Location



In addition to the above talent pool, the LTLH Group outsources certain project-related activities to external parties both local and foreign on a need's basis.

The strong and effective leadership provided by the management supplemented by the commitment of the employees, has largely been instrumental in the growth of the operational performance and strong and consistent financial performance recorded by the LTLH Group over the years.

7.8 COMPETITIVE ADVANTAGES OF THE LTLH GROUP

The LTLH Group can leverage on the following key strengths.

1. Talent pool of over 785 experienced and well qualified team in management and other levels of staff.
2. A strong balance sheet with a total asset base of LKR 134 Bn and debt to capital ratio of 41%, as at March 31, 2024 which the LTLH Group can leverage on its future growth and diversification plans by mobilizing the required capital via the capital markets, private equity funds and local & international financial institutions.
3. In-house technical know-how and capabilities in the areas of engineering design, feasibility studies, procurement, construction project management, innovation, project financing, operations and maintenance and de-commissioning of multifuel power plants. It also possesses the ability to adapt to latest technologies effectively into its operations.
4. Although LTLH operates in several countries, a bulk of its operational revenues are naturally hedged against exchange rate risk and power plant dispatch variation risks. The PPAs and O&M agreements entered into by LTLH Group companies for firm power projects guarantee a steady stream of cash-flows to the Company. In FY24, above 70% of LTLH's revenue was either foreign currency denominated or foreign currency linked (including fuel passthroughs), with the tariffs of the respective agreements structured to include payments linked to local currencies and hard currencies, and also to include inflation indexing of the respective currencies. The agreements also typically include a sizeable portion of fixed (i.e. independent of power plant dispatch) revenue. Between FY21 and FY24, on average, around 24% of LTLH's total revenue was of fixed nature (independent of operational activity level).

7.9. LTLH'S ESG INITIATIVES

LTLH is committed to reducing its energy and carbon footprint, contributing to global climate change efforts, and implementing a sustainability program that provides value to the Company, its employees, and the wider public. This commitment is demonstrated through initiatives such as the Yugadhanavi Power Plant's 135 kW solar rooftop, which has an annual energy yield of 190,600 kWh, LTLT's 472 kW solar rooftop with an annual energy yield of 660,000 kWh, and LTLG's 341.76 kW solar rooftop, with an annual energy yield of 355,000 kWh. LTLH promotes the use of sustainable materials and actively encourages a paper-free office to minimize paper usage in its operations, transactions, and communications with stakeholders. Efforts are also made to reduce the use of single-use plastics in LTLH's projects and events. The Company incorporates energy-efficient resources wherever possible to monitor and reduce energy consumption as part of its strategy to promote environmentally friendly initiatives. Regular educational programs are conducted to increase awareness among the employees about the importance of adopting environmentally friendly practices and complying with Company policies and procedures.

LTLH ensures compliance with relevant requirements of the National Environmental Act No. 47 of 1980 (as amended) and all relevant environmental protection regulations on environmental protection of the Central Environmental Authority, to the extent applicable. Key business units within LTLH hold ISO 14001:2015 certification for their Environmental Management System, demonstrating adherence to high environmental standards.

In terms of social and governance factors, LTLH aims to foster an inclusive workplace that values and nurtures its employees. The Company ensures fair compensation at industry standards, provides necessary resources and training, promotes a positive work environment, and ensures the health and safety of all employees, including appropriate healthcare benefits. LTLH is committed to gender, age, and ethnic diversity within its workforce, recognizing that diverse perspectives and experiences improve decision-making and results. Discrimination based on gender, age, ethnicity, race, physical ability, socio-economic status, or other grounds is actively discouraged.

As part of its social responsibility initiatives, Feni Lanka, a subsidiary of LTLH, constructed a new school building at Dukkin Kashimpur Government Primary School, enhancing sanitary conditions and other facilities. This construction project underscores LTLH's commitment to improving community infrastructure and supporting education. Furthermore, LTLH has provided financial support to the "Suwa Seriya" Foundation Sri Lanka, donating LKR 15 million to their "Adopt an Ambulance" program. These funds will be used for the maintenance of ambulances, medical equipment maintenance, staff refresher training, and staff uniforms for three ambulances, highlighting LTLH's dedication to enhancing public health services. LTLH's dedicated commitment to social initiatives are further explained in the corporate social responsibility section.

7.10 CAPITAL STRUCTURE

As at the date of this Prospectus, the stated capital of the Company is LKR 166,700,000/- constituting of monies received by the Company by the issue of 4,801,193,380 fully paid Ordinary Voting Shares.

7.10.1 An Overview of the Stated Capital

An overview of the stated capital of the Company is given below.

Table 7-9 Overview of Stated Capital of the Company

	Number of Shares	Stated Capital (LKR)
Balance as of April 01, 2021	16,670,000	166,700,000
Balance as of March 31, 2022	**16,670,000**	**166,700,000**
Sub-division of Shares on March 27, 2023 at a ratio of 197 Shares for each Share held	3,283,990,000	166,700,000
Balance as of March 31, 2023	**3,283,990,000**	**166,700,000**
Sub-division of Shares on March 4, 2024 at a ratio of 1,462 Shares for every 1,000 Shares held	4,801,193,380	166,700,000
Balance as of March 31, 2024	**4,801,193,380**	**166,700,000**
Initial Issue of up to 1,103,448,300 New Shares at LKR 14.50 per Share via the IPO (assuming a full subscription to the Initial Issue)	1,103,448,300	16,000,000,350
Balance Subsequent to the Initial Issue	**5,904,641,680**	**16,166,700,350**
Further Issue of up to 275,862,100 New Shares at LKR 14.50 per Share via the IPO (assuming a full subscription to the Further Issue)	275,862,100	4,000,000,450
Balance Subsequent to the Total Issue	**6,180,503,780**	**20,166,700,800**

7.10.2 Post Listing Share Issues

As detailed in Section 5.8, CEB, sought and obtained the approval of the Cabinet of Ministers for the issue and listing of Five Million Five Hundred Thousand (5,500,000) Shares [which is equivalent to One Billion Five Hundred and Eighty Four Million Seventy Seven Thousand (1,584,077,000) Shares as at the date of Prospectus post sub-divisions]. The shareholders of the Company when authorising the Company to carry out the IPO, also authorised the Company to, in the event the number of Shares to be issued at the IPO is less than One Billion Five Hundred and Eighty Four Million Seventy Seven Thousand (1,584,077,000) Shares [as increased from Five Million Five Hundred Thousand (5,500,000) Shares approved by the Cabinet of Ministers, pursuant to the aforesaid sub-divisions], to issue the balance Shares ("Balance Shares"), subsequent to the listing of the Company, by adopting such modality that the Board may deem appropriate (which modality may include without limitation a private placement or a rights issue of shares) on terms to be determined by the Board, at the time of such issuance of Shares, if the requirement arises. Such subsequent issuance of Shares,will be carried out in compliance with the relevant Listing Rules and will be subject to the approval of the CSE, in terms of Section 5 – "Further issue of Securities of a Listed Entity"of the CSE Listing Rules. The Company has, in this regard, received necessary undertakings from its existing shareholders (i.e. CEB, West Coast Power (Private) Limited, Peradev Limited, Tekpro Investment Limited) that they shall support any shareholder resolution and in no manner oppose or decline the approval for the issuance of the Balance Shares in line with the aforesaid Cabinet decision.

Accordingly, assuming that the entirety of One Billion Three Hundred and Seventy Nine Million Three Hundred and Ten Thousand Four Hundred (1,379,310,400) New Shares are issued at the IPO, the total number of Shares that constitute the Balance Shares to be issued post IPO will be Two Hundred and Four Million Seven Hundred and Sixty Six Thousand Six Hundred (204,766,600) Shares.

7.10.3 Details of Transfer of Shares

The following transfer of Shares in the Company took place during the past twelve (12) months:

Date	Transferor	Transferee	Number of Shares	Total Consideration (LKR)
February 8, 2024	Ceylon Electricity Board	West Coast Power (Private) Limited	919,517,200 (equivalent to 1,344,334,146 Shares post sub-division) (28% of Pre-IPO Shares)	26,081,160,000

Other than above, there were no Shares which had been acquired by any Shareholder by way of transfer during the period of twelve (12) months immediately preceding the date on which the Initial Listing Application was submitted to the CSE (i.e. July 31, 2024).

7.10.4 Details of Repurchase and Redemption of Shares by the Company

The Company has not carried out any share re-purchase under sections 63, 64, 93 or 100 of the Companies Act, redemption of Shares under sections 66 to 69 of the Companies Act or stated capital reduction exercise under section 59 of the Companies Act, in the two (2) years preceding the date of this Prospectus.

7.10.5 Shareholding Structure of the Company

Tabulated below is the shareholding structure of the Company as of the date of submission of the Initial Listing Application to the CSE (July 31, 2024) and the status of their shareholding subsequent to the IPO assuming (i) full subscription of the IPO and (ii) that CEB, West Coast Power (Private) Limited, Peradev Limited andTeckpro Investment Limited do not subscribe to any New Shares issued under the IPO.

Table 7-10 Shareholders of the Company

Name of the Shareholder	Prior to IPO		Subsequent to IPO (i.e. Total Issue)	
	Number of Shares	Percentage of Shareholding	Number of Shares	Percentage of Shareholding
Ceylon Electricity Board	1,679,812,854	34.987%	1,679,812,854	27.1%
West Coast Power (Private) Limited	1,344,334,146	28.000%	1,344,334,146	21.7%
Peradev Limited	1,296,063,000	26.995%	1,296,063,000	20.9%
Teckpro Investment Limited	480,983,380	10.018%	480,983,380	7.7%
IPO Shareholders	-	-	1,379,310,400	22.3%
Total	**4,801,193,380**	**100.000%**	**6,180,503,780**	**100.0%**

7.10.6 Dividend Policy

Subject to the provisions of the Companies Act and the Articles of Association of the Company, the amount and the timing of dividend payments on the Ordinary Voting Shares of the Company will be decided by the Board of Directors of the Company. As per the dividend policy of the Company, the payment of dividends is based on a number of factors, including but not limited to, Company's earnings, cash flow position, future investments, funding of growth, the maintenance of a sound and efficient capital structure, and any other factors which the Board of Directors of the Company may deem relevant.

The dividends paid by the Company during the five (05) financial years immediately preceding the issue of the Prospectus are set out below.

Table 7-11 Dividend Payout

	FY2020	FY2021	FY2022	FY2023	FY2024
Dividends (LKR Mn) – Note 1	3,500.0	1,000.0	4,000.0	-	-
Profit Attributable to the Equity Holders of the Parent (LKR Mn) – Note 2	7,613.0	5,392.2	14,578.3	10,372.1	4,559.0
Dividend Payout (%)	46%	19%	27%	-	-

Note 1: The Board decided not to declare any dividends for FY2023 and FY2024, considering the significant investments going into the construction of the Sobadhanavi power plant and to maintain sufficient cash reserves within the LTLH Group amidst the delay in payments by key customers and challenging macro-economic conditions that prevailed in the recent past.

Considering the subsequent improvement in the operations and cash flow position of the LTLH Group, the Board decided to declare a dividend of LKR 3,000 Mn in May 2024 to be treated as the final dividend for FY 2024. This will be paid out by end of August, 2024.

Note 2: Profit Attributable to the Equity Holders of the Parent was higher in FY2023 in comparison to FY2024 due to the other income and gains amounting to LKR 8,610.1 Mn recognized in FY2023 (refer Note 22 in the Audited Financial Statements for FY2024 in Annexure E).

7.10.7 Details Pertaining to the Locked-in Shares - Pre and Post IPO

Details pertaining to the locked-in Shares constituting the public and non-public holding are given in Tables 7-10 and 7-11 below.

Details pertaining to the locked-in Shares (pre and post IPO) are accordingly given below.

Table 7-12 Lock-in of Pre IPO-Shares

Category of Shareholder	Locked-in Shares	Lock-in Period	Total Number of Shares	Number of Shares as a Percentage of Total Number of Shares in Issue (Pre IPO)
Non-Public	Locked-in	6 months from date of listing	3,456,859,234	72.00%
Non-Public (Shares acquired by way of a transfer in the last 12 months)	Locked-in	6 Months from date of listing or 12 months from the date of transfer whichever is longer	1,344,334,146	28.00%
Total			**4,801,193,380**	**100.00%**

N/A-Not Applicable

Note: The terms 'Non-Public Shareholders' and 'Public Shareholders' shall have the same meaning as set out in the CSE Listing Rules.

Table 7-13 Shares Locked-in Post IPO

Category of Shareholders (Post-Listing)	Locked-in Shares/Not-Locked in Shares	Months After Which the Shares will be Available for Trading	Number of Shares	Number of Shares as a Percentage of Total Number of Shares in Issue (Post-IPO)
Non-Public	Locked-in	6 months from date of listing	3,456,859,234	55.93%
Non-Public (Shares acquired by way of a transfer in the last twelve months)	Locked-in	6 Months from date of listing or 12 months from the date of transfer whichever is longer	1,344,334,146	21.75%
Public (Total IPO Shares)	Not Locked-in	N/A	1,379,310,400	22.32%
Total			**6,180,503,780**	**100.00%**

N/A - Not Applicable

Note: The terms 'Non-Public Shareholders' and 'Public Shareholders' shall have the same meaning as set out in of the CSE Listing Rules.

Post-IPO public holding (total unlocked-Shares post-IPO that will be held by the Public as a percentage (%) of the total Shares in issue Post-IPO) immediately after the IPO, as per the definition provided in the CSE Listing Rules for Public shareholding is 22.32% (on the assumption that all of the shareholders who subscribe to Shares in the IPO fall within the definition of 'Public Shareholders') representing a float adjusted market capitalisation of LKR 20,000,000,800/- at the Share Issue Price.

The Company confirms that the information furnished herewith shall remain unchanged until the date of listing.

Shares listed on the CSE shall be freely transferable and registration of the transfer of such listed Shares shall not be subject to any restriction, save and except to the disclosure above and to the extent required for compliance with statutory requirements.

7.10.8 Details of Convertible Debt Securities

The Company has no outstanding convertible debt securities as of the date of this Prospectus.

7.10.9 Details of Shares Sold Privately in Conjunction with the Issue

No Shares are being offered privately in conjunction with this Issue.

7.10.10 Details of Take-Over Offers

There have been no take-over offers by third parties in respect of the Company's Shares and no take-over offers were made by the Company in respect on the Shares of a third party during the past two (02) years, preceding the date of this Prospectus.

7.11 FUTURE STRATEGIES OF LTLH GROUP

LTLH Group will focus on the following strategies for the long term growth of the Company.

