

# **POLICY ON RELATIONS WITH SHAREHOLDERS AND INVESTORS**



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## **1. THE POLICY**

LB Finance PLC ('the Company' or 'LBF') which is a public, listed entity in the Colombo Stock Exchange ('CSE') is required to make disclosures in the form of financial information, Governance information, Risk information, and any other relevant information that are relevant to shareholders, existing and potential investors (hereinafter referred to as 'investors'), and other stakeholders (including the public) in a timely manner and in an accurate, fair, complete and efficient way in compliance with relevant regulatory requirements/directions.

The Policy strives to ensure that all shareholders of the Company have ready and timely access to all publicly available information of LBF. The Company promotes effective communications with shareholders so as to enable them to engage actively with the Company and exercise their rights in an informed manner.

## **2. OBJECTIVE**

The objective of this policy is set out with the objective of enhancing the LBF's long term shareholder value through regular communication with its shareholders, both individual and institutional ('shareholder').

## **3. COMMUNICATION PRINCIPLES**

The Company believes in open communication with shareholders and investors and providing them access to information to make informed assessments of its performance and future prospects. As far as it is practical, LBF uses clear and concise language in communicating with shareholders and the main medium of communication is English. However, in order to fully and accurately communicate company information it may use industry/financial terminologies and where considered relevant may issue translated versions of such communications.

#### **4. COMMUNICATION CHANNELS**

The Company will use different channels of communication to ensure that shareholders and all interested parties have equal access to corporate information in the public domain. Corporate communications which contain regulatory disclosures and notices of the Company, including but not limited to financial reports, results announcements, corporate announcements and circulars will be distributed in accordance with the legal and regulatory requirements applicable to the Company.

The Company supports the use of electronic and other means of dissemination of information and communication with shareholders including through its own corporate website, email, telephone, one to one discussions, meetings (physical, virtual or hybrid), letters and facsimile and webcasts/webinars.

Corporate communications and other general information concerning the Company and its businesses such as press releases, presentation materials and operating performance data will be posted on the corporate website ([www.lbfinance.com](http://www.lbfinance.com)) and/or distributed to the media as soon as practicable. The Company uses social media platforms such as “Facebook”, “YouTube”, “LinkedIn” and “Instagram” to disseminate business information to the public at large.

##### **4.1. Shareholder Meetings**

The general meetings of LBF, namely, the Annual General Meetings (AGM) and Extraordinary General Meetings (EGM) are the primary forums for communication with shareholders and for shareholder participation. The Company encourages shareholders to participate in general meetings in person or by representative proxies, if the shareholders are unable to attend.

Notices of general meetings, proxy forms and accompanying circulars and reports are provided within the prescribed time period prior to general meetings. These documents along with the Company’s Annual Report are provided in soft copy form on the CSE website,

[www.cse.lk](http://www.cse.lk) and also in the Company's corporate website, [www.lbfinance.com](http://www.lbfinance.com). A hard copy of the Annual Report is issued if any shareholder makes a request. Notice of meeting is drafted clearly to communicate the date, time and venue (in the event of a physical meeting) or the mode of conducting the meeting along with the resolutions set out explaining the nature of business to be transacted at the meeting.

Shareholders are able to submit notice of issues to be taken up at the general meetings provided they are submitted to the Company Secretary or to the Chairman of the Company prior to the time period stipulated for such notices under the Companies Act No.7 of 2007. The Chairman of general meetings will allow reasonable time for shareholders to raise questions and comments.

A general meeting of the company may determine its own procedure to the extent that it is not governed by the Articles of Association of the Company. Shareholders' meetings are held as physical meetings at a convenient location, or as fully virtual/on-line meetings, or as hybrid meetings (virtual and physical) to the extent they are not contravening any statutory or regulatory provision in force for the time being. The company issues specific instructions to shareholders as regards the steps to be followed to connect to respective meetings of shareholders in the event virtual or hybrid meetings are scheduled.

The Directors and relevant key officials who are necessary for the conduct of the meeting will be present physically or via the on-line platform. Directors and applicable management members will respond to the queries from shareholders at these meetings.

The Independent External Auditor of the Company is invited to the general meetings and is available to answer questions on the conduct of the audit and preparation of the content of the Auditors' Report.

