



IPO Bulletin | Janashakthi Limited

07th Apr 2026



IPO Snapshot

Company	Janashakthi Limited
Number of Shares to be Issued	500,000,000 Ordinary Voting Shares
Stake Offered	21.74%
Share Issue Price	LKR 10.00 per Ordinary Voting Share
Expected IPO Proceeds	LKR 5,000,000,000
Objective	<ul style="list-style-type: none"> • Expansion across insurance, micro-finance, and non-bank financial services – LKR 3,500,000,000 • Overseas Expansion – LKR 500,000,000 • Retirement of Debt – LKR 1,000,000,000
Minimum Subscription Per Application	1,000 shares (LKR 10,000/-) Applications exceeding the minimum subscription should be in multiples of 100 shares
Issue Opening Date	09 th April 2026
Board to be Listed	Main Board

Objectives of the IPO



Expansion Across Insurance, Microfinance, and Non-Bank Financial Service – LKR 3.5bn

Overseas Expansion – LKR 0.5bn

The Company’s regional expansion strategy will be directed towards selected frontier and emerging markets, especially within East and Southern Africa

Retirement of Debt – LKR 1.0Bbn

The debt to be retired includes commercial papers of the Company with an outstanding balance of LKR 4.2Bn (capital of LKR 4.1Bn and accrued interest of LKR 179.1Mn) as of 31 December 2025.

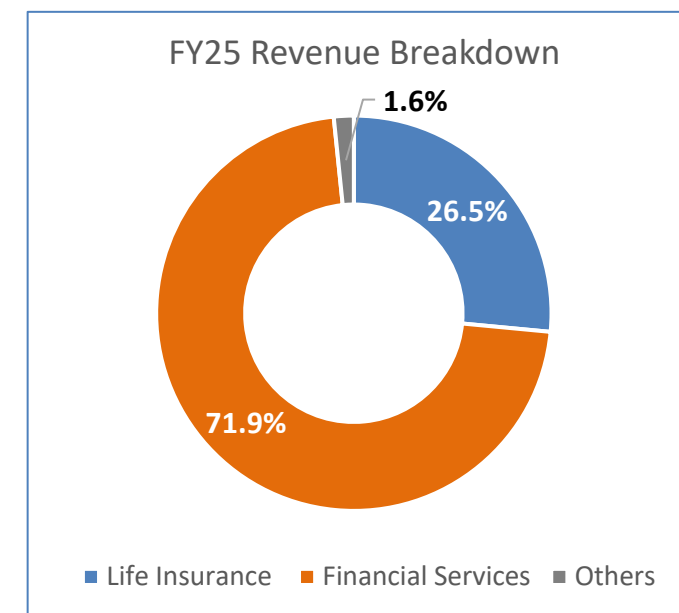
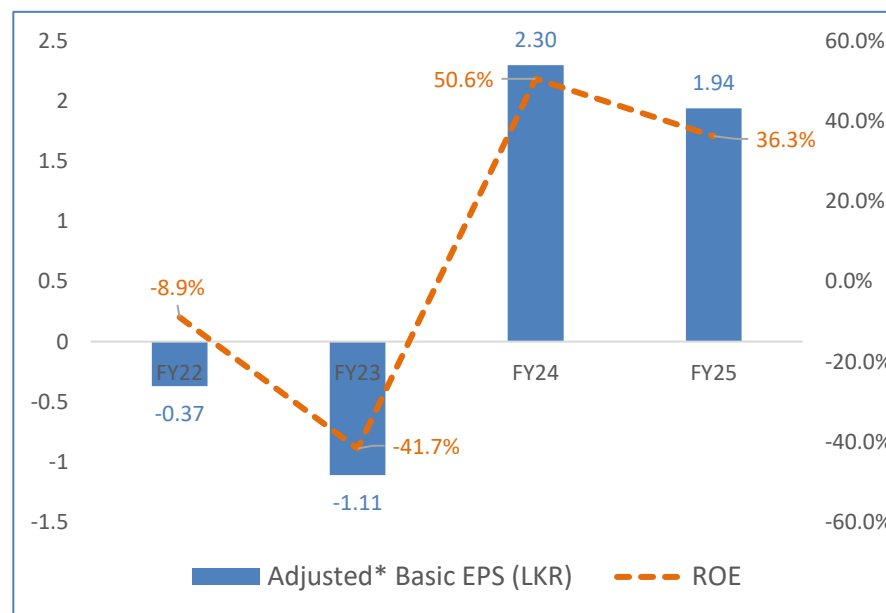
Valuation Summary