7.11.1 Continuation of existing contractual business operations

LTLH will carry forward the contracted activities under the existing PPAs, O&M and EPC contracts entered into with local and international power utilities and IPPs during the remaining tenure of the contractual terms of each respective agreement.

7.11.2 Expansion of existing business segments

7.11.2.1 LNG Based Power Generation

As per CEB's LTGEP for 2023-2042, additional re-gasified Liquified Natural Gas (LNG) based thermal power plants of 465MW are expected to be commissioned by 2030.

At present, LTLH has two power plants with the required technology to operate on LNG, with an installed capacity of 650 MW (300 MW Yugadhanavi power plant and 350 MW Sobadhanavi power plant). LTLH has been awarded the LOI for the development of the third LNG power plant with a capacity of 350 MW, which will increase the total LNG based capacity of LTLH to 1,000 MW, all located within a single power generation complex in Kerawalapitiya, Sri Lanka.

The experience gained through the construction, operation and maintenance of these power plants will provide LTLH a strong competitive advantage to bid for new LNG based power projects in Sri Lanka and in other international markets.

7.11.2.2 Renewable Energy

Globally there is a shift in the generation of power through renewable energy to counter the negative environmental impact of conventional energy sources and the commitments given by national governments across the world to meet future energy demand through more sustainable sources to meet committed environmental targets.

The GoSL under its National Energy Policy has committed to enhance the contribution of renewable energy to 70% of the overall energy mix of the country by 2030 and beyond, which is reflected in the CEB's LTGEP for 2023-2042. This would require renewable energy capacity enhancements of 6,333 MW[14,15], during the period from 2023 to 2030.

LTLH has aligned its future strategy in line with this shift in National Policy and will focus on securing large-scale renewable energy power projects in Sri Lanka, mainly in solar and wind power.

In addition, in response to the global shift towards renewable energy, LTLH will look at investments in renewable energy projects in international markets such as India, Nepal, Bhutan, Bangladesh and East Africa in future.

In terms of expanding the renewable energy portfolio in international markets, LTLH Group has submitted a direct proposal to BPDB to develop a 100 MW Solar power plant in Bangladesh, which is currently at an initial stage of evaluation. In addition, LTLH Group has been awarded a project to develop two solar power plants with capacities of 3.9 MW and 4.1 MW,respectively, in India.

The shift will also provide growth opportunities for LTL Transformers and Asiatic Electrical to cater to the expanding renewable energy capacities in existing and new markets.

7.11.2.3 Expansion of Manufacturing and Galvanizing Facilities to International Markets

LTLH is currently in the process of establishing a distribution transformer assembly plant in Tanzania, with an annual manufacturing capacity of 1,000 transformers. The plant will be set up to meet the growing demand for transformers in Tanzania and neighbouring countries such as Uganda, Kenya, Mozambique, and Ethiopia. The cost for setting up the plant is estimated to be around USD 2.2 Mn. The approval of the CBSL has been obtained for the equity investment for the project. The operations in Tanzania would initially commence as an assembling plant for transformer parts imported from Sri Lanks in an existing facility that has been obtained on leasehold basis. Within two (2) years, the operation is expected to be developed into a comprehensive assembly facility in own premises, with plans for further development into a fully-fledged manufacturing plant with higher capacity in future.

LTL Galvanizers is currently pursuing the opportunities for setting up a galvanizing and fabrication plant in Bangladesh. Preliminary work in this regard is being carried out with a JV partner in Bangladesh.

7.11.3 Entering new business segments

7.11.3.1 Development of LNG Infrastructure

GoSL is pursuing introducing LNG based power generation to the country within the next few years, with the aim of minimizing the generation cost and creating a positive environmental impact by using LNG against other fossil fuels (coal, diesel and HFO).

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14 Long-term generation expansion plan 2023-2042, Ceylon Electricity Board accessed through https://www.ceb.lk/publication-media/planing-documents/121/en on August 08, 2024

15 Statistical Digest - 2023, Ceylon Electricity Board accessed through https://www.ceb.lk/front_img/img_reports/1719383943Statistical_Digest_2023_n.pdf on July 10, 2024

LTLH will have an LNG based power generation capacity of 650 MW in 2025, with the commissioning of the Sobadhanavi power plant along with the existing Yugadhanavi power plant. This would further increase to 1,000 MW with the completion of the third combined cycle power plant in Kerawalapitiya (Sahasdhanavi) for which a LOI has been issued to LAK, making LTLH the single largest consumer of LNG in the country.

LTLH is therefore actively involved with the GoSL to identify an economically attractive, technically feasible, and fast track solution for the development of LNG infrastructure in Sri Lanka, focusing on key components such as LNG terminals, storage facilities, regasification units, and distribution networks, with the target of completion within two to three year period. The proposed infrastructure will cover the importation, storage, and distribution of LNG mainly for the electricity generation which could be extended to other industrial applications, and transportation subsequently. As an initial step, LTLH and Petronet LNG Limited, India ("Petronet") entered into a Memorandum of Understanding ("MOU") on August 20, 2024 to jointly develop the LNG infrastructure and supply of LNG to the Sobadhanavi power plant from the LNG terminal of Petronet in Kochi, India in the future.

7.11.3.2 Provision of Spare Parts and Other Maintenance Services

As a strategy of further diversifying operations, LTLH is exploring the opportunities to provide specialized O&M services to power plants by providing spare sparts and maintenance support to existing and new clients in Bangladesh and Sri Lanka.

As a first step in initiating such business avenues, LTLH has submitted 4 proposals in response to tenders for the procurement of spares and maintenance work for BPDB owned power plants in Bangladesh, for which technical evaluations are currently underway.

7.11.3.3 New Production Lines in Manufacturing

LTL Transformers plans to introduce a new production line for the manufacturing of dry type transformers. Dry type transformers are required for indoor installations such as high-rise buildings, which are currently being served only by imports.

Asiatic Electricals & Switchgear has established a new R&D division for developing switchgears required for Electrical Vehicle charging and to pursue other business avenues in the renewable energy space, mainly targeting solar power.

7.11.3.4 New Business Avenues via the Reform Process of the Local Power Sector

The introduction of the power sector reforms through the Sri Lanka Electricity Act No. 36 of 2024 which provides for the increased private sector participation the power sector would provide new avenues of business for LTLH.

With more than 40 years of experience in the power sector having a presence in the entire gamut of the power system from generation until reaching the end consumer would provide LTLH with a competitive advantage to enter into the power distribution sector as a distribution licensee. As an established IPP in both the thermal and renewable sectors, the establishment of a wholesale electricity market in the country would also provide opportunities for LTLH to engage in the trading of electricity.

7.12 ASSUMPTIONS RELATING TO FUTURE STRATEGIES

7.12.1 Increase in Electricity Demand and Economic Activities in Target Markets

Across all key target markets of LTLH, capacity expansions required to meet projected increases in demand for electricity, based on future economic growth levels, have been identified by the respective Governments and/or regulatory bodies.

In Sri Lanka, based on CEB's LTGEP for 2023-2042, demand for electricity is expected to increase at a 7-year CAGR of 7.1% to reach 25,253 GWh in 2030, in comparison to 15,576 GWh in 2023. Based on the World Energy Outlook 2023, published by the International Energy Agency (IEA), global electricity demand is expected to increase at an accelerated compound average growth of 2.7% up to 2030[16]. It is also worth noting that both emerging and developing markets will amount to three quarters of the demand growth in electricity up until 2050.[17]

The above growth potential has been taken into consideration in identifying future business opportunities and strategies for the LTLH Group.

7.12.2 Government Policies to be Focused on Green Energy

The Company's future strategy of gradually shifting towards cleaner forms of power generation technologies (renewables, LNG and hydrogen), follows future global electricity supply trends and environmental commitments of Governments across all key target markets and CEB's LTGEP for 2023-2042 on anticipated capacity additions.

7.12.3 Government Policy on Private Sector Investments in the Power Sector

It is assumed that the Government of Sri Lanka will enable private sector participation in the local power sector whilst providing a conducive regulatory environment to facilitate local companies to undertake foreign investments in the sector.

7.12.4 Continuous Investments in Electricity Networks in Key Target Markets

It is assumed that continuous investments into generation, transmission and distribution infrastructure would be undertaken across the target markets, in parallel to capacity expansions, since this would be critical towards meeting anticipated growth levels in electricity demand. Modernizing and extending electricity network infrastructure from transmission and distribution lines to substations and other equipment would be critical towards ensuring access to electricity and ability to connect capacity additions to the system. This would also drive future demand for distribution equipment, steel fabrication and galvanizing in target markets.

7.13 INVESTMENT CONSIDERATION AND ASSOCIATED RISKS

Prior to investing in new shares, prospective investors should pay attention to the risks relating to the business activities of LTLH Group which may be within or beyond the control of the LTLH Group.

It is recommended that potential investors review the entire Prospectus in detail and pay particular attention to the following risks in connection with your investment. If any of the considerations and uncertainties given below develop into actual events, LTLH Group's business operations and future financial performance could be materially and adversely affected which can impact the value of the Ordinary Shares.

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16 IEA World Energy outlook 2023 accessed through https://iea.blob.core.windows.net/assets/86ede39e-4436-42d7-ba2a-edf61467e070/WorldEnergyOutlook2023.pdf on March 22, 2023.

17 IEA World Energy outlook 2023 accessed through https://iea.blob.core.windows.net/assets/86ede39e-4436-42d7-ba2a-edf61467e070/WorldEnergyOutlook2023.pdf on March 22,2023.

7.13.1 Risks Relating to Future Strategies and Business Operations

7.13.1.1 General Economic and Political Conditions in Operating Countries

Electricity consumption is strongly correlated to the level of economic activity in countries. Accordingly, poor economic conditions or low economic growth for a protracted period can lead to a reduction in electricity demand.

In LTLH's case, all existing PPAs are well-structured agreements where a significant portion of the tariff comprises a fixed capacity charge, which is based on the power plant being made available for dispatch for the required number of hours of each month as per the terms of the PPA, and not on actual units of electricity generated. Hence, any macroeconomic factors that may lead to demand reduction have a minimal impact on LTLH. The revenues in both PPAs and O&M agreements guarantee the minimum return thresholds under which LTLH initially bid for the projects, subject to providing the required availability of the power plants, as per the terms stipulated in the PPAs.

7.13.1.2 Government Policies and Regulations in the Power Sector

Since the power industry is of strategic importance to the overall economy of a country, and the power off-taker in most cases tend to be state owned utilities, operations of power sector companies are highly dependent on government policies and the prevailing regulatory environment. The opportunity to bid for future projects envisaged by the Group are heavily dependent on the long-term power generation plans and the level of private sector participation allowed in the respective countries.

The current markets that LTLH Group operates are adopting policies which encourage private sector participation in the power sector, considering the significant investments that are required to meet envisaged capacity expansions and improvements to the transmission and distribution infrastructure.

7.13.1.3 Financing Risks

LTLH would require both equity and debt capital to undertake the planned investment activities.

A considerable portion of the LTLH Group's future projects is expected to be funded through debt financing by multilateral/international lending institutions and banks operating in Sri Lanka and other potential target markets. If economic conditions deteriorate resulting in a decline in risk appetite of lenders, LTLH Group's ability to secure the required quantum of debt financing at attractive terms could be challenging. Materialisation of the above situation could lead to a reduction in shareholder returns through future projects, in comparison to the anticipated returns that were expected to be generated at the time of bidding for such projects. Nevertheless, the strong financial position of LTLH Group can be leveraged to obtain the required debt financing amidst challenging economic conditions.

Future equity capital required for expansion in operations is expected to be financed through internal funds, capital markets and investments by strategic investors at specific project level, which would mitigate the risk of future equity requirements of the LTLH Group.

7.13.1.4 Foreign Exchange Risk

LTLH Group is subject to fluctuations in exchange rates and the availability of sufficient foreign currency liquidity in the banking system for the conversion of local currencies to international currencies to meet foreign payments relating to the repayment of debt, procurement of capital goods and materials. In the event of investment limits imposed on offshore investments by Sri Lankan entities continue for a prolonged period of time, it will impact the ability of the Group to undertake planned offshore investments.

CBSL in July 2023, relaxed to certain extent the Investment limits set out on the offshore investments[18].

18 Central Bank of Sri lanka, accessed through https://www.cbsl.gov.lk/sites/default/files/cbslweb_documents/press/pr/press_20230724_new_order_issued_relaxing_certain_limitations_suspensions_imposed_on_outward_remittances_of_foreign_exchange_e.pdf on August 08, 2024

As of June 2024, Sri Lanka's foreign currency reserves stood at USD 5,605 Mn[19]. LTLH Group, through the expansion in exports and undertaking foreign power generation and EPC and O&M projects intends to build strong forex reserves on its balance sheet.

Further, a majority of the PPAs and O&M contracts entered into by the LTLH Group have tariffs which are linked to foreign currencies, which provides a natural hedge against fluctuation in foreign exchange rates.

7.13.1.5 Project Implementation Risks

Key challenges that LTLH Group faces in project implementation are meeting contractual timelines, meeting budgetary targets and maintaining quality standards. In certain cases, project managers may encounter bureaucratic delays, finding suitable sub-contractors, and country specific cultural issues.

LTLH, through undertaking large power projects in Sri Lanka and other international markets, has gained sufficient experience in overcoming general and project specific challenges in project implementation. LTLH Group undertakes extensive market analysis and feasibility studies to identify country and project specific risks and adopt suitable risk mitigatory measures prior to taking investment decisions in projects.

LTLH has had the ability to complete projects ahead of time over its operating history of over 25 years, amidst challenging operating conditions. Such project management experience and in-house technical know-how gained through many years of operations will help mitigate future project implementation risks.

7.13.1.6 Natural Resource Dependency Risk for Renewable Power Generation

The electricity generated by renewable power plants is highly dependent on the availability of natural resources such as wind, rainfall, and sunlight. Availability of natural resources varies depending on a number of factors including site location, seasonality and weather patterns.

Prior to selecting project sites for renewable power plants, the LTLH Group undertakes comprehensive feasibility studies to assess the availability of the natural resource. This ensures that the identified sites have the optimal natural resources required for power generation to meet targeted project returns. However, recent phenomenon such as climate change could impact the accuracy and predictability of the factors described above, thereby not fully eliminating such risks.

Furthermore, since the Group's renewable energy plants are diverse in terms of hydro, solar and wind sources and spread across different geographical locations, the effects of seasonal fluctuations in the availability of natural resources can be mitigated.

7.13.1.7 Credit Risk

The primary off-takers of power projects in LTLH's current operations are CEB for power plants in Sri Lanka and BPDB for power plants in Bangladesh. Delay in payments by the off-takers and other customers have an impact on the overall working capital position of the LTLH Group.