The Company Secretary announces specific approvals and special resolutions passed at the general meetings to the CSE immediately or within a reasonable time period in terms of the Listing Rules of the CSE.

## **4.2. Corporate and Financial Disclosures**

Upon being approved by the Board, the Company Secretary or the Chairman of the Board communicates information pertaining to the Company, such as change of Directors/Secretary/CEO and other material disclosures such as, but not limited to, recommendations of dividends, rights issue proposals, Debenture Issues etc. as required under the Rules of the CSE which are published/updated by the CSE on its' website.

The Company publishes its interim financial results on a quarterly basis, and its financial year-end audited accounts and annual report in accordance with the Continuing Listing Requirements of the CSE and other applicable regulations and standards. The Company ensures timely publication of financial results aiming to provide a fair, balanced and understandable disclosure of information to allow shareholders assess the Company's financial position.

Upon the disclosures pertaining to change of directorate and their profiles and financial reports being posted on the CSE's website, the Company Secretary coordinates the posting of such information in LBF's corporate website, [www.lbfinance.com](http://www.lbfinance.com). Relevant press releases are also made by the Company in accordance with the Company's Communication Policy.

## **4.3. Corporate Website**

The Company believes that communicating with shareholders by electronic/digital means, particularly through its website is an efficient way of communicating and updating the shareholders in a timely and convenient manner. The company's website, [www.lbfinance.com](http://www.lbfinance.com), has a dedicated 'Investors' section which carries latest corporate announcements and press releases made to the market and media; annual reports together with financial statements and notices of general meetings, interim (quarterly) financial

statements.

Shareholders are encouraged to access and read corporate communications and reports posted on the Company's website to help reduce the number of printed copies in support of cost containment and sustainability initiatives of the company.

#### **4.4. Unpublished Price Sensitive Information (information which are not 'generally available')**

Directors, management and employees of the Company and all other connected parties are expected to be aware of the disclosure obligations and requirements under the Company's Share trading policy on Insider Dealing in handling confidential information which are not 'generally available' however, if becoming available to a reasonable person he/she would expect it to have a material effect on the price or value of the securities (commonly referred to as 'unpublished price sensitive information').

The Company shall not make available any unpublished price sensitive information (including but not limited to announcements regarding appointments to the Board, capital issues, financials, sales and profit forecasts and aspects which could compromise the Company's competitive position in the market), on an individual or selective basis to analysts, shareholders or other persons unless such information has previously been disclosed and disseminated to the market.

The Company does not endorse any analyst report, nor make any attempt to influence the recommendations or conclusions of individual analysts. In general, the Company refrains from commenting on market rumors or speculative inquiries, unless they contain factual errors or information which could affect the Company's share price and trading activity.

## **5. SHAREHOLDERS' COMMUNICATION WITH LB FINANCE PLC**

Shareholders may at any time direct their inquiries relating to their shareholding or any published/publicly available information relating to the company and may also provide comments and suggestions to the Directors of the Company through the Company Secretary of the at the following address:

**Contact Number:** 940 112 000 000 (Ext. 2043) / 0776532196

**Email Address:** Tharangadh@lbfinance.lk

**Mailing address:** LB Finance PLC, 275/75, Prof. Stanley Wijesundera Mawatha, Colombo 7.

If shareholders have any concerns they may address them to the Chairman or the Managing Director of the Company. In the event their concerns have not been adequately addressed by such channels or if they feel that such channels of communication are inappropriate to resolve such concerns, they may inform same to the Senior Director of the Company, c/o the Company Secretary at the aforementioned address.

Shareholders are requested to update their correspondence address with the Company Secretariat in the event the shares are held in the scrip form. If the shares are held in accounts maintained with the Central Depository Systems (Pvt) Ltd [CDS], such shareholders are informed to update their correspondence address with the CDS through their respective stockbrokers.

## **6. REVIEW OF THE POLICY**

This policy shall be reviewed on annual basis or any change in regulatory requirements whichever occurs first.

## **7. PUBLICATION OF THIS POLICY**

This Policy is made available in Company's corporate website for the perusal of its shareholders and other interested stakeholders.