Based on the primary valuation methodology (SOTPs), the Issue Price is at a 37.18% discount to the mid-point of the independent valuation range of Rs. 14.82 – Rs. 17.03.

Methodology	Value per share (LKR)	Issue Price (LKR)	Issue Price Discount to Valuation
Sum of the Parts (SOTP)	15.92	10.00	37.18%

Listed Entities	Market Capitalization
Janashakthi Finance PLC	8.9bn
First Capital Holdings PLC	21.0bn
Janashakthi Insurance PLC	28.9bn

	Adjusted* NAVPS (LKR)	P/E Ratio	P/BV Ratio
31 March 2022	4.14	N/A	2.41
31 March 2023	2.67	N/A	3.75
31 March 2024	4.55	4.34	2.20
31 March 2025	5.35	5.15	1.87
6M26	6.63	N/A	1.51



*Adjusted to reflect the 1-for-2.84 share subdivision completed on 31 December 2025

Peer Comparison

	Ticker	Price*	P/E	P/B	TTM EPS	NAVPS
Primary Dealers						
Capital Alliance PLC	CALT.N	52.50	6.01	1.52	8.74	34.53
Capital Alliance Holdings Ltd	CALH.N	15.20	12.56	1.58	1.21	9.62
Wealthtrust Securities Limited	WLTH.N	13.00	20.63	2.51	0.63	5.18
Leasing and Financial Services						
Associated Motor Finance Company PLC	AMF.N	50.00	5.24	1.21	9.54	41.40
Asia Asset Finance PLC	AAF.N	52.00	10.40	1.46	5.00	35.62
Sarvodaya Development Finance PLC	SDF.N	34.10	7.41	1.18	4.60	28.81
Merchant Bank of Sri Lanka & Finance PLC	MBSL.N	11.00	35.48	1.32	0.31	8.34
Insurance						
HNB Assurance PLC	HASU.N	120.50	7.58	1.28	15.90	94.22
Softlogic Life Insurance PLC	AAIC.N	83.30	5.63	1.93	14.79	43.20
Union Assurance PLC	UAL.N	71.40	12.48	1.80	5.72	39.66
Ceylinco Holding PLC	CINS.N	3,296.50	8.31	0.82	396.90	4,028.00
Ceylinco Holding PLC	CINS.X	1,653.75	4.17	0.41	396.90	4,028.00
Average			7.98**	1.42		
Janashakthi Limited		10.00	4.95	1.57	2.02	6.36

* Price updated as of 2nd April 2026

** Excluded MBSL.N and WLTH.N due to being outliers

Valuation Assumptions

Janashakthi Insurance PLC

- The valuation assumes a sustained 24% CAGR in **Gross Written Premiums (GWP)** based on historical performance, with incremental value primarily driven by projected growth in new business volumes, which underpin the calculation of Value of New Business (VoNB).

	2024	2025	2026	2027	2028	2029
GWP	6,575	8,135	10,222	12,448	15,583	19,167
YoY increase		24%	26%	22%	25%	23%
Average Increase						24%

- The projected **New Business GWP** has been calculated using the annual projected GWP for each year. These projections incorporate the expected contribution from existing business, ensuring consistency with the overall growth assumptions outlined in the strategic plan.