LTLH Group, due to its financial capacity, can secure sufficient working capital limits to finance any working capital constraints faced due to payment delays. Strong contractual terms incorporated in the PPAs such as issuance of LCs and arbitration clauses, performance guarantees provided under the implementation agreements entered with respective governments can also help mitigate the risk of non-payments. Further, PPAs of the thermal power plants in Sri Lanka contain delay interest provisions which enable LTLH to recover its financing costs stemming from the delay in payments.

19 Weekly Economic Indicators – Central Bank of Sri Lanka August 02, 2024 accessed through https://www.cbsl.gov.lk/sites/default/files/cbslweb_documents/statistics/wei/WEI_20240802_e.pdf on August 08, 2024

7.13.1.8 Risk of Forced Outages and Non-availability of Power Plants

Making available the power plant capacity as per the terms of the PPA is the key determinant for an IPP of a thermal power plant to earn the full capacity charge, to realize the equity returns anticipated at the time of bidding for the specific project. Forced outages of power plants can occur due to design errors, operator errors and wear & tear and major breakdowns and impact the availability of the power plant.

To minimize above risks, the LTLH Group procures equipment from world class OEMs and adheres to the required industrial O&M practices whilst proper preventive maintenance, quality management, environmental management and health and safety management systems such as ISO standards are adopted in carrying out operations. Engaging skilled engineers and technicians at sites to intervene and take remedial/preventive action on a timely manner and maintaining sufficient spares stock at site help minimize the adverse impacts of outages. Further, machinery breakdown insurance covers are also maintained to minimize any potential financial implications pertaining to the non-availability of the power plants due to equipment failure.

7.13.1.9 Technology Risk

As technology continues to rapidly evolve, there is always a risk that the LTLH Group's investments in new technology may quickly become outdated or surpassed by advancements in the technology.

This could lead to a situation where the LTLH Group has invested significant resources into a technology that is no longer competitive or effective, resulting in reduced efficiency, increased costs, and potentially lower profits. Additionally, the need to continually upgrade or replace technology could require ongoing investments and expenses. However, since the tariffs are fixed at the outset in long term PPAs based on existing technologies, a technology becoming obsolete during the PPA term does not have an impact on LTLH's returns.

While such risk exists, LTLH has continuously invested in new technologies to remain competitive in the market and will invest in new technologies only upon careful assessment of alternative technologies that are in development. Further, the technologies used in power generation and delivery are quite established and are unlikely to become obsolete in a short period of time.

7.13.1.10 Risk of Non-Renewal of Approvals and Licenses

LTLH Group is required to obtain periodic licenses for the continuation of its business operations in the power generation, manufacturing and heavy engineering segments. The Company has secured all required licenses in a timely manner to date and does not envisage the risk of non-renewal of these licenses considering its long standing operating history across all these business segments. Further, through the implementation agreements entered into for the large IPP power projects of LTLH, the respective governments facilitate the power plants to obtain/renew the required regulatory approvals and licenses in a timely manner. Please refer Annexure G for more information on renewal of licenses.

7.13.1.11 Risks posed by the Trade Union

The Company has not had any industrial disputes with the trade union in the past. "Lanka Transformers Ltd Staff Union", which only consists of Executives and Clerical staff of the Group, in its existence of more than 20 years, has not caused any disruptions to the development, implementation and operations of any projects in the past, and has always acted in a manner that compliments the future growth and expansion of the businesses of the Group. Therefore, the Company does not foresee any material risk from the existence of this Trade Union to the business and affairs of the Group.

7.13.2 Risks Relating to Investment in Shares

7.13.2.1 Liquidity Risk

This is the risk stemming from the lack of marketability of Shares that cannot be bought or sold quickly enough to prevent or minimize losses. Liquidity risk is typically reflected in an unusually wide gap between the buying and selling price (particularly to the downside).

7.13.2.2 Investment Risk

Equity instruments may not be a suitable investment for all investors. Potential investors who wish to purchase Shares should possess the relevant knowledge and analytical skills required to evaluate an investment in Shares by judging the risk reward proposition of such an investment decision. The decision to invest in Shares should also be considered in the light of an investor's financial situation, risk appetite, investment horizon and investment objectives.

7.13.2.3 Price Volatility

The share issue price of the Company is not an indication of the market price for the Company as the share may fluctuate in the secondary market due to multiple reasons. These reasons may include, but not limited to, the risk of changes in the nature or scope of the Group's operations, industry-wide changes, changes to regulation and tax laws, macro-economic factors, secondary market volatility and market sentiment.

7.14 OTHER INFORMATION

7.14.1 Relationship with Key Customers and Suppliers of LTLH Group

7.14.1.1 Key Customers

Considering the diverse business operations across multiple sectors and geographies, LTLH Group engages with a range of customers and suppliers in undertaking its day-to-day business activities. The key customers and suppliers of LTLH Group can be identified as follows.

1. **Bangladesh Power Development Board (BPDB)**

   BPDB, the state-owned power utility in Bangladesh, is responsible for a major portion of generation and distribution of electricity mainly in urban areas except Dhaka and West Zone of the country. The three (3) Bangladesh power plants of the LTLH Group with a total installed capacity of 218MW supplies power to the BPDB based on the terms stipulated in the PPAs between BPDB and the respective power plants. BPDB has accounted for c. 63% of LTLH Group's revenue on average, over the last four(04) years.

2. **West Coast Power (Private)Limited (WCP)**

   WCP is a IPP operating in Sri Lanka with a contracted capacity of 300MW (under liquid fuel operations). WCP has as the ability to cater to over 8% of the present peak demand of the country (CEB Long Term Generation Expansion Plan 2023-2042). LAK undertakes the O&M operations of WCP based on the terms stipulated in the O&M contract between WCP and LAK. WCP has accounted for c. 14% of LTLH Group's revenue on average, over the last four (04) years.

3. **Ceylon Electricity Board (CEB)**

LTL Transformers (Private) Limited has derived c. 67% of its revenue on average, over the last four (04) years from selling distribution transformers to CEB. However, total revenue from LTL Transformers (Private) Limited has accounted for only c. 10% of LTLH Group's revenue on average over the last four (04) years.

LTL Galvanizers (Private) Limited has derived c. 24% of its revenue on average, over the last four (4) years from the provision of steel fabrication and galvanizing services to CEB. However, total revenue from LTL Galvanizers (Private) Limited has accounted for only c. 4% of LTLH Group's revenue on average over the last four (04) years.

In addition, LTLH Group's smaller subsidiaries in the renewable power sector, i.e. Pawan Danavi (Private) Limited, Nividhu (Private) Limited and Nividhu Assupiniella (Private) Limited derive its full revenue from CEB. However, the aggregate revenue of these companies that have a combined capacity of 16MW,has accounted for only c. 1% of LTLH Group's revenue on average, over the last four (4) years.

However, with the commissioning of the Sobadhanavi power plant and completion of immediate pipeline projects in Sri Lanka including Sahasdhanavi, the contribution of CEB towards the overall revenue of the LTLH Group will increase in future years, compared to the current position.

7.14.1.2 Key Suppliers

The three (3) Bangladesh power plants of the LTLH Group purchase fuel for the generation of power from either State-owned Bangladesh Petroleum Corporation (under the respective Fuel Supply Agreements) and also import fuel from Vitol, Singapore. LAK in its capacity as the O&M contractor for the three (3) Bangladeshi subsidiaries, WCP and Sobadhanavi, purchases spare parts from OEMs such as Wartsila, GE and Siemens. Considering the nature of the businesses carried out by the LTLH Group, there is low dependency on suppliers for its day-to-day business activities other than the aforementioned.

With the commissioning of the Sobadhanavi and Sahasdhanavi power plants, the Ceylon Petroleum Corporation, as the supplier of liquid fuel to the power plants under Fuel Supply Agreement, would also become a key supplier to the LTLH Group. The party contracted by the GoSL for the importation of LNG to the Kerawalapitiya power plants will also become a key supplier to the LTLH Group in future, once these power plants operate with LNG.

7.14.2 Working Capital

The Board is of the opinion that the working capital is sufficient for the purpose of carrying out day-to-day operations of the LTLH Group.

7.14.3 Litigation, Disputes and Contingent Liabilities

There are no material legal, arbitration or mediation proceedings against the Company which have or may have in the recent past affected the financial position or profitability of the Company.

There are no material contingent liabilities including guarantees that would affect the current and future profits of the Company.

There are no penalties imposed by any regulatory or state authority against the Company.

7.14.4 Management Agreements and Other Contracts

There are no management agreements presently in force or currently being considered by LTLH.

7.14.5 Material Contracts

The details of material contracts entered into by the Company and its subsidiaries are as follows.

- The Company has entered into an agreement dated March 31, 2023, with other companies within the LTLH Group, in terms of which the Company provides identified support services to such companies and Shares resources such as human resources, office space, security costs etc. In terms of such arrangement, the Company receives fees in consideration of the services rendered to the Group companies and further the costs incurred by LTLH in the rendering of such services to and sharing of resources with such Group companies are reimbursed to the Company as per a basis decided by the Board of Directors annually.
- Particulars of the lease agreements entered into by the Company with its subsidiaries are as follows.

Table 7-14 Lease Agreement Particulars

Parties to the Agreement	Nature of the Agreement	Date of Execution
LTL Transformers (Private) Limited (Lessee) and the Company (Lessor)	For the lease by the Company to the Lessee of a land extent of 1.3 Hectares in Angulana for a period of 3 years commencing from April 1, 2023 to March 31, 2026	March 17, 2023
LTL Galvanizers (Private) Limited (Lessee) and the Company (Lessor)	For the lease by the Company to the Lessee of a land extent of c. 7 Hectares in Sapugaskanda Industrial Estate for a period of 5 years commencing from April 01, 2021 to March 31, 2026	March 31, 2021
Pawan Danavi (Private) Limited (Lessee) and the Company (Lessor)	For the lease by the Company to the Lessee of a total land extent of 2.738 Hectares in the Village of Illadaiyadi, Erukkaliyadi, and Illandaiyadi Kani for a period of 12 years commencing from December 15, 2020 to December 14, 2032	March 22, 2021

Except for the contracts and agreements mentioned above, there are no material contracts entered into by the Company and its subsidiaries in the two (2) years preceding the date of the Prospectus, other than those contracts entered into in the ordinary course of business.

Although subsidiaries of the Company have entered into Power Purchase Agreements, Operation and Maintenance (O&M) Agreements and Engineering, Procurement and Construction (EPC) Contracts, details thereof are not included as all those contracts are entered into in the ordinary course of business of the Group.

7.14.6 Details of Commissions Paid

No commission has been paid in the two (2) years preceding the IPO or payable for subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any Shares of the Company.

7.14.7 Details of Benefits Paid to Promoters

No benefit has been paid in the two (2) years preceding the IPO and there is no benefit intended to be paid or given to any promoter of the Company.

7.14.8 Details of Transactions Relating to Property

There were no transactions relating to the property within the two (2) years preceding the IPO in which any vendor of the property to the Company or any person who is or was at the time of the transaction, a promoter or a director or proposed director of the Company had any interest, direct or indirect.

7.14.9 Corporate Taxation

Taxation applicable for the Company and its subsidiaries as at March 31, 2024 is as follows.

Table 7-15 Tax Rates Applicable for the Company and its Subsidiaries as at March 31, 2024

Company	Country of Operations	Dividend Tax Deducted at Source (%)	Income Tax Rate (%)	Other Comments
LTL Transformers (Private) Limited	Sri Lanka	15.00%	30.00%	
LTL Galvanizers (Private) Limited	Sri Lanka	15.00%	30.00%	
Asiatic Electrical & Switchgear (Private) Limited	India	7.50%	25.17%	Income Tax 22%, Surcharge 10%, CESS 4%
Nividhu (Private) Limited	Sri Lanka	15.00%	30.00%	
Nividhu Assupiniella (Private) Limited	Sri Lanka	15.00%	30.00%	
Pawan Danavi (Private) Limited	Sri Lanka	15.00%	30.00%	
LTL Energy (Private) Limited	Sri Lanka	15.00%	30.00%	
Makari Gad Hydro Power (Private) Limited	Nepal	5.00%	25.00%	1-10 Years - exempt, next 5 years 50% of applicable tax rate
Lakdhanavi Limited	Sri Lanka	15.00%	30.00%	Foreign EPC and O&M Income earned is exempt from taxes as of the Prospectus Date
Infra & Engineering (Private) Limited	Sri Lanka	15.00%	30.00%	Foreign EPC and O&M Income earned is exempt from taxes as of the Prospectus Date
Raj Lanka Power Company Limited	Bangladesh	15.00%	25.00%	Under the PPA, the company is eligible for a tax holiday on income generated from the power plant operations until the expiry of the PPA on 1/24/2029
Lakdhanavi Bangla Power Limited	Bangladesh	15.00%	25.00%	Under the PPA, the company is eligible for a tax holiday on income generated from the power plant operations until the expiry of the PPA on 12/27/2029
Feni Lanka Power Limited	Bangladesh	15.00%	25.00%	Under the PPA, the company is eligible for a tax holiday on income generated from the power plant operations until the expiry of the PPA on 11/21/2034
LD Heavy Engineering (Private) Limited	Sri Lanka	15.00%	30.00%	
Bright International Power Pte Limited	Singapore	Nil	17.50%	
Heladhanavi Limited	Sri Lanka	15.00%	30.00%	
Sobadhanavi Limited	Sri Lanka	15.00%	30.00%	As a result of an Accelerated Capital Allowance of 150%, Sobadhanavi is not expected to pay any tax on taxable profits until the completion of the 11th year of Combined Cycle operations

Company	Country of Operations	Dividend Tax Deducted at Source (%)	Income Tax Rate (%)	Other Comments
Rividhanavi Limited	Sri Lanka	15.00%	30.00%	As a result of an Accelerated Capital Allowance of 150%, Rividhanavi is not expected to pay any tax on taxable profits until the completion of the 11th year of commercial operations
Sahasdhanavi Limited	Sri Lanka	15.00%	30.00%	As a result of an Accelerated Capital Allowance of 150%, Sahasdhanavi is not expected to pay any tax on taxable profits until the completion of the 11th year of Combined Cycle operations

Note: Dividend declared out of dividend received (Local and/or foreign) are exempted from Dividend Tax

7.14.10 Details of Licenses

The Company does not require any periodic license issued by a regulatory body in order to carry out the main business activities of the Company.

The details of the periodic licenses required by the subsidiaries of LTLH in order to carry out their respective business operations are disclosed in Annexure H of the Prospectus.

7.15 CORPORATE SOCIAL RESPONSIBILITY (CSR)

LTLH has consistently sought for a balanced approach to achieve its business goals in tandem with its obligations towards the communities it operates in, by contributing towards CSR Projects in the areas of health, education, culture and capacity building for the communities. These were mostly conducted as CSR initiatives. Some of the group's recent CSR initiatives are as follows.

