02nd September 2026

Ms. Nilupa Perera
Chief Regulatory Officer
Colombo Stock Exchange
World Trade Center
Echelon Square
Colombo 01
Dear Madam,

PMF FINANCE PLC- CORPORATE DISCLOSURE- IMPACT REPORT

In terms of Rule 7.5(d)(ii)(A)(15) of the Listing Rules ("Rules") of the Colombo Stock Exchange ("CSE"), PMF Finance PLC wishes to inform that the Company received a qualified audit opinion in the Independent Auditor's Report for the financial year ended 31 March 2026. The basis for the qualified opinion expressed by the Independent Auditors is set out below:

During our audit, we identified an unreconciled difference of LKR 51.4 Mn as at 31 March 2026 between the margin trading portfolio balance and the corresponding general ledger balance of margin trading disclosed in Note 19.1 to the financial statements. Thereafter, Management having performed a partial reconciliation had recorded certain expenses and adjustments that reduced the profit for the year and liabilities as at the reporting date. However, we were unable to obtain sufficient appropriate audit evidence regarding the completeness and accuracy of the partial reconciliation.

In addition, we were also unable to obtain sufficient appropriate audit evidence to verify the existence, accuracy and recoverability of an amount of LKR 12.7 Mn initially recognized within other assets, against which Management subsequently recorded a provision as at 31 March 2026,

The completeness and accuracy of an amount of LKR 10.4 Mn recognized within other liabilities.

In addition, we were unable to complete the audit procedures considered necessary in respect of manual journal entries recorded by Management. Consequently, we were unable to determine whether any adjustments were necessary in respect of the manual journal entries and balances in the financial statements.

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Impact Report

Based on the qualified audit opinion contained in the Independent Auditor's Report included in the Audited Financial Statements of the Company, the quantified impact of the qualification is set out below. The cumulative impact on profit before tax is 5.39%, on net assets is 1.02%, on total assets is 0.15%, on total income is 0.68%, and on earnings per share is 3.19%.

The above percentages have been calculated by comparing the reported balances in financial statements. The Board of Directors and Management are of the view that the impact of the qualifications are not material in relation to the size and overall financial position of the Company.

Resolution of the matter

The Company has made appropriate provisions for the balances referred to in the audit qualification, as these balances relate to prior years. The resulting impact has been recognized in the Statement of Profit or Loss for the financial year 2025/2026. Furthermore, the Company intends to resolve this matter through an independent audit and expects the process to be completed within the next six months.

Further the Company wishes to state that the company will proceed with the resolution process in accordance with the listing rules.

Thank you.

Yours faithfully,
For and on behalf of
PMF Finance PLC

Sinnathamby Kavitha
Company Secretary