	2027	2028	2029	2030
Annual increase in New Business GWP	35%	39%	28%	27%

	Assumptions
Risk Discount Rate	15%
Investment Income	Participating fund : 11.5% p.a. Non-Participating fund: 13% p.a. Universal Life Fund: 13% p.a.
Expense	Expense inflation has been assumed at 5.4% per annum. This reflects an upward revision from the prior assumption of 5%, following the IMF's updated outlook for Sri Lanka in 2026, which accounts for the increased economic risk arising from the recovery process after Cyclone Ditwah.
Actuarial assumptions on mortality, morbidity, lapse, and surrender rates	Based on the Company's experience studies

Valuation Assumptions

Janashakthi Finance PLC

	Key Assumptions
Asset Base	The company is expected to achieve aggressive balance sheet growth, expanding its asset base from approximately LKR 25–30Bn to LKR 50–100Bn and positioning itself among the top 10 NBFIs by 2035.
Loan Book	Loan book growth is projected to be highly accelerated, increasing from LKR 22Bn to LKR 64Bn within five years, implying a growth trajectory significantly above historical industry trends.
Portfolio Mix	The portfolio mix is expected to converge towards an 80:20 split between leasing and gold loans.
Customer Deposits	Customer deposits is expected to remain the primary funding source, contributing approximately 63% of total funding, with the balance funded through bank borrowings.
Deposit Retention Rate	Deposit retention rates are to remain strong (above 80%), ensuring stability and continuity in the funding base
Net Interest Income	A strong growth in Net Interest Income (NII) is assumed, with an average annual increase of approximately 25% over the forecast period.
Net Interest Margin	NIM is expected to rise from a historical average of 9.58% to approximately 12.54%.
Operating Efficiency	The cost-to-income ratio is expected to decline from around 77% to approximately 42%, despite continued business expansion.
Operating Expenses	Projections incorporate moderate growth in operating expenses, with marketing expenses expected to increase at an average rate of 17% annually to support business expansion.

Valuation Assumptions

First Capital Holdings PLC

	Key Assumptions
First Capital Treasuries PLC	<ul style="list-style-type: none"> Net trading income is projected to increase from LKR 3,126.4 Mn in FY26 to LKR 4,743.1 Mn in FY30, supported by balance sheet expansion. Management has applied a 1.5% interest spread to estimate Net Income. PAT is forecasted to gradually increase from LKR 1,397.5 Mn in FY26 to LKR 2,054.2 Mn in FY30, below historical PAT levels as management anticipates a less volatile interest rate environment.
First Capital Asset Management	<ul style="list-style-type: none"> Total AUM is forecasted to grow from LKR 116 Mn FY26 to LKR 375 Bn in FY30, representing a CAGR of over 20%. The management fee on unit trust AUM has been projected at 0.5% while 0.25% for portfolio management NP Margin to improve from 17% in FY26 to 46% in FY30.
First Capital Equities	<ul style="list-style-type: none"> Aims to increase the market share from 5% to 8% by the end of the forecast period. Net Profit Margins are projected to increase from 21% in FY26 to 32% in FY30 driven by increased trading activity in equity market and gradual expansion of market share.
First Capital Advisory Services	<ul style="list-style-type: none"> Debt structuring fees will remain the primary contributor to total income. Approximately 70% of the total projected fee income during the forecast period is from debenture placements. The total revenue is expected to increase from LKR 125 Mn in FY26 to LKR 250 Mn in FY30. Profits are projected to grow at a cumulative annual growth rate of 35.4% until FY30.