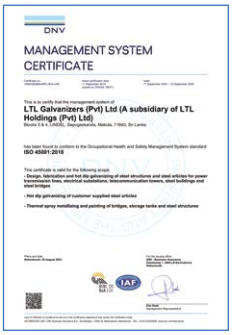
Maintenance of the lighting systems in key religious institutions in "Atamasthana", Anuradhapura	Renovated the Ward No. 4, visitors' area and medical staff administration premises of the Lady Ridgway Hospital
Contribution for the renovation of the Wilfred P Jayasekara High voltage laboratory of Department of Electrical and Electronic Engineering, Faculty of Engineering, of the University of Peradeniya	Sponsored supplying and installing a 150kWp (DC) Solar PV System for Jaya Sri Maha Bodhi Temple in Anuradhapura. This initiation supports neutralizing the carbon emissions related to the electricity consumption of the Jaya Sri Maha Bodhi temple.
Donation of essential medical apparatus worth to ministry of health to aid combating covid-19	Installation of a solar power system at Kularatne Hall in Ananda College,Colombo
Construction of a new school building at Dukkin Kashimpur Government, Primary School in Feni, Bangladesh. This Project was recognized as the "Corporate Social Responsibility Initiative of the year-Bangladesh" by Asian Power Awards 2021, Singapore	Sponsorship for the Automation and Motion Control Research Facility at the Electrical Engineering Department of the University of Moratuwa
Multiple projects undertaken to provide hospital with required support to combat the Covid-19 pandemic	Providing financial support for the "Suwa Seriya" Ambulance program

7.16 CERTIFICATIONS OF LTLH GROUP

LTLH is committed in delivering the highest quality of service to its clients. In line with the group's strategy of growing its strong regional footprint with verticals, it has introduced procedures and systems for all applicable ISO standards such as Environment Management and Health and Safety certification as shown below;

Table 7-16 Certifications Awarded to LTLH Group

	Certification		
Lakdhanavi Limited	 ISO 9001:2015 Quality Management System	 ISO 14001:2015 Environmental Management System	 ISO 45001:2018 Occupational Health and Safety Management System
LTL Transformers (Private) Limited	 ISO 9001:2015 Quality Management System ISO 17025:2017 Accredited Testing Laboratory under the field of Electrical & Mechanical Testing	 ISO 14001:2015 Environmental Management System	 ISO 45001:2018 Occupational Health and Safety Management System

	Certification		
Asiatic Electrical and Switchgear (Private) Limited			
	ISO 9001:2015 Quality Management System	ISO 14001:2015 Environmental Management System Standard	ISO 45001:2018 Occupational Health and Safety Management System Standard
LTL Galvanizers (Private) Limited			
	ISO 9001:2015 Quality Management System	ISO 14001:2015 Environmental Management System	ISO 45001:2018 Occupational Health and Safety Management System

7.17 AWARDS AND ACCOLADES

Over the years, LTLH has consistently been recognized not only in Sri Lanka but globally as well, which is a strong validation of the group's operations and performance. These awards have covered the entire gamut of LTLH's operations as an investor, developer and operator of power plants.

7.17.1 Achievements on the Power Generation and EPC/O&M Operations

Award	Distinction- International Safety Award
Awarded by	British Safety Council
Awarded to	300 MW Yugadanavi Combined Cycle Power Plant
Year	2021

Award	Country Winner of Bangladesh
Awarded by	British Safety Council
Awarded to	Lakdhanavi Limited
Year	2021

Award	Innovative Power Technology of the year – Bangladesh
Awarded by	Asian Power
Awarded to	114MW Feni Lanka Power Limited
Year	2021

Award	British Safety Award - 2021
Awarded by	British Safety Council
Awarded to	Lakdhanavi Bangla Power Limited
Year	2021

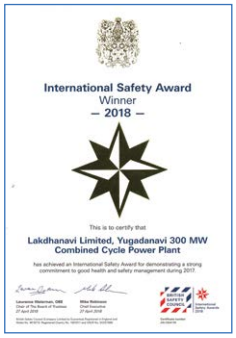
Award	British Safety Award
Awarded by	British Safety Council
Awarded to	Feni Lanka Power Limited
Year	2021

Award	Corporate Social Responsibility Initiative of the Year - Bangladesh
Awarded by	Asian Power
Awarded to	Feni Lanka Power Limited
Year	2021

Award	International Safety Award Merit
Awarded by	British Safety Council
Awarded to	Raj Lanka Power Company Limited
Year	2021

Award	Independent Power Producer of the Year – Bangladesh
Awarded by	Asian Power
Awarded to	Feni Lanka Power Project
Year	2020

Award	International Safety Award
Awarded by	British Safety Council
Awarded to	Yugadanavi 300 MW Combined Cycle Power Plant
Year	2019



Award	International Safety Award
Awarded by	British Safety Council
Awarded to	Yugadanavi 300 MW Combined Cycle Power Plant
Year	2018

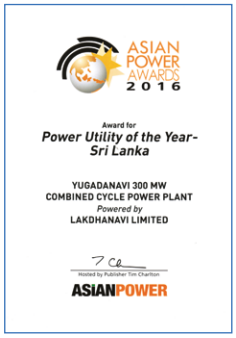
Award	Innovative Power Technology of the year – Sri Lanka
Awarded by	Asian Power
Awarded to	Yugadanavi 300MW Combined Cycle Power Plant
Year	2018

Award	Power Utility of the Year
Awarded by	Asian Power
Awarded to	Lakdhanavi Limited
Year	2018

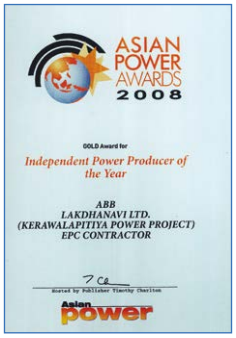
Award	Engineering Excellence Award
Awarded by	The Institution of Engineers, Sri Lanka
Awarded to	Lakdhanavi Limited
Year	2018

Award	International Safety Award
Awarded by	British Safety Council
Awarded to	Yugadanavi Power Plant
Year	2017

Award	Power Utility of the Year
Awarded by	Asian Power
Awarded to	Yugadhanavi Combined Cycle Power Plant
Year	2017



Award	Utility of the Year
Awarded by	Asian Power
Awarded to	Yugadhanavi Combined Cycle Power Plant
Year	2016



Award	Independent Power Producer of the Year
Awarded by	Asian Power
Awarded to	Kerawalapitiya Power Project
Year	2008

Award	Trade Finance Deal of the Year
Awarded by	Trade Finance
Awarded to	West Coast Power (Yugadanavi Power Plant)
Year	2007

7.17.2 Achievements on Manufacturing Power Distribution Equipment Operations

Award	Type Test Certification for Power Transformer 5 MVA, 33kV/11kV
Awarded by	Central Power Research Institute (CPRI) India
Awarded to	LTL Transformers Pvt Ltd
Year	2024

Award	Type-test certification for quality of LTLT distribution transformers
Awarded by	Central Power Research Institute (CPRI) India
Awarded to	LTL Transformers Pvt Ltd
Year	2023

Award	Merit Certificate of Sri Lanka National Quality Award (SLNQA)
Awarded by	Sri Lanka Standards Institution (SLSI)
Awarded to	LTL Transformers Pvt Ltd
Year	2022

Award	Excellence in Exports
Awarded by	Engineering Export Promotion Council of India (EEPC)
Awarded to	Asiatic Electrical & Switchgear Pvt Ltd
Year	2021

Award	The Engineering Excellence
Awarded by	The Institution of Engineers, Sri Lanka
Awarded to	LTL Transformers Pvt Ltd
Year	2018

Award	Type-test certification for quality of LTLT distribution transformers
Awarded by	KEMA High Power & High Voltage laboratories in Netherlands
Awarded to	LTL Transformers Pvt Ltd
Year	2018

Award	Excellence in Exports
Awarded by	Engineering Export Promotion Council of India (EEPC)
Awarded to	Asiatic Electrical & Switchgear Pvt Ltd
Year	2018

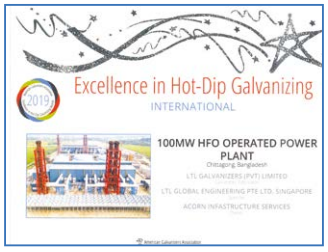
Award	Excellence in Exports
Awarded by	Engineering Export Promotion Council of India (EEPC)
Awarded to	Asiatic Electrical & Switchgear Pvt Ltd
Year	2017

Award	Type-test certification for quality of LTLT package substation
Awarded by	Electrotechnical Testing Institute, Czech Republic
Awarded to	LTL Transformers Pvt Ltd
Year	2016

Award	Silver Award for Export Performance
Awarded by	National Chamber of Exporters (NCE)
Awarded to	LTL Transformers Pvt Ltd
Year	2015

7.17.3 Achievements on Heavy Engineering Operations

Award	Certificate of Membership
Awarded by	American Galvanizers Association
Awarded to	LTL Galvanizers Pvt Ltd
Year	2024



Award	Excellence in hot dip galvanizing for its galvanizing work in a Power plant construction in Bangladesh
Awarded by	American Galvanizers Association (AGA)
Awarded to	LTL Galvanizers Pvt Ltd
Year	2019

Award	Achiever Award for Industrial Excellence. Merit Award in the National Level Manufacturing Sector – Extra large Category
Awarded by	The Ceylon national Chamber of Industries (CNCI)
Awarded to	LTL Galvanizers Pvt Ltd
Year	2019

Award	The Engineering Excellence Award - Merit Award for Manufacturing Organisation – Large Scale
Awarded by	The Institution of Engineers, Sri Lanka
Awarded to	LTL Galvanizers Pvt Ltd
Year	2018

Award	The best workplace in terms of workplace safety and health risk management
Awarded by	South Asian Partnership Summit
Awarded to	LTL Galvanizers Pvt Ltd
Year	2017

8 CORPORATE STRUCTURE

8.1 THE BOARD OF DIRECTORS OF LTLH

The Board of Directors of LTLH endeavors to provide leadership through effective formulation and execution of policies and procedures to attain the objectives of the Company. The Board assumes ultimate responsibility for corporate governance within the Company. As at the date of this Prospectus, the Board comprises of nine (9) Directors of whom two (2) are Executive Directors. The remaining seven (7) are Non-Executive Directors, four (4) of whom are Independent. Board members are established professionals in their respective fields, collectively providing the diversity and balance of skills for effective stewardship.

Table 8-1 The Board of Directors of LTLH

Name	Designation
Mr. Nalinda Sampath Illangakoon	Chairman, Non-Executive Director, Non-Independent
Mr. Mapalagama Rupage Vijithananda Ruwan Meepura	Non-Executive Director, Non-Independent
Mr. Jothipala Panangala Gamage	Non-Executive Director, Independent
Mr. Condagamage Vajira Kulathilake	Non-Executive Director, Independent
Mr. Mohamed Reyaz Mihular	Non-Executive Director, Independent
Prof. Abeyratne Dissanayake Mudiyanselage Sirimal Ashoka Abeyratne	Non-Executive Director, Independent
Mr. Upali Dayaratne Jayawardana	Non-Executive Director, Non-Independent
Mr. Mohamed Jalaldeen Mohamed Nuhuman Marikkar	Chief Executive Officer, Executive Director
Mr. Ravindra Kumar Pitigalage	Deputy Chief Executive Officer, Executive Director

Note: Mr. Utumange Gamini Sarath who is the Deputy Chief Executive Officer (Finance) of the Company has been appointed by Mr. Ravindra Kumar Pitigalage as his alternate director to act in his stead when he is unable to attend to his duties for a period of one year from the date of appointment due to Mr. Ravindra Kumar Pitigalage residing overseas.

8.2. PROFILES OF THE BOARD OF DIRECTORS

Name	Profile	Other Directorships
Mr. Nalinda Sampath Illangakoon *Chairman, Non-Executive Director* Appointed to the Board in January 2021	Mr. Illangakoon is an experienced professional with 20 years of overall experience out of which he has held senior management positions for over 15 years. Mr. Illangakoon commenced his career as a Commissioned Officer in the Sri Lanka Army from July 1992 to January 2004. He has been conferred with many awards for his contribution to the Sri Lanka military forces, which includes the Rana Wickrama Padakkama (RWP) and Rana Sura Padakkama (RSP) medals for outstanding performance in intense and dangerous engagements in battle front awarded by all three forces. He is also an FAA and CAA qualified commercial pilot. Mr. Illangakoon has subsequently held many senior management positions in both the public and private sectors of the country. He has been the Chairman of the Sugathadasa National Stadium Complex Authority from January 2020 to February 2021, Chairman/Director of the National Youth Corps from January 2013 to January 2015, Chairman of Skill Development Fund Limited from November 2014 to January 2015, First Officer of Cinnamon Air (Private) Limited from September 2013 to January 2015, Head of Transport of the Associated Newspapers of Ceylon Limited from October 2010 to September 2015, Head of Security Services of the Associated Newspapers of Ceylon Limited from March 2006 to June 2013, Head of Circulation of the Associated Newspapers of Ceylon Limited from November 2008 to October 2010, General Manager of Caravan Foods (Private) Limited, Head of Human Resource at Lanka Equities Group of Company, Operations Director at Benchmark Safety Providers (Private) Limited and Director of the Dangerous Drugs Control Board. Mr. Illangakoon is currently the Chairman of Ceylon Electricity Board as well as the Director/CEO of APEX Campus for Global Education. Mr. Illangakoon has a Master of Business Administration from the University of Wales, UK and a Diploma in Human Resource Management from the National Institute of Business Management, Sri Lanka.	• LTL Transformers (Private) Limited – Chairman • LTL Galvanizers (Private) Limited – Chairman • Sri Lanka Energies (Private) Limited – Chairman • Trincomalee Power Co. (Private) Limited – Chairman • Lanka Electricity Company (Private) Limited – Director • EZI Packaging (Private) Limited - Chairman/ Managing Director • APEX Campus for Global Education - Director/ CEO

Name	Profile	Other Directorships
Mr. Mapalagama Rupage Vijithananda Ruwan Meepura *Non-Executive Director, Non-Independent* Appointed to the Board in June 2021	Mr. Meepura, Director of the Department of Management Audit in the General Treasury, counts almost 25 years of experience in the public sector, of which 10 years of experience in serving in director boards of several State Owned Enterprises including the CEB, State Pharmaceutical Corporation, Chilaw Plantations Limited, Hector Kobbekaduwa Agrarian Research and Training Institute, Sugarcane Research Institute, and the National Youth Crops. Mr. Meepura is an alumnus of Taxila Central College, Horana, fellow member of the institute of Chartered Accountants of Sri Lanka and holds Master of Finance and Business Economics degree from the University of Adelaide, Australia, Master of Business Studies from the University of Colombo and BSc. (HRM) Special Honors degree from the University of Sri Jayewardenepura.	• LTL Transformers (Private) Limited - Director • LTL Galvanizers (Private) Limited - Director
Mr. Jothipala Panangala Gamage *Non-Executive Director, Independent* Appointed to the Board in January 2021	Mr. Gamage is a senior counsel with almost 30 years of legal practice, specializing in civil matters in District Courts, Appellate Courts and the Supreme Court. Mr. Gamage has also previously served as the Chairman of the Urban Settlement Development Authority for a term of 5 years. Mr. Gamage holds a Bachelor of Law degree from the University of Colombo and was admitted to the Bar as an Attorney-at-Law in June 1994.	• LTL Transformers (Private) Limited - Director • LTL Galvanizers (Private) Limited - Director

Name	Profile	Other Directorships
Mr. Condagamage Vajira Kulatilaka *Non-Executive Director, Independent* Appointed to the Board in March 2023	Mr. Kulatilaka counts over 40 years of experience in Banking and Finance and Capital Market operations in Sri Lanka. He has been at the helm of NDB Investment Banking Cluster since 2003 until 2020 and was instrumental in bringing the group to the leadership position. He has introduced a number of innovative financial products to the country and also, was adjudged the Best Investment Banking CEO Sri Lanka in 2014 and 2015 by Global Banking and Finance Review in recognition of his contribution to the investment banking field in Sri Lanka. Prior to joining the NDB Group, Mr. Kulatilaka has served in key strategic positions in a number of high profile organizations in Sri Lanka including the United States Agency for International Development (USAID) and Sampath Bank. He also served as the Chairman of the Colombo Stock Exchange from 2014 to 2017 and the Chairman of the South Asian Federation of Exchanges (SAFE) from 2015 to 2017. He was also a council member of the University of Moratuwa from 2015 to 2019. Mr. Kulatilaka holds a BSc. Degree in Civil Engineering with First Class Honors from the University of Moratuwa and a MSc. Degree in Industrial Engineering and Management from the Asian Institute of Technology, Thailand. Mr Kulatilaka was awarded the "AITAA Distinguished Alumni Award in 2011" in recognition of regional service to the region through outstanding professional and technical achievements by the Asian Institute of Technology Alumni Association (AITAA) in Thailand. He is also a Chartered Financial Analyst (CFA) and has been awarded Fellow Membership of the Charted Institute of Management Accountants, UK.	• Sampath Bank PLC - Director • Printcare PLC - Director • Printcare Digital Solutions (Private) Limited - Director • Hemas Hospitals (Private) Limited- Director

Name	Profile	Other Directorships
Mr. Mohamed Reyaz Mihular *Non-Executive Director, Independent* Appointed to the Board in March 2023	Mr. Mihular is the former Managing Partner of KPMG Sri Lanka & Maldives and the former Chairman of KPMG's Middle East & South Asia (MESA) Regional Cluster (October 1, 2018 to September 30, 2021). He previously served a term as the Chief Operating Officer of the MESA Regional Office and was also on KPMG's Europe Middle East & Africa (EMA) Board and on the Global Council of KPMG International. Mr. Mihular also served as a Board Member of the International Accounting Standards Committee (IASC) for a 5-year term from July 1995 to December 2000. Subsequently, he served on the IASC's Standing Interpretations Committee for a year and as a Member of the IFRS Advisory Council of the International Accounting Standards Board for a 5-year period. He also served as a member of the International Ethics Standards Board for Accountants (IESBA) for a six-year term from January 2013 – December 2018. He was the Chairman of the CIMA Sri Lanka Division during the year 2013. Mr. Mihular also acts as a Commissioner in the Colombo Port City Economic Commission. Mr. Reyaz has completed International Executive Education programmes at INSEAD, France, Harvard Business School and the London Business School, UK. Mr. Mihular is a Past President and Fellow Member of the Institute of Chartered Accountants of Sri Lanka and a Fellow Member of the Chartered Institute of Management Accountants (CIMA) – UK.	• Watawala Plantations PLC - Chairman • Bairaha Farms PLC - Chairman • Melstacorp PLC - Director • Sunshine Holdings PLC - Director • Sunshine Teas (Private) Limited- Director • DAMRO Holdings Limited - Director • Agility Innovation (Private) Limited - Director
Prof. Abeyratne Dissanayake Mudiyanselage Sirimal Ashoka Abeyratne *Non-Executive Director, Independent* Appointed to the Board in March 2023	Prof. Abeyratne is an Emeritus Professor in Economics, in the University of Colombo. Prof. Abeyratne has extensively researched on Sri Lankan economy related subjects and is a regular contributor to scholarly literature on such matters. Prof. Abeyratne has been a Visiting Fellow at Universities in Japan, Vietnam, Australia and Italy, and has served as a consultant to many international organizations, government agencies and corporate sector organizations in Sri Lanka. He is also a member of the Economic Freedom Network (EFN) Asia. He is currently the Chairman of the Stakeholder Engagement Committee of the Central Bank of Sri Lanka as well as the Institute of Policy Studies of Sri Lanka. Prof. Abeyratne obtained his PhD from the Free University of Amsterdam, MA and MPhil degrees from International Institute of Social Studies, The Hague, and Bachelor's degree from the University of Colombo.	

Name	Profile	Other Directorships
Mr. Upali Dayaratna Jayawardana *Non-Executive Director, Non-Independent* Appointed to the Board in July 2001	Mr. Jayawardana co-founded LTLH in 1980 and has played a pivotal role in the success of LTLH over the years. Mr. Jayawardana joined the Lanka Transformers Limited (now LTLH), as its Transformer Design Engineer and Company Secretary. After being appointed General Manager of LTLH in 1988, he also spearheaded LTLH's diversification into the galvanizing industry and power generation business, whilst also expanding the target markets of the Group by venturing into overseas markets. After steering the Company for 40 years to make it one of the largest in Sri Lanka, in 2020 he relinquished his responsibilities as Chief Executive Officer but continues to be an active member of the Board of Directors of the Company. Mr. Jayawardana began his career at CEB as an Electrical Engineer, and he resigned in 1988 to join LTLH. Mr. Jayawardana, one of the most respected senior engineers in Sri Lanka today, holds a Bachelor's Degree in Electrical Engineering from the University of Moratuwa. He is a Chartered Engineer and a Fellow of the Institute of Engineers Sri Lanka and Institute of Engineering and Technology (IET) UK.	• Lakdhanavi Limited – Chairman • Lanka Industrial Products Engineering (Private) Limited- Director • Feni Lanka Power Limited–Director • West Coast Power (Private) Limited - Director • Peradev Limited - Director • Teckpro Investment Limited - Director

Name	Profile	Other Directorships
Mr. Mohamed Jalaldeen Mohamed Nuhuman Marikkar *Chief Executive Officer, Executive Director* Appointed to the Board in March 2005	Mr. Marikkar joined the LTLH Group in 1997 and functioned as the Chief Operating Officer and Deputy CEO in LTLH as the understudy to Mr. Upali Jayawardana. He functioned as the project director in all thermal power projects that the Group has implemented to date. Mr. Marikkar took over the reins of LTLH as the Chief Executive Officer (CEO) in 2022. Having worked in LECO and CEB before joining LTLH, Mr. Marikkar has developed extensive experience in construction and project management in the electrical sector and has overseen the development of power plants of different technologies, high voltage transmission lines, and substations projects both at CEB and at LTLH and possesses over three decades of industry experience. Mr. Marikkar holds a Bachelor's degree in Electrical & Electronic Engineering from the University of Peradeniya, Sri Lanka, a Master's degree in Construction Project Management from the University of Moratuwa and a Post Graduate Diploma in Industrial Engineering from NIBM. He is a Chartered Engineer and a member of the Institute of Engineers Sri Lanka and Institute of Engineering and Technology (IET) UK.	• Lakdhanavi Limited - CEO/ Director • Infra & Engineering (Private) Limited - Director • Sobadhanavi Limited - Director • Asiatic Electric & Switchgear (Private) Limited - Director • Feni Lanka Power Limited - Director • Raj Lanka Power Company Limited - Director • Lakdhanavi Bangla Power Limited - Director • West Coast Power (Private) Limited- Director • Rividhanavi (Private) Limited - Director • Heladhanavi Limited - Director • Bright International Power Pte Limited - Director • Lanka Industrial Products Engineering (Private) Limited- Director

Name	Profile	Other Directorships
Mr. Ravindra Kumar Pitigalage *Deputy Chief Executive Officer, Executive Director* Appointed to the Board in March 2005	Mr. Pitigalage joined LTLH Group in 1995 and currently serves as a Director and the Deputy CEO of LTLH. At LTLH, he has closely worked with a large number of financial institutions both in and outside Sri Lanka, securing financing that augured the continuous growth of LTLH. He has been involved in structuring, negotiating and securing financing for large infrastructure projects with a total value exceeding USD 500 Mn. Some of the major financial transactions spearheaded by him are the Euro 152 Mn Export Credit Bank backed Syndication for the Yugadhanavi 300 MW Combined Cycle Power Plant where HSBC-Hong Kong acted as the arranger, USD 62 Mn financing for a 100 MW power plant in Puttalam, the leveraged management buyout valued at USD 5 Mn of the Shares held by ABB [ASEA Brown Boveri] in LTLH, USD 25 Mn World Bank assisted 10 MW Wind Power Project in Kalpitiya, USD 70 Mn financing for the two 52.2 MW HFO Fired Power Plants in Bangladesh and USD 66Mn project financing by OPEC Fund and Islamic Development Bank and IDCOL in the 115 MW Feni Lanka Power Plant in Bangladesh. Mr. Pitigalage was selected as the Chief Financial Officer (CFO) of the year by CIMA-Sri Lanka in 2008. Prior to joining the LTLH Group, Mr. Pitigalage served at ANZ Grindlays Bank-Colombo, as an Assistant Manager. Mr. Pitigalage holds a B.Sc. (Hons) degree in Electrical Engineering from the University of Moratuwa, and a Master's degree in Business Administration from the University of Sri Jayewardenepura. He is a Fellow of the Chartered Institute of Management Accountants (CIMA) UK and Fellow of CPA (Australia).	• Infra & Engineering (Private) Limited - Director • Bright International Power Pte Limited - Director • Feni Lanka Power Limited - Director • Raj Lanka Power Company Limited - Director • Lakdhanavi Bangla Power Limited - Director

Alternate Directors

Name	Profile	Other Directorships Held
Mr. U G Sarath *Deputy Chief Executive Officer (Finance), Alternate Director to Mr. Ravindra Pitigalage* Appointed to the Board in January 2024.	Mr. U G Sarath has been a Director of Lakdhanavi Limited since 1997 and has taken on an executive role as an employee of LTLH Group from 2013 onwards. Mr. Sarath with his 40 years of experience in Banking and Finance now acts as the Deputy Chief Executive Officer – Finance of LTLH. Mr. Sarath was a career banker prior to joining LTLH. He started his career at the Central Bank of Sri Lanka and thereafter moved into investment banking. He worked at several investment banking institutions in Sri Lanka where he structured large project finance transactions and capital market transactions. He served as the Director General/CEO of the Institute of Bankers of Sri Lanka (IBSL). Mr. Sarath has a B.Sc. (Business Administration) degree from the Vidyodaya Campus of University of Ceylon, Post Graduate Diploma in Economic Development and MA in Economics from the University of Colombo Master of Business Administration (MBA) from the University of Sri Jayewardenepura and Statistical Training Diploma from International Statistical Training Centre (ISEC) of Indian Statistical Institute, Kolkata, India.	• Lakdhanavi Limited - Director • Lakdhanavi Bangla Power Limited - Director • Raj Lanka Power Company Limited - Director • Feni Lanka Power Limited - Director • Infra & Engineering (Private) Limited - Director • L D Heavy Engineering (Private) Limited - Director • Sobadhanavi Limited - Director

8.3 DIRECTORS OF SUBSIDIARIES OF LTLH

Table 8-2 Directors of Subsidiaries of LTLH

Subsidiary	Director
LTL Transformers (Private) Limited	Mr. N S Ilangakoon Mr. M R V R Meepura Mr. J P Gamage Mr. D A J Nanayakkara Mr. S Annasiwatta Mr. H D Chaminda
LTL Galvanizers (Private) Limited	Mr. N S Ilangakoon Mr. M R V R Meepura Mr. J P Gamage Mr. D A J Nanayakkara Mr. S Annasiwatta Mr. H D Chaminda
Asiatic Electric & Switchgear (Private) Limited	Mr. M J M N Marikkar Mr. R Pathberiya Mr. D A J Nanayakkara Mr. H D Chaminda Mr. Vishal Sikka

Subsidiary	Director
Lanka Industrial Products Engineering (Private) Limited	Mr. U D Jayawardana Mr. M J M N Marikkar
Lakdhanavi Limited	Mr. U D Jayawardana Mr. M J M N Marikkar Mr. U G Sarath Mr. P S Rajiv Casie Chetty Mr. S Bandaranayake Mr. S P Fernando
Lakdhanavi Bangla Power Limited	Mr. U G Sarath Mr. R K Pitigalage Mr. M J M N Marikkar Mr. D A J Nanayakkara Mr. S Annasiwatta Mr. P Gamage Mr. M A Wijetunga
Raj Lanka Power Company Limited	Mr. U G Sarath Mr. M J M N Marikkar Mr. R K Pitigalage Mr. T Thimbiripola Mr. P Gamage
Feni Lanka Power Limited	Mr. U D Jayawardana Mr. M J M N Marikkar Mr. R K Pitigalage Mr. U G Sarath Mr. T Thimbiripola Mr. P Gamage Mr. N Perera
Infra & Engineering (Private) Limited	Mr. M J M N Marikkar Mr. R K Pitigalage Mr. U G Sarath Mr. D A J Nanayakkara
Heladhanavi Limited	Mr. M J M N Marikkar Mr. D A J Nanayakkara Mr. S Annasiwatta
Bright International Power Pte Limited	Mr. M J M N Marikkar Mr. R K Pitigalage Mr. B Reinier Mr. D A J Nanayakkara
L D Heavy Engineering (Private) Limited	Mr. W A K Egodawata Mr. U G Sarath Mr. D A J Nanayakkara Mr. D V T Jayath

Subsidiary	Director
Sobadhanavi Limited	Mr. M J M N Marikkar Mr. S Bandaranayake Mr. S P Fernando Mr. U G Sarath Mr. N Y Casie Chetty Mr. D A J Nanayakkara
Pawan Danavi (Private) Limited	Mr. D V T Jayath Mr. S Annasiwatta Mr. I S Somaratne Mr. M Ananthavel Mr. I G J Palitha
Nividhu (Private) Limited	Mr. S Annasiwatta Mr. M P J Pathmasiri Mr. D V T Jayath Mr. I G J Palitha
Nividhu Assupiniella (Private) Limited	Mr. D V T Jayath Mr. S Annasiwatta Mr. M Ananthavel Mr. I G J Palitha
LTL Energy (Private) Limited	Mr. H D Chaminda Mr. M Ananthavel Mr. I G J Palitha
Makarigad Hydro Power (Private) Limited	Mr. D A J. Nanayakkara Mr. S Ganegoda Mr. K C Thakur
Rividhanavi (Private) Limited	Mr. M J M N Marikkar Mr. D A J Nanayakkara Mr. K B Manjula I Perera Mr. H Akbarally Mr. O M R Duguet
Sahasdhanavi Limited	Mr. U Thilakarathne Mr. D A J Nanayakkara Mr. W A K Egodawata Mr. P S Rajiv Casie Chetty
LTL Transformers Tanzania (Private)Limited	Mr. S Annasiwatta Mr. H D Chaminda
Asiatic Solar Gunta Shahpur (Private)Limited	Mr. H D Chaminda Mr. Vishal Sikka
Asiatic Solar Jeendoli (Private)Limited	Mr. H D Chaminda Mr. Vishal Sikka

8.4 DIRECTORS' INTEREST IN SHARES

None of the Directors of LTLH holds Shares of the Company, as at the date of this Prospectus.