Company Overview

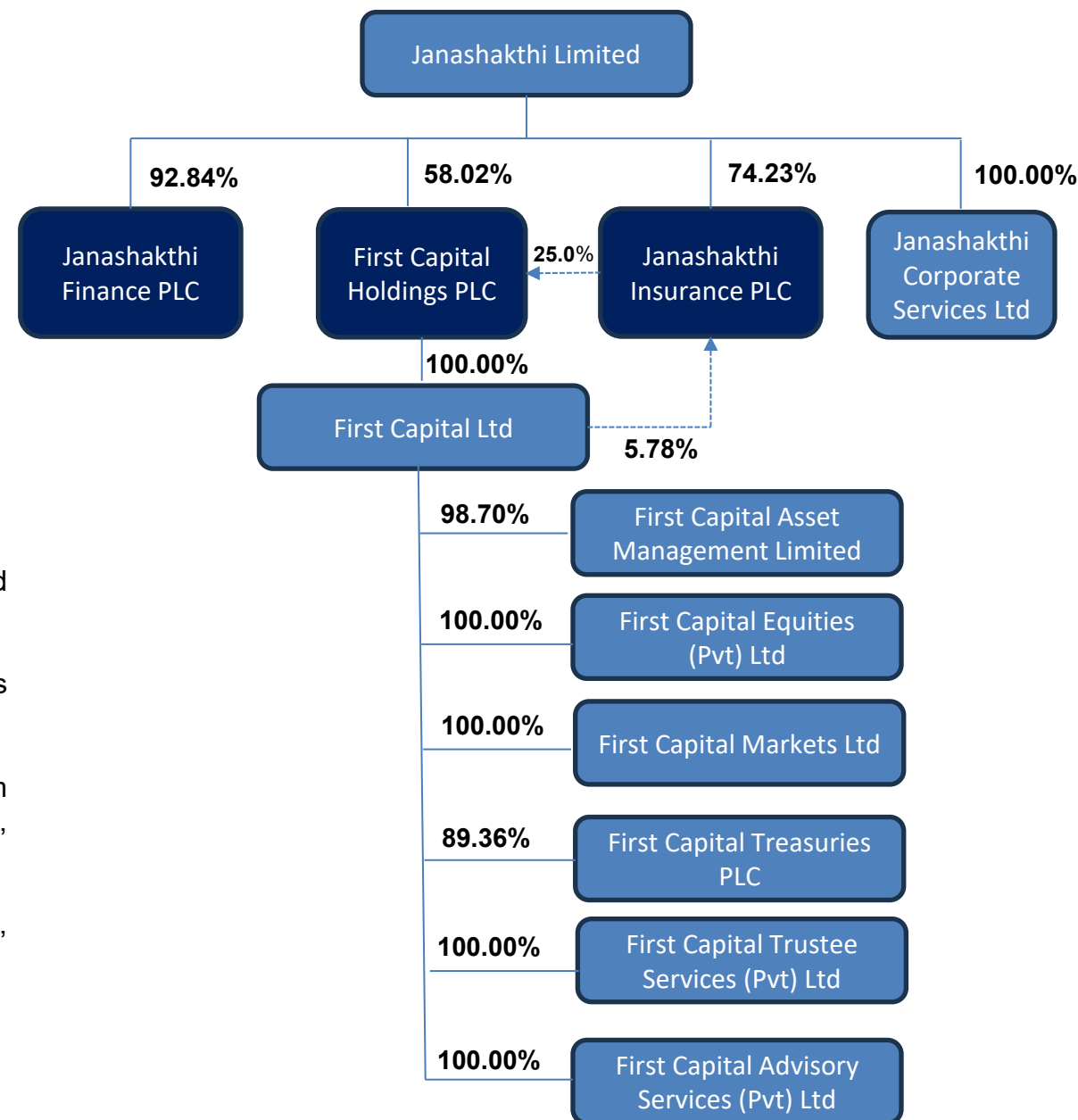
Janashakthi Limited (JXG) is a diversified financial services conglomerate in Sri Lanka, with strategic interests across insurance, investment banking and non-bank financial services.