8.4.1 Directors' Direct Shareholding in Subsidiaries

Table 8-3 Directors' Direct Shareholding in Subsidiaries of LTLH

Name of Director	Number of Shares Held	Percentage of Shareholding (%)
Mr. Upali Dayaratne Jayawardana		
Lanka Industrial Products Engineering (Private)Limited	1	0.001%
Lakdhanavi Limited	2	0.00001%
Heladhanavi Limited	1	0.000004%
LTL Energy (Private)Limited	1	0.000001%
Nividhu(Private)Limited	1	0.000005%
Nividhu Assupiniella(Private)Limited	1	0.00001%
Pawan Danavi (Private)Limited	1	0.00001%
Raj Lanka Power Company Limited	1,000	0.001%
Lakdhanavi Bangla Power Limited	1,000	0.001%
Feni Lanka Power Limited	1,000	0.0004%
Mr. Mohamed Jalaldeen Mohamed Nuhuman Marikkar		
Lanka Industrial Products Engineering (Private)Limited	1	0.001%
Lakdhanavi Limited	1	0.00001%
Heladhanavi Limited	1	0.000004%
LTL Energy (Private)Limited	1	0.000001%
Nividhu(Private)Limited	1	0.000005%
Pawan Danavi (Private)Limited	1	0.00001%
Raj Lanka Power Company Limited	1,000	0.001%
Lakdhanavi Bangla Power Limited	1,000	0.001%
Feni Lanka Power Limited	1,000	0.0004%
Mr. Ravindra Kumar Pitigalage		
Lakdhanavi Limited	1	0.00001%
LTL Energy (Private)Limited	1	0.000001%
Nividhu(Private)Limited	1	0.000005%
Pawan Danavi (Private)Limited	1	0.00001%
Raj Lanka Power Company Limited	1,000	0.001%
Lakdhanavi Bangla Power Limited	1,000	0.001%
Feni Lanka Power Limited	1,000	0.0004%

8.5 SALE AND PURCHASE OF LTLH SHARES BY DIRECTORS

There have been no share transactions carried out by Directors of LTLH during the one-year period preceding the date of this Prospectus.

8.6 DIRECTORS' INTERESTS IN ASSETS

None of the Directors of LTLH have any interest in any assets acquired, disposed or leased by the Company during the past two years preceding the date of this Prospectus and/or in any assets proposed to be acquired, disposed or leased during the two years succeeding the IPO.

8.7 DIRECTORS' INTERESTS IN CONTRACTS

There are no contracts or arrangements in force as of the date of the submission of the Initial Listing Application (July 31, 2024) in which the Directors of LTLH are materially interested in relation to the business of the Company.

8.8 STATEMENT – BOARD OF DIRECTORS

No Director or a person nominated to become a Director of the Company has been involved in any of the following:

- A petition under any bankruptcy laws filed against such person or any partnership in which he/she was a partner or any corporation of which he was an executive officer; or
- Conviction for fraud, misappropriation or breach of trust or any other similar offence which the CSE considers a disqualification.

8.9 CORPORATE GOVERNANCE PRACTICES

The Board of Directors of LTLH believe that Corporate Governance is a pre-requisite for long-term sustainability, thus enhancing the value of the Company for stakeholders through ethical business practices and high standards of conduct. The Board has the primary responsibility for managing the affairs at LTLH in a fair and transparent manner. The Board ensures that the Corporate Governance guidelines and best practices are strictly complied with. The Board is aware of its inherent responsibility to disclose timely and accurate information regarding the financial performance and the importance of navigating the governance of the Company through its leadership.

The Board being responsible for the Company's Corporate Governance practices, oversees how the management serves and protects the long-term interests of all its stakeholders. LTLH believes that an active, well-informed and independent Board is necessary to ensure the highest standards of corporate governance. This is implemented through the careful selection and maintenance of a well-balanced and diversified Board.

In view of the best practices in Corporate Governance, the Board has delegated certain responsibilities to the following sub-committees of the Board. The Committees deal with relevant issues according to the Terms of References of each committee and make recommendations to the Board.

- Audit Committee
- Remuneration Committee
- Related Party Transactions Review Committee
- Nominations and Governance Committee

8.9.1 The Audit Committee (AC)

The Audit Committee is responsible for overseeing of the preparation, presentation and adequacy of disclosures in the financial statements of the Company in accordance with Sri Lanka Accounting Standards. It is also responsible for the financial reporting of the Company's financial performance in compliance with the Companies Act, CSE Listing Rules and the relevant accounting standards. It also ensures that potential business risks are reviewed and monitored proactively and appropriate mitigatory mechanisms are in place. The Audit Committee also ensures that a strong internal control environment and risk management procedure is maintained through an effective internal audit process administered by the Company in order to meet the requirements of the Sri Lanka Auditing Standards. The Audit Committee has oversight over the Financial Reporting, Internal Audit function, Internal Controls, Risk Management function, External Audit function, Whistle Blowing and Fraud activities and the Compliance function of LTLH. It is also responsible for making recommendations to the Board pertaining to appointment, re-appointment and removal of external auditors, approving the remuneration and terms of engagement of the external auditors, assessing the independence and performance and liaising with the external auditors.

The Company's Audit Committee comprises of three (3) Non-Executive Independent Directors. The Chairman of the Committee is a qualified senior finance professional who possesses a recognized accounting qualification and is a member of a recognized professional accounting body.

Name of Director	Designation
Mr. Mohamed Reyaz Mihular	Chairman Non-Executive Director, Independent
Prof. Abeyratne Dissanayake Mudiyanselage Sirimal Ashoka Abeyratne	Member Non-Executive Director, Independent
Mr. Jothipala Panangala Gamage	Member Non-Executive Director, Independent

8.9.2. Related Party Transactions Review Committee (RPTRC)

The Related Party Transactions Review Committee of the Company has oversight responsibility for related party transactions. Its operations comply with requirements of the CSE Listing Rules and, LKAS 24.

The Company's RPTRC comprises of two (2) Non-Executive, Non-Independent Directors and two (2) Non-Executive, Independent Directors.

Name of Director	Designation
Mr. Condagamage Vajira Kulathilake	Chairman Non-Executive Director, Independent
Mr. Upali Dayaratne Jayawardana	Member Non-Executive Director, Non-Independent
Mr. Mapalagama Rupage Vijithananda Ruwan Meepura	Member Non-Executive Director, Non-Independent
Mr. Jothipala Panangala Gamage	Member Non-Executive Director, Independent

8.9.3. Remuneration Committee (RC)

The Remuneration Committee operates within the terms of reference approved by the Board of Directors to recommend the remuneration payable to the executive directors, Chief Executive Officer and Key Management Personnel of the Company for final determination by the Board and assists the Board to ensure that the remuneration policies of the Company align with its objectives.

The Company's Remuneration Committee comprises of five (5) Non-Executive Directors, of whom three (3) are Independent Directors.

Name of Director	Designation
Prof. Abeyratne Dissanayake Mudiyanselage Sirimal Ashoka Abeyratne	Chairman Non-Executive Director, Independent
Mr. Mohamed Reyaz Mihular	Member Non-Executive Director, Independent
Mr. Condagamage Vajira Kulathilake	Member Non-Executive Director, Independent
Mr. Upali Dayaratne Jayawardana	Member Non-Executive Director, Non-Independent
Mr. Mapalagama Rupage Vijithananda Ruwan Meepura	Member Non-Executive Director, Non-Independent

The Remuneration Committee is responsible for the maintenance of the Remuneration Policy of executive directors and making recommendation to the Board with regard to the fixing of remuneration of the Key Management Personnel of the Company. It also ensures that appropriate Remuneration structures are in place and ensures that the best talent is acquired and retained.

Emoluments paid in the form of salaries, bonuses, fees and allowances to the Directors of LTLH during the FY2024 amounted to LKR 56.5 Mn.

8.9.4. Nominations and Governance Committee (NGC)

The Nominations and Governance Committee is responsible for the formulation of policies that provide the framework for the nomination, appointment, election and/or re-election of directors to the Board and the appointment of members to Board committees and evaluating the fitness and propriety of persons for appointment, election and/or re-election as directors to the Board and making recommendations to the Board in this regard.

The Nominations and Governance Committee is also responsible for the formulation of policies that sets out the framework for governance of the Company including corporate governance policies and compliance manuals and overseeing and evaluating the compliance by the Company with the governance framework.

The Company's Nominations and Governance Committee comprises of three (3) Non-Executive Directors, all of whom are Independent Directors.

Name of Director	Designation
Mr. Jothipala Panangala Gamage	Chairman Non-Executive Director, Independent
Prof. Abeyratne Dissanayake Mudiyanselage Sirimal Ashoka Abeyratne	Member Non-Executive Director, Independent
Mr. Condagamage Vajira Kulathilake	Member Non-Executive Director, Independent

LTLH is in compliance with Section 9 – "Corporate Governance" of the CSE Listing Rules.

8.10 SENIOR MANAGEMENT AND CORPORATE MANAGEMENT TEAM OF LTLH GROUP

Each company within the Group operates under the guidance and direction of a board of directors and a set of core management personnel.

However, to optimise the synergies to be gained within the Group and to ensure group-wide congruence in decision-making and strategy formulation, the strategic management function of the Group is performed by the Senior Management of LTLH (see Table 8.5). This team of highly experienced professionals brings together industry relevant capabilities and exposure, which aids LTLH and the Group in providing comprehensive, high-quality products and services to its clientele.

In addition to the Senior Management team, the Group has a Corporate Management team who are responsible for the various functions of the Group. The Corporate Management team implements the decisions taken by the Senior Management and ensures that corporate strategies are streamlined across the Group.

The Senior Management and Corporate Management Team of LTLH Group are as follows:

Table 8-4 Corporate Management and Senior Management Team of LTLH Group

Name	Experience
Corporate Management Team	
Mr. Nuhuman Marikkar *Chief Executive Officer* LTL Holdings Limited	Refer Section 8.2
Mr. Ravindra Pitigalage *Deputy Chief Executive Officer* LTL Holdings Limited	Refer Section 8.2

Name	Experience
Mr. Dammika Nanayakkara *Deputy Chief Executive Officer (Operations)* LTL Holdings Limited	Dammika joined LTLH soon after graduation from the University of Moratuwa in 1995. Prior to his current role, he has been in varying capacities in the Group, such as Design Engineer, Engineering Manager and Chief Technology Officer. During this period, he has been responsible for overall engineering and technology development of the Group and its products. This includes designing and manufacturing of transformers, designing and development of thermal power plants, wind and hydro power plants, high voltage grid substations etc. He has vast experience in design, engineering, procurement, logistics and construction (EPC) of thermal power plants, grid substations, wind, hydro and solar power plants. He was instrumental in introducing energy saving projects to industries, developing an improved and effective lightning protection system for distribution transformers as well as developing self-protected transformers. Dammika was the Chief Project Manager of the Yugadhanavi 300 MW, Combined Cycle Power Plant project at Kerawalapitiya, which was built at a cost of over USD 300M, and the Project Director for all the power plant projects of the Group in overseas with over cumulative capacity of 900MW. Design, engineering, procurement, construction of those power plant projects worth over USD 1.2 billion were completed under the direct purview of Dammika. He played a vital role in positioning LTLH as a leading power plant development company in the region. Currently, Dammika bears the overall responsibility of heading the engineering and construction of the Sobadhanavi 350MW LNG Power Plant in Kerawalapitiya. He has served as a visiting lecturer in University of Moratuwa too. With electrical engineering industry experience of three decades and overall development experience of over 1500 mega watt of power plant capacity, Dammika is one of the most experienced power plant engineering professionals in South Asia. Dammika holds a BSc.Eng (Hons) Degree in Electrical Engineering with First-Class Honours from University of Moratuwa. He has obtained a MEng degree from the same university. Dammika was the captain of the basketball team at the University of Moratuwa in 1994 and received university colours for four years. Dammika is a Chartered Electrical Engineer (CEng) as well as a Chartered Professional Engineer (CPEng) registered with the Engineering Councils of Sri Lanka, UK, and Australia. He is a Fellow of the Institution of Engineers of Sri Lanka, a Fellow of the Institution of Engineering and Technology (UK), a Senior Member of the Institute of Electrical and Electronic Engineers (USA), and a Member of the Institution of Engineers, Australia.
Mr. U. Gamini Sarath *Deputy Chief Executive Officer (Finance)* LTL Holdings Limited	Refer Section 8.2

Name	Experience
Mr. Sudath Annasiwatte *Chief Operating Officer* LTL Holdings Limited *Chief Executive Officer* LTL Galvanizers (Private) Limited	Sudath joined the Group in 1988 as the Head of the Transformer Repair Department and thereafter was promoted as the Assistant Manager of the Transformer Manufacturing Facility. He then moved to the Construction Project Management division of LTLH as a Senior Manager of Special Projects. He played a distinctive role in the construction of all the power plant projects of the Group. Sudath has been the Project Manager of a number of infrastructure projects relating to transmission lines, thermal and small hydro power plants and underground cable systems. He was the Project Coordinator of the 300 MW Combined Cycle power plant project at Kerawalapitiya during its construction in 2007-2010 period. He has involved in management of civil and erection works in thermal power plants of Yugadhanavi and Sobadhanavi and in overseas plants undertaken by LTLH group. Sudath obtained his Bachelor of Science degree from the University of Sri Jayewardenepura and National Diploma in Technology from the University of Moratuwa. He is also a member of the Institution of Engineering and Technology - UK.
Mr. H D Chaminda *Chief Technological Officer* LTL Holdings Limited *Managing Director* Asiatic Electricals & Switchgear (Private) Limited	Chaminda holds a dual role as the Chief Technology Officer of LTLH and Managing Director of Asiatic Electricals. His journey with the company began in 1999 as an Electrical Engineer, progressing through various positions, including Project Manager, Senior Project Manager, Vice President Electrical, and thereafter Chief Executive Officer of LTL Transformers. Currently, Mr. Chaminda leads LTL Holding Group's technological initiatives as the Group Head of Technology. He also serves as the Managing Director of Asiatic Electrical & Switchgear (Private) Limited, a vital subsidiary specializing in distribution switchgear manufacturing. In addition to these roles, he holds directorial positions in several other group enterprises. Chaminda's academic qualifications include a Bachelor of Science (B.Sc.) in Electrical Engineering from the University of Moratuwa. Furthering his professional education, he earned a master's degree in Strategic Marketing from Cardiff Metropolitan University, as well as a Master of Business Administration (MBA) from the University of Sri Jayewardenepura. Chaminda's professional expertise is underscored by a range of certifications, including Chartered Engineer from the Institute of Engineers Sri Lanka (MIESL), Financial Modelling and Valuation Analyst from the Corporate Finance Institute (CFI) FMVA, Certified Management Accountant (CMA) from the Institute of Certified Management Accountants Australia (CMA 44139), and Lean Six Sigma Black Belt from the International Council for Quality (ICF0910820581).

Name	Experience
Senior Management Team	
Mr. P G Pushpakumara Indrasiri *Chief Operations Officer* Sobadhanavi Limited	Indrasiri joined the LTLH Group in 2022 as the Director – Power Plant Operations and currently serves as the Chief Operations Officer of Sobadhanavi Limited. Before joining the Group, he has been a power and energy engineering professional with more than 33 years of experience at CEB managing operation and maintenance of thermal and hydro power plants and in project management. Throughout his career he has held Deputy General Manager and Power Plant Manager of Lakvijaya Coal Power Plant (900MW). He has received national and international training related to Power Plant Maintenance, Procurement, Human Resource Management, Project Management & Hydro Power Development. Indrasiri holds a BSc (Hons) Degree in Electrical & Electronic Engineering from the University of Peradeniya. Indrasiri is a Chartered Electrical Engineer (CEng) registered with the Engineering Council of Sri Lanka and a member of Institution of Engineer (MIESL), Sri Lanka.
Mr. Kithsiri Egodawatta *Chief Operations Officer* Lakdhanavi Limited	Kithsiri joined LTLH Group in 2008. During his over 15 years of experience at Lakdhanavi Limited, Kithsiri has worked as a Commissioning Engineer, Operations Engineer, Deputy Plant Manager, Plant Manager and Vice President (Power Plants) prior to his current appointment. Kithsiri graduated with a BSc Engineering (Hons) in Mechanical Engineering from the University of Peradeniya, Sri Lanka. He also holds a Post Graduate Diploma in Business Administration from the Open University, Sri Lanka. Kithsiri is a Chartered Engineer and in addition, he is a member of Institution of Engineers Sri Lanka and Engineering Council Sri Lanka. Kithsiri also a member in Engineering Council - UK and member of American Society of Mechanical Engineers (ASME).
Mr. Thamaka Thimbiripola *Country Director* Bangladesh & Singapore	Thamaka joined LTLH Group as power plant design engineer during the Yugadhanavi Power Plant Construction. He then accepted the challenge of being Business Development Manager for LTLH in Bangladesh during which period he secured the 115MW Feni Power Project for the Group and ensured its successful implementation. Currently he operates as the Country Director for Bangladesh and Singapore. Thamaka has a BEng (Hon) in Electronic and Electrical Engineering from Queen Mary University of London and is a Harvard Business School Alumni. He has successfully completed the Senior Executive Leadership Program conducted by Harvard Business School.

Name	Experience
Mr. Mahesh Thilakasiri *Senior Vice President (Power Projects)* Lakdhanavi Limited	Mahesh joined the LTLH Group as an electrical engineer in 2011. Since then for 13 years he served as an electrical engineer, a senior electrical engineer and a Project Manager of several important power plant projects executed both here in Sri Lanka as well as overseas. He served as the Project Manager for several power plant projects including the 114 MW Feni Lanka Power Plant in Bangladesh, and key positions in power plants developed in Bangladesh by LTLH group. He was Project manager for 8MW STELCO Power Plant Project in Malé, Maldives. He is currently serving as the Project Manager for the construction of the Sobadhanavi 350 MW RLNG Power Plant, the largest Combined Cycle plant in Sri Lanka. Prior to his engagement with the LTLH Group, Mahesh served as an electrical engineer (Research and Development) at Orange Electric for a duration of 6 months and also held a position as a temporary instructor at the University of Peradeniya. Mahesh holds a BSc. Eng (Hons) Degree with Second Class (Upper Division) from the University of Peradeniya. He has obtained Project Management Professional (PMP) qualification from the Project Management Institute, USA. Mahesh is a Chartered Electrical Engineering (CEng)/International Professional Engineer (IntPE) registered with Engineering Council of Sri Lanka, Engineering Council of UK and Institution of Engineers, Australia. He is a member of Institution of Engineers Sri Lanka, the Institution of Engineering and Technology UK and Institution of Engineers Australia.
Ms. Thanuja Jayawardana *Senior Vice President - Strategy & Investor Relations* LTL Holdings Limited	Thanuja joined the LTLH Group in March 2022 as Vice President Strategy & Investor Relations to oversee the raising of capital through various forms and structures and future investments of the Group. Currently she is serving as a Senior Vice President of the company. Before joining LTLH Group, she worked at NDB Investment Bank Limited. She has over 12 years of experience in Corporate Finance having been involved in numerous capital market related transactions. Thanuja is a Graduate of the University of Sri Jayewardenepura, having a BSc Finance (Special) Degree with First Class Honours. Thanuja is a CFA Charter holder and a Member of CIMA CGMA.

Name	Experience
W. Vithanawasam Chaya Thilini *Senior Vice President – Financial System & Audit Coordination* LTL Holdings Limited	Chaya joined LTLH Group in 2023 as Vice President Financial Systems and Audit Coordination and currently she is spearheading the Audit activities at LTL Holdings as Senior Vice President Financial Systems and Audit Coordination. With her 26 years of multifaceted background in finance, auditing, and management experience, she brings nuances of financial systems, audit processes, and effective management strategies tailored to varying cultural and operational contexts. Her career began at M/s Ernst & Young in 1997 and then at the Auditor General's Department. She has a decade of auditing experience with auditee institutions such as the Board of Investment, the Central Bank, the Bank of Ceylon, the Public Enterprises Reform Commission, and numerous foreign-funded projects of UNDP, ADB, and the World Bank. Chaya has worked as the Director - Finance of the Public Utilities Commission, as the Director -Finance & Administration of the Insurance Regulatory Commission, and as the Deputy Director General -Finance & Commerce at the Urban Development Authority. On top of that, she has worked as the Deputy Project Director -Finance & Administration at the 1st Asian Infrastructure Investment Bank project, alongside her commitments as the Project Accountant at the Port City Development Project. She has represented the Board of Directors at Waters Edge Limited, Urban Investment & Development Company (Private) Limited, Ocean View Development Company (Private) Limited, and Lanka Rest House (Private) Limited. As for her experience overseas, she has held positions as Finance Director at Here For Life NGO, Grants Officer-Finance at Latrobe University in Melbourne, and as a Group Accountant at Eldridge Corporation in Canberra. Academically, Chaya holds a Bachelor of Commerce special degree from the University of Colombo and a Master of Business Administration from Deakin University of Australia. Professionally, she is a fellow member of the Institute of Chartered Accountants in Sri Lanka.
Mr. Muthusamy Ananthavel *Senior Vice President- Finance & Compliance* LTL Holdings Limited	Ananthavel has more than 16 years of experience at the Group during which time he has been involved in treasury management, corporate finance, financial reporting, tax management and in arranging project financing for local and international projects of the Group and financing transactions in relation to the execution of EPC projects. Ananthavel has a Bachelor of Science (Accountancy and Financial Management) from the University of Sri Jayewardenepura. He is also an Associate Member of the Certified Practicing Accountant (CPA Australia), the Chartered Global Management Accountants (CGMA) and an Associate Member of Chartered Institute of Management Accountants (ACMA).

Name	Experience
Mr. D. V. Tharindu Jayath *Chief Operating Officer-Technical and Talent Development* LTL Holdings Limited	Jayath has over 18 years of experience in the Group and has extensive experience in the operation and maintenance of power plants and supports the Group in overall technical aspects of operations. Considering the importance of talent acquisition and development for the Group, Jayath has also been given the responsibility of overseeing the strategic planning aspects of human resources of the LTLH Group. Jayath is a holder of a BSc Hons in Mechanical Engineering and MBA in Entrepreneurship from University of Moratuwa and is also Member of Institution of Engineers Sri Lanka.
Ms. Ashani Muthumala *Manager Planning & Corporate Affairs* LTL Holdings Limited	Ashani joined LTLH Group in 2015 as a Design Engineer at LTL Transformers (Private)Limited. She has served as Design Engineer, Procurement & Commercial Engineer, Assistant Manager Procurement, Manager Procurement in LTL Transformers (Private)Limited. Currently she is working as the Manager Planning & Corporate Affairs of LTLH Group. Before joining LTLH she has worked as a visiting instructor at University of Moratuwa for 6 months. Ashani holds a BSc. Eng (Hons) Degree in Electrical Engineering from University of Moratuwa, MBA from London Metropolitan University, Post Graduate Diploma In Electrical Installations from University of Moratuwa. She is also a CIMA passed finalist. She is an Associate member of Institute of Engineers Sri Lanka.
Mr. Md. Saiful Islam *Senior Plant Manager* Feni Lanka Power Plant, Bangladesh	Saiful Islam joined Raj Lanka Power Company Limited, Natore Bangladesh in 2014 and was assigned in various key positions during his career over 10 years, Shift-In-Charge Engineer, Maintenance-In-Charge Engineer, Lead Operation Engineer and Acting Plant Manager. In September 2014 he received Best Engineer Award for outstanding performance from Raj Lanka Power Company Limited while serving as Maintenance-In-Charge Engineer. He has received training on Power Plant Operation and Maintenance for Wartsila 18V46 Engines from Heladhanavi 100 MW Diesel Power Plant, Puttalam, Sri Lanka in 2014. During 2017, he went to Wartsila Land and Sea Academy Turku, Finland for Tailored Engine W32 Operation Advanced training. In 2019, he was transferred from Natore to Feni Lanka Power Limited where he took the responsibility as Plant Manager to commence the operation of newly built 114 MW Feni Lanka HFO fired Power Plant. Saiful has a Bachelor of Science degree in Electrical and Electronic Engineering from Khulna University of Engineering & Technology (KUET). He is a member of Institute of Engineers, Bangladesh (IEB)

Name	Experience
Mr. Indika Priyantha *Vice President - Renewable Energy* Lakdhanavi Limited	Indika joined the Group as a Mechanical Engineer in 2000. Since then, for 16 years, he served the LTLH Group in various capacities such as Mechanical Engineer, Project Engineer Maintenance Manager, Plant Manager and Project Manager. During this period, he served in most of the power plant projects during construction and operation which includes both thermal and renewable plants. Indika supervises the operation and maintenance of the Bangladesh power plants as well. Indika holds a B.Sc. Eng (Hons) degree from the University of Moratuwa. He is a Chartered Mechanical Engineer (CEng) and a Member of the Institution of Engineers, Sri Lanka.
Mr. Rukshika Pathberiya *Chief Executive Officer* LTL Transformers (Private) Limited	Rukshika joined the LTLH Group as a Design Engineer at LTL Transformers in 2000 after graduating from the University of Moratuwa. During his career of over 23 years at LTLH Group, he has gained vast experience in multidisciplinary areas and has held many responsible positions such as Operation Engineer at 100MW Heladhanavi Power Plant, Maintenance Engineer of the same power plant, and Factory Manager of the transformer plant. As factory manager, he was instrumental in securing and completing most of the transformer export contracts the company undertook and then as Managing Director of Asiatic Electrical and Switchgear (Private)Limited, Chief Operations Officer at LTL Transformers prior to his current role as the Chief Executive Officer of LTL Transformers. Rukshika holds a B.Sc. Engineering degree (year 2000) and MBA in Technology Management (year 2014) from University of Moratuwa. He is a Chartered Electrical Engineer (CEng) registered with the Engineering Council of Sri Lanka, member of the Institution of Engineers Sri Lanka and the Institution of Engineering and Technology - UK and a Management Accountant of CMA Australia.
Mr. Prabath Gunasekera *Chief Operations Officer* LTL Galvanizers (Private) Limited	Prabath joined the LTLH Group as a Health and Safety Executive in 2007. During his career of 12 years with LTLH Group he has served in many different roles ranging from safety executive, Quality Assurance Executive and Quality Assurance Manager until his promotion to the post of factory manager. He has over 15 years' experience in the hot dip galvanizing process and has been instrumental in many innovations developed in-house to improve the quality and productivity of the galvanizing process, productive use of effluents, etc. Currently, he serves as the Chief Operations Officer of LTL Galvanizers (Private)Limited. Prabath holds a BSc. (Chemistry Special) Honors degree from the University of Peradeniya and he is a NACE Level 01 certified coating inspector. Currently he is reading for a Masters Degree in strategic Marketing. Prabath is a member of the American Chemical Society and Association for Materials Protection and Performance (AMPP).