Operating as the parent company, JXG provides strategic direction, capital allocation, governance oversight, and shared services to its subsidiaries, while focusing on long-term value creation and sustainable growth.

Business Segments & Subsidiaries

JXG operates through a portfolio of listed and unlisted subsidiaries, anchored by three flagship listed entities:

- **Janashakthi Insurance PLC** – Provide insurance solutions for individuals and corporates.
- **First Capital Holdings PLC** – Full-service investment banking platform encompassing primary dealer operations, asset management, stock broking, corporate finance, and advisory services.
- **Janashakthi Finance PLC** – Non-bank financial services including leasing, hire purchase, gold loans, deposit mobilization, and SME lending.



Key Financial Highlights as at 31 Mar 2025

	Janashakthi Group	JXG (Company)
Profit After Tax (LKR Mn)	5,244	3,499
Total Assets (LKR Mn)	167,522	28,665
Total Equity (LKR Mn)	17,286	9,626
Debt/Equity Ratio (x)	1.94	1.74
Interest Coverage Ratio (x)	4.86	2.61
Current Ratio (x)	2.18	0.52
Goodwill (LKR Mn)	4,256	N/A
Working Capital (LKR Mn)	25,794	(5,386)
Short - Term Interest-bearing Borrowings (LKR Mn)	21,802	11,195
Long - Term Interest-bearing Borrowings (LKR Mn)	11,692	5,591

- Revenue declined in FY2025 by 46% c.f. FY2024, due to the reduction in revenue from the financial services segment of First Capital Holdings PLC.

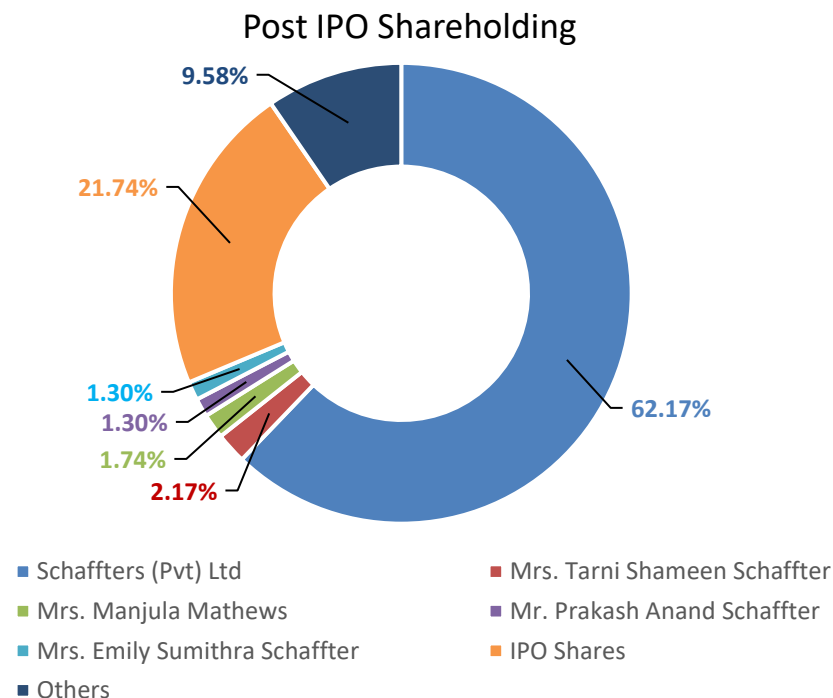
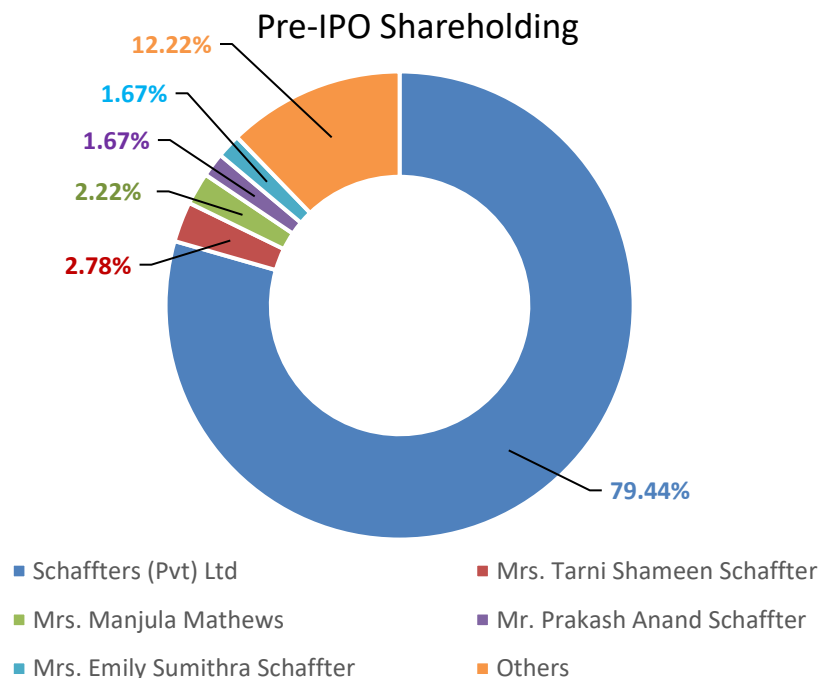
- Finance Income and finance cost decreased by 14% and 37%, respectively, in FY2025 c.f. FY2024 due to the decline in overall market interest rates during the period.