Name	Experience
Mr. Harshitha Ananda *Deputy Plant Manager* Yugadhanavi Power Plant, Sri Lanka	Harshitha joined the LTLH Group in July, 2008 as an Electrical Engineer. During his career over 15 years in LTL he has served as an Electrical Engineer and then as a Senior Electrical Engineer before being promoted as the Deputy Plant Manager in 2019. Harshitha holds a B.Sc.Eng (Hons) degree in Electrical Engineering with First Class from University of Moratuwa. He also holds Master in Business Administration (MBA) from the Open University of Sri Lanka. Harshitha is a Chartered Electrical Engineer (CEng) registered with the Engineering Council of Sri Lanka and also an International Professional Engineer (Int-PE). He is a corporate member of the institution of Engineers, Sri Lanka and member of the Institution of Engineering and Technology, UK.
Mr. Salim Ashraf Mamun *Power Plant Manager* Raj Lanka Power Plant, Bangladesh	Ashraf joined Raj Lanka, Bangladesh as an Operation Engineer in 2016. During his 8 years career at LTLH he has served as an Operations Engineer and also as a Maintenance Engineer until he was promoted as the Power Plant Manager of Raj Lanka Power Plant. Ashraf holds a BSc Degree in Mechanical Engineering from Khulna University of Engineering & Technology, Bangladesh. He is a member of the Institute of Engineers Bangladesh.
Mr. Mizanur Rahman **Power Plant Manager** Lakdhanavi Bangla Power Plant, Bangladesh	Mizanur joined LTL, Bangladesh as a Project Engineer in 2011. During his 13 years' experience with LTLH Group he served as a Project Engineer, Maintenance Engineer, Maintenance Manager of Lakdhanavi Bangla and currently he functions as the Power Plant Manager of Lakdhanavi Bangla Power Limited, Bangladesh. Mizanur holds a BSc Degree in Mechanical Engineering from Dhaka University of Engineering & Technology (DUET), Gazipur & Post Graduate Diploma in Supply Chain Management (PGDSCM). He is a member of the Institution of Engineers, Bangladesh.
Mr. Kumud Herath *Senior Mechanical Engineer* Lakdhanavi Limited	Kumud joined the LTLH Group as a Mechanical Engineer in 2014 and thereafter as Senior Mechanical Engineer. Kumud has served in most of the power plant projects undertaken by the Group both here and abroad. Currently he is the Chief Engineer responsible for the thermal engineering designs, Steam Turbine Erection, commissioning, and heavy equipment transport of the Sobadhanavi Plant. Kumud holds a Bachelor of Engineering (Hons) Degree in Mechanical Engineering (Second Class Upper Division) from Aston University, Birmingham, UK and a MSc in Mechanical Engineering and Industrial Management from the University of Sheffield, UK. Kumud has obtained Project Management Professional (PMP) qualification from the Project Management Institute, USA. Kumud is a Chartered Mechanical Engineer (CEng) registered with Engineering Councils of Sri Lanka and the UK. He is a member of the Institution of Engineers, Sri Lanka and the Institution of Mechanical Engineers, UK.

Name	Experience
Mr. Dishan H. Samarasinghe *Assistant Vice President - Mechanical and Process Engineering* Lakdhanavi Limited	Dishan joined the LTLH Group as a Mechanical Engineer of the 300MW Yugadhanavi Power Plant in 2010. During his career in LTLH Group for more than 13 years, he has served as a Mechanical Engineer, Lead Operations Engineer and Lead Maintenance Engineer of the same power plant. Presently he and his team are responsible for the mechanical engineering designs of the ongoing 350MW Sobadhanavi LNG Power Plant being built at Kerawalapitiya. Dishan holds a BSc.Eng (Hons) Degree in Mechanical Engineering with Second Class (Upper Division) from University of Moratuwa and Master of Business Administration (MBA) from Cardiff Metropolitan University, UK. Dishan is a Chartered Mechanical Engineer (CEng) registered with Engineering Council of Sri Lanka and he is a Member of the Institution of Engineers, Sri Lanka.
Mr. Nipun Nanayakkara *Chief Technology Officer* LTL Transformers (Private) Limited	Nipun's journey with LTLH began in 2014 as an Electrical Engineer, progressing through various positions, including Project Manager, Manager – Testing, R&D and HSEQ, and currently he is serving as the Chief Technology Officer of LTL Transformers (Private)Limited. Nipun has a Bachelor of Science in Engineering (Honors) from the University of Peradeniya, followed by a Postgraduate Degree in Electrical Engineering from University of Moratuwa and a Master's in Strategic Marketing from Cardiff Metropolitan University, which provide a solid foundation for his professional endeavors. He is a Chartered Engineer in Sri Lanka and member of the Institution of Engineering and Technology (IET) in the UK and the Institute of Electrical and Electronics Engineers (IEEE) in the USA.
Mr. Sasanka Herath *Chief Electrical Engineer* LakdhanaviLimited	Sasanka joined the LTLH Group as an Electrical Engineer of the 300MW Yugadanavi Power Plant in 2012. Presently, he serves as the Chief Electrical Engineer of 350MW Sobadhanavi LNG power plant project responsible for the electrical engineering designs, erection and commissioning of the same project. Sasanka holds a BSc. Eng (Hons) Degree in Electrical Engineering a M.Sc. Degree in Electrical Engineering from the University of Moratuwa. He has a Master of Business Administration (MBA) as well. He is a Chartered Electrical Engineer (CEng/CPEng) and International Professional Engineer (IntPE) registered with Engineering Councils of Sri Lanka, UK and Australia. He is a Member of Institution of Engineers, Sri Lanka, the Institution of Engineering and Technology UK, and the Institution of Engineers, Australia.
Mr. Vishal Sikka *Whole Time Director* Asiatic Electrical & Switchgear (Private) Limited, India	Vishal joined Asiatic Electrical & Switchgear (Private) Limited in 1995 as Engineer Q.A. During his carrier of over 28 years in the company, Vishal has held many responsible positions such as Senior Engineer (Quality Assuarance), Manager QA, Management Representative for ISO 9001 QMS, AGM Marketing, GM Marketing, and Director Operations. He has vast experience in handling export contracts and securing local contracts and his team is responsible for sales of the company. Before joining the company, Vishal has worked as a QA Engineer for one and half years in Telemecanique & Controls India Limited. Vishal holds a Bachelor of Engineering (Electrical) degree with First Class Honours from one of the prominent engineering colleges in India, Delhi College of Engineering (year 1993).

Name	Experience
Mr. Gyanmani Rai *Vice President –R&D and Operations* Asiatic Electrical & Switchgear (Private) Limited, India	Gyanmani joined Asiatic Electrical & Switchgear (Private) Limited as a Quality & Testing Engineer in 1995. During his carreer of over 28 years in the company, Gyanmani has held many responsible positions such as Production Engineer, Design & Marketing Engineer, Head of Research and Development and Head of Operations. Before joining, the company, he has worked at Bentex Control & Switchgear (Private)Limited Delhi, India for one year. Gyanmani holds B.E. in Electrical, MBA in Operations, and Diploma in Electrical Engineering.
Mr. Karan Chand *Chief Executive Officer,* Makarigad Hydropower (Private) Limited, Nepal	Karan joined Makarigad Hydropower Company Limited as Deputy CEO in 2018 and currently serves as its CEO. Before joining Makarigad, he has worked in several organizations in different capacities as Mortgage Specialist, Wells Fargo Financial, Des Moines IA USA, (2008 -2009), Managing Director, Kanchan Urja (Private)Limited. (1MW Power Plant from 2012 to 2014) in Nepal, Managing Director, Jal Urja (Private) Limited (2MW power plant from 2014 – 2017) in Nepal. With over 13 years of experience in the renewable energy industry, he has deep understanding of the industry, and has also gained extensive knowledge in the banking sector and sustainability growth. Karan holds a Bachelor of Science Degree in Business Administration (BSBA), International Business from Drake University (Des Moines, IA, USA). He is a member of the Executive Committee, Independent Power Producers Association (Far West Region).
Mr. Jayantha Pathmasiri *Vice President-Finance* Lakdhanavi Limited	Jayantha joined the LTLH Group's finance team in 2001. He has since then served the LTLH Group in several key finance functions including financial reporting, management of audits, overseas assignments for foreign subsidiaries, export and import documentation, Group consolidation, Group Treasury and working capital management and managing the compliance with accounting standards in reporting etc. Jayantha holds a Bachelor of Science (Accountancy and Financial Management) from the University of Sri Jayewardenepura. He also holds a MBA -Finance in University of Bedfordshire-UK.

Name	Experience
Mr. Nalin Priyamal Pathirage *Vice President-Finance Operations* LTL Galvanizers (Private) Limited	Nalin joined the LTLH Group in 2011 and during his 13 years of experience, he has held several important responsibilities in the Group's various financial management functions such as overseas assignments in foreign subsidiaries, export and import documentation, Group Consolidation, Group Treasury management and managing the compliance with accounting standards in reporting. Nalin is a graduate of the University of Sri Jayewardenepura in Business Administration. He also holds a MBA -Finance from University of Bedfordshire-UK. Nalin is an Associate Member of Institute of Chartered Accountants of Sri Lanka, Member of Association of Chartered Certified Accountants (ACCA-UK) and a member of Association of Accounting Technicians of Sri Lanka.
Mr. D R Lalan Ranaweera *Manager –Administration* LTL Holdings Limited	Lalan joined the LTLH Group in 2021 as the in charge of administration, premises management and security of all installations of the LTLH Group in Sri Lanka. Before joining LTLH Group, Lalan had a distinguished career in the Sri Lanka Police Service in which he served as a Senior Deputy Inspector General of Police. He also served as Director Criminal Investigation Department during 2013 to 2015. Ranaweera is a graduate of the University of Sri Jayawardenapura, a holder of a Master's degree in Sociology from University of Kelaniya, a Higher National Diploma in Human Resource Management from NIBM, a Postgraduate Diploma in Criminology from University of Sri Jayawardenapura and a Diploma in Drug Abuse Management from University of Colombo.
Mr. Moin Uddin Ahmed *Head of Finance* Lakdhanavi Limited - Bangladesh	Moin embarked on his professional journey in April 2012, commencing his tenure with LTLH Group's Bangladesh division in December 2014 as an Executive - Accounts. Throughout his tenure, he has exhibited a comprehensive understanding of Accounts and Finance Operations, gradually ascending to his current role as the Head of Finance since January 2024. Over the course of nine years, Moin has played a pivotal role in steering the financial affairs of all three LTLH companies within Bangladesh, demonstrating his adeptness in financial management and strategic decision-making. Moin is Possessing a master's degree in business studies from the National University of Bangladesh. Moin is a finalist in the Association of Chartered Certified Accountants (ACCA). Additionally, he is a Tax Practitioner (ITP) and membership of the Dhaka Taxes Bar Association.

8.11 CHIEF EXECUTIVE OFFICER

The Chief Executive Officer of LTLH has not been involved in any of the following:

- A petition under any bankruptcy laws filed against such person or any partnership in which he was a partner or any corporation of which he was an executive officer; or
- A conviction for fraud, misappropriation or breach of trust or any other similar offence which the CSE considers a disqualification.

9 STATUTORY DECLARATIONS

9.1 DECLARATION BY THE DIRECTORS

We, the undersigned, being Directors of LTL Holdings Limited, a company incorporated in the Democratic Socialist Republic of Sri Lanka bearing Company Registration No. PB 00274329, having its registered office at No 77, Level 1, Park Street, Colombo 02, hereby declare and confirm that we have read the provisions of the Companies Act No.7 of 2007 relating to the issue of the Prospectus and provisions listed therein have been complied with.

This Prospectus has been seen and approved by us and we individually and collectively accept responsibility for the accuracy of the information given and confirm that the provisions of the Listing Rules of the Colombo Stock Exchange and the Companies Act No. 7 of 2007 and any subsequent amendments made have been complied with and 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 reasonable at the present point in time and according to our best judgments.

We further declare that the profit forecasts have been included in this Prospectus after due and careful enquiry of the information available to the Company and assumptions that are considered to be reasonable at the present point in time and according to our best judgments.

Name of Director	Designation	Signature
Mr. Nalinda Sampath Illangakoon	Chairman, Non-Executive Director, Non-Independent	Sgd.
Mr. Mapalagama Rupage Vijithananda Ruwan Meepura	Non-Executive Director, Non-Independent	Sgd.
Mr. Jothipala Panangala Gamage	Non-Executive Director, Independent	Sgd.
Mr. Condagamage Vajira Kulathilake	Non-Executive Director, Independent	Sgd.
Mr. Mohamed Reyaz Mihular	Non-Executive Director, Independent	Sgd.
Prof. Abeyratne Dissanayake Mudiyanselage Sirimal Ashoka Abeyratne	Non-Executive Director, Independent	Sgd.
Mr. Upali Dayaratne Jayawardana	Non-Executive Director, Non-Independent	Sgd.
Mr. Jalaldeen Mohamed Nuhuman Marikkar	Chief Executive Officer, Executive Director	Sgd.
Mr. Ravindra Kumar Pitigalage	Deputy Chief Executive Officer, Executive Director	Sgd.
Mr. Utumange Gamini Sarath	Deputy Chief Executive Officer (Finance), Alternate Director to Mr. Ravindra Kumar Pitigalage	Sgd.

9.2 DECLARATION BY THE COMPANY

We, LTL Holdings Limited, having our Registered Office at No 77, Level 1, Park Street, Colombo 02, hereby declare that to the best of our knowledge and belief this Prospectus constitutes full and fair disclosure of all material facts about the Issue and the Company.

An Application has been made to the Colombo Stock Exchange for permission to deal in and for a listing for all the Ordinary Voting Shares issued by the Company and those Ordinary Voting Shares, which are the subject of this Issue. Such permission will be granted when the Ordinary Voting Shares are listed on the Colombo Stock Exchange. The Colombo Stock Exchange assumes no responsibility for the correctness of any of the statements made (including with regard to any relevant information that may have been omitted) or opinions expressed or reports included in this Prospectus. Listing on the Colombo Stock Exchange is not to be taken as an indication of the merits of the Company or of the Shares issued.

The Seal of LTL Holdings Limited affixed at Colombo on August 29, 2024 in the presence of two Directors.

Sgd.	Sgd.
Director	Director

9.3 DECLARATION BY THE JOINT FINANCIAL ADVISORS AND MANAGERS TO THE ISSUE

9.3.1 NDB Investment Bank Limited

We, NDB Investment Bank Limited of Level 1, NDB Capital Building, 135, Bauddhaloka Mawatha, Colombo 04 hereby declare and confirm to the best of our knowledge and belief this Prospectus constitutes full and fair disclosure of all material facts about the Issue and the Company and we have satisfied ourselves that the profit forecasts had been stated by the Directors of LTL Holdings Limited after due and careful inquiry.

The Common Seal of NDB Investment Bank Limited affixed at Colombo on August 29, 2024 in the presence of two directors.

Sgd.	Sgd.
Director	Director

9.3.2 CT CLSA Capital (Private) Limited

We, CT CLSA Capital (Private) Limited of No 4-15, Majestic City, 10 Station Road, Colombo 04 hereby declare and confirm to the best of our knowledge and belief this Prospectus constitutes full and fair disclosure of all material facts about the Issue and the Company and we have satisfied ourselves that the profit forecasts had been stated by the Directors of LTL Holdings Limited after due and careful inquiry.

The Seal of CT CLSA Capital (Private) Limited affixed at Colombo on August 29, 2024 in the presence of two Directors.

Sgd.	Sgd.
Director	Director