- The Company settled borrowings using dividends received from subsidiaries, resulting in an average decline of 22% in Loans and Borrowings from FY2023 to FY2025.

- The Company took steps to strengthen its liquidity profile by refinancing a portion of its short-term obligations. Specifically, part of the commercial paper borrowings was converted into five-year bank facilities, reclassifying these amounts from current to non-current liabilities and thereby alleviating near-term working capital pressures.

- Janashakthi Finance PLC obtained net term loans from banks amounting to LKR 3.7Bn, while First Capital Holdings PLC raised net corporate debt/short-term securities totalling LKR 1.8Bn during the period. As a result, Interest-Bearing Loans and Borrowings increased by 26% in FY2025 c.f. FY2024.

Pre and Post IPO Shareholding Structure



Category of Shareholders	Locked-in Shares	Locked-in Period	No. of Shares	% of Total
Non-Public Shareholders	Locked-in	6 months from the date of listing	1,430,000,000	62.17%
Non-Public Shareholders (<i>Shares acquired by way of a transfer during the period of 12 months prior to the date of the Initial Listing Application</i>)	Locked-in	12 months from the date of transfer or 06 months from date of listing, whichever is longer	370,000,000	16.09%
IPO Shares	Not Locked-in	N/A	500,000,000	21.74%
Total			2,300,000,000	100.00%

Basis of Allotment

Investor Category	Percentage of Issue Allocated
Non-Retail Investors	65.00%
Retail Individual Investors	15.00%
Unit Trust Investors	10.00%
Janashakthi Group Employees	10.00%
Total	100.00%

- As the value of the IPO is LKR 3.0Bn or more, **Retail Individual Investor** shall mean an individual investor who subscribes for a maximum of 20,000 shares or a value of not more than LKR 200,000.
- **Unit Trust Investor** includes growth or balanced Unit Trusts operated by Managing Companies licensed by the SEC to operate such Unit Trusts and which comprise of not less than 500 unit-holders resident in Sri Lanka who together hold at least 50% of that fund.
- **Janashakthi Group Employees** include the staff of JXG and its subsidiaries.

Key Investment Highlights



Diversified Financial Services provider

JXG operates a well-integrated financial services model spanning **insurance, investment banking, and non-bank finance**, providing multiple income streams and reducing reliance on a single segment.



Attractive IPO Valuation

The IPO is priced at a **~37% discount to the intrinsic value**, offering potential upside and a margin of safety for investors.



Clear Growth Strategy

IPO proceeds are primarily allocated toward **expanding insurance, investment banking, and NBF operations**, along with **regional expansion into markets**, supporting long-term growth



Balance Sheet Optimization

A portion of proceeds will be used to **reduce debt and strengthen the capital structure**, improving financial flexibility, lowering finance costs, and enhancing return ratios.

Board and Senior Management

Name and Designation	Business Experience
<p>Mr. Chandana Lal De Silva</p> <p><i>Chairman Independent Non –Executive</i></p>	<p>Mr. Chandana de Silva is a Fellow Chartered Accountant (UK & Sri Lanka) with over 40 years of experience, including 23 years in the UK as CFO of a Nasdaq-listed company. He has since held senior leadership and board roles in Sri Lanka, specialising in strategic planning, governance, and advisory for family-owned businesses.</p>
<p>Mr. Prakash Schaffter</p> <p><i>Deputy Chairman Non - Independent Executive Director</i></p>	<p>Mr. Prakash Schaffter is the Executive Deputy Chairman of Janashakthi Insurance and Deputy Chairman of the Group, with a strong track record in leadership, including spearheading the AIA non-life acquisition. A Cambridge and SOAS alumnus and Fellow of the Chartered Insurance Institute, he has held key roles across industry bodies and boards.</p>
<p>Mr. Ramesh Schaffter</p> <p><i>Non-Independent Executive Director, Managing Director/ Group CEO</i></p>	<p>Mr. Ramesh Schaffter has over 30 years of experience in finance and marketing, with strong involvement in social impact initiatives. A CIMA Fellow and CIM Associate, he has held leadership roles in major NGOs and actively supports education and youth empowerment through board and community work.</p>
<p>Ms. Manjula Mathews</p> <p><i>Non-Independent Non-Executive Director</i></p>	<p>Ms. Manjula Mathews has over 30 years of experience across finance, marketing, and management, and currently serves in leadership roles at First Capital. A Cambridge MBA and CIMA Fellow, she has held senior positions within the Janashakthi Group and is actively involved in international and local non-profit and academic initiatives.</p>
<p>Mr. Piranavan Sivagananathan</p> <p><i>Independent Non-Executive Director</i></p>	<p>Mr. Piranavan Sivagananathan is a Singapore-based entrepreneur and investor leading a multi-family office with investments across Asia and the Middle East. A former MAS Holdings executive and co-founder of Hatch, he has built ventures in renewable energy, seafood exports, and global hospitality, and is a recognised young business leader and global fellow.</p>
<p>Mr. Rohan Saliya Abeysinghe Weera Wickramasuriya</p> <p><i>Independent Non-Executive Director</i></p>	<p>Mr. Saliya Wickramasuriya is an engineering professional with 20 years of global experience at Schlumberger, followed by key leadership roles in Sri Lanka, including Chairman of the BOI, Ports Authority, and Petroleum Corporation, contributing significantly to national economic and regulatory development.</p>
<p>Ms. Minette Delicia Anne Perera</p> <p><i>Independent Non-Executive Director</i></p>	<p>Ms. Minette Perera is a seasoned finance professional with over 40 years of experience, including her tenure as Group Finance Director at MJF Group. A Fellow of CA Sri Lanka, CIMA, and ACCA, she has held senior CFO and board roles across leading companies and continues to serve on multiple listed and group boards.</p>
<p>Mr. Vishnuvarthna Vijayathithan Balachandran</p> <p><i>Independent Non-Executive Director</i></p>	<p>Mr. Vishnu Balachandran is an investment professional with 15 years of experience in capital markets and transaction advisory, including leading investment banking at CAL. A CFA Charterholder with a BBA from the University of Colombo, he has advised on major equity, debt, and M&A transactions.</p